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

March 2019

NOTE: This document focuses on the negative impacts of ending Temporary Protected Status (TPS) in terms of repercussions of undermining U.S. foreign policy interests and investments in Central America. This is not to overlook the profound human, economic, and social costs to the United States of ending TPS for people who have deep roots in this country. These costs have been thoroughly documented, in studies by Immigrant Legal Resource Center (ILRC) and American Immigration Council (AIC), and by researchers at the Center for Migratory Research at the University of Kansas, with the support of migrant organizations.¹

The United States has allocated over $2.6 billion USD to the U.S. Strategy for Engagement in Central America since fiscal year 2016.² The strategy describes three lines of work—security, prosperity, and governance—aimed at moving toward “sustained, broad-based economic growth, better government performance, and improved security conditions” and “advance[ing] economic and social inclusion and safeguard[ing] citizen safety and security.” At both the second Conference on Prosperity and Security in Central America in Washington in October 2018³ and the first in Miami in June 2017, Vice President Pence affirmed the U.S. government’s commitment to a “stronger, safer, and more prosperous Central America.”

During the first half of 2018, the Trump Administration terminated Temporary Protected Status (TPS) for El Salvador and Honduras, derailing the lives and livelihoods of 195,000 Salvadorans and 57,000 Hondurans. Many of these individuals have resided in the United States since their countries first received designation in 2001 for Salvadorans and 1999 for Hondurans. Although a series of court cases are currently challenging and delaying these terminations, the outcome of the litigation remains uncertain and does not guarantee permanent protection. Failure to pass a permanent solution through legislation would put Salvadoran and Honduran TPS beneficiaries at risk of return to their home countries as well as have profound negative impacts and undermine the stated U.S. government’s goals of improving security, prosperity, and governance in the region.

Section 1: Undermining public safety and security

Deported TPS beneficiaries would return to an extremely unstable security situation in both El Salvador and Honduras. 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. This would also imply a limited network to provide them with protection in precarious situations, forcing them to go underground into hiding, to enter the informal economy, or to flee the country again.

El Salvador and Honduras remain in grim competition as some of the world’s most dangerous countries in terms of murder per capita in recent years. Though official statistics of homicides at a national level
for both El Salvador and Honduras decreased in 2018, homicides remain extremely high, particularly in a number of cities. Some other crimes are on the rise. According to the United Nations Economic Commission for Latin America, countries of the Northern Triangle of Central America are the most dangerous in the world for women. The security situation for the average citizen remains precarious, especially in the urban areas where TPS recipients are likely to go. Returned migrants would also be at high risk for extortion and being targeted for gang recruitment, thus potentially strengthening organized criminal networks in the region. Levels of internal displacement are high in both countries, and internal displacement is often a precursor to migration.

1.1 Security challenges in Honduras

Honduras’ homicide rate in 2018 remains high at 40 homicides per 100,000 inhabitants. Rates are slightly greater in the two principal cities to which many TPS recipients would likely return to if deported: Tegucigalpa (41.25 homicides per 100,000 inhabitants) and San Pedro Sula (45.51 homicides per 100,000 inhabitants). Although overall homicides have decreased in the past two years, San Pedro Sula, to which the United States flies deported Hondurans, was ranked the fourth most dangerous city in the world in 2016 and the most dangerous from 2011 to 2014. Finally, multiple homicides or massacres, the killing of three people or more in the same location and context, including of minors and children, remains an issue. In the first two weeks of 2019, 23 people were killed in six massacres, representing a 100 percent increase when compared to January of the previous year. From January 2016 to December 2018, 186 massacres were registered, totaling 669 killed.

Moreover, the levels of gender-based violence and femicide (gender-motivated killings of women) continue to be alarming. In 2018, 380 women were murdered. Similarly in 2017, 388 women were murdered at a rate of 8.6 per 100,000. Tegucigalpa and San Pedro Sula, the two principal cities to which many TPS recipients would likely return to, are among the cities with the highest femicide rates in Honduras. Of the estimated 6,200 femicides between 2002 and January 2019, 90 percent of cases remain in impunity for lack of investigation. In addition, 25 LBTG individuals were murdered in 2018, contributing to the 303 who have been murdered since 2009. Over 95 percent of the cases since 2009 remain in total impunity. High levels of other crimes, including domestic abuse, sexual violence, kidnapping, and extortion persist and generate internal displacement.

Internal displacement is substantial and ongoing. According to the Honduran National Human Rights Commission, there was a 22 percent increase in the registered cases of forced internal displacement or risk of the same from January to May 2017 compared with the same time period in 2016. As of the last day of 2017, 190,000 people have been internally displaced across Honduras, according to the Internal Displacement Monitoring Centre. While the Honduran government recognizes the existence of internal displacement, the legislature has failed to pass a draft law that has been in discussion for several years on it. Incipient efforts by the United Nations High Commissioner for Refugees (UNHCR) and nongovernmental organizations (NGOs) to relocate internally displaced persons at grave risk only cover small numbers of those in need.

Honduras’ human rights protection systems remain extremely weak. The human rights ministry was only just reestablished in January 2018 after being dismantled under President Juan Orlando.
Hernández’ first term. A mechanism to protect human rights defenders and journalists covers only a few hundred people with minimal protection measures. Child protection services and programs to address domestic violence are inadequate and fail to protect women and children from domestic and other forms of sexual and gender-based violence and to provide critically needed services. And, perhaps most concerning is the low rate of effective investigation and prosecution of serious crimes. According to the United Nations High Commissioner for Human Rights office in Honduras, “impunity in Honduras is at a historical high and is a key factor contributing to violence and insecurity.”

While a police reform effort has resulted in a substantial purging of the police force, few of the police removed have been investigated and prosecuted. Honduras also continues to rely on Military Police, military soldiers with minimal police training who conduct sweeps and patrolling of neighborhoods but lack the training to conduct investigations that are key to sustainably reducing crimes. These forces have committed a number of human rights violations, with the most serious incidents being the killing of protestors after contested presidential elections at the end of 2017.

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A public opinion survey of Hondurans demonstrates unfavorable views of institutions, with 58 percent of respondents distrusting both the National Police and municipal authorities and 56 percent having no trust in the Public Ministry nor the Supreme Court of Justice.

1.2 Security challenges in El Salvador

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. The crimes of extortion, kidnapping, and rape continue unabated. Over one third of women experienced some form of sexual and gender-based violence in the last year. Less than one tenth of cases of violence against women end in a conviction, pointing to widespread impunity. Femicides continue unabated with 365 women murdered in 2018 and, in 2017, the femicide rate was the highest in the region according to the United Nations. In addition, 19 transgender individuals were murdered in 2018. Not a single case of the 600 transgender women murdered from 1993 to January 2019 has been solved.

The Salvadoran government has had on paper, a balanced security strategy in Plan Salvador Seguro. However, what is most evident is a “mano dura” state security strategy focused on cracking down on gangs that is accompanied by serious human rights abuses. According to the State Department’s Country Report on Human Rights Practices for 2016, “As of October the attorney general was investigating 53 possible cases of extrajudicial killings. One took place in 2013, none in 2014, 11 in 2015, and 41 in 2016.”

Cases of excessive use of force, disappearances, and extrajudicial executions by the police continue to be recorded by the government’s Ombudsman Office on Human Rights (Procuraduría de Derechos Humanos, PDDH), NGOs, and the media. Public opinion polls of Salvadorans demonstrate distrust in institutions. According to one study, 51 percent of respondents considered the police to be corrupt in some way. According to another, 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 they authorities did nothing about it.\textsuperscript{35}

As in Honduras, NGOs that work with targeted communities say that police and military operations to rid communities of gang members can lead to reprisals against community members and increased recruitment when the security forces withdraw, and can push gang members to new areas where they had not been previously—contributing to levels of internal displacement.

**Internal displacement in El Salvador is widespread though insufficiently documented.** As the 2017 State Department Report on Human Rights Practices summed up, “A December 2016 IUDOP poll reported that 5 percent of citizens had changed their place of residence due to crime, with 66 percent changing their place of residence once, 31 percent from two to four times, and 3.2 percent five or more times. According to the poll, 40.3 percent stated they might migrate to another country in the following year. The percentage of persons expressing a desire to migrate abroad was the highest in 10 years.”\textsuperscript{36}

The Internal Displacement Monitoring Centre (IDMC) estimates a 296,000 new internally displaced persons in 2017,\textsuperscript{37} equating to 5.1 percent of homes in El Salvador with at least one displaced person.\textsuperscript{38} NGO Cristosal’s Monitoring Unit on internal displacement documented as examples 638 cases of forced displacement in 2017, a 53 percent increase from 2016. **The most common reasons behind the displacement were threats, homicide, and extortion.**\textsuperscript{39} As in Honduras, the Salvadoran child protection system is rife with weaknesses and protections for women and children survivors of domestic and other forms of sexual and gender-based violence are practically non-existent. For crimes of this nature that are reported, there is a 95 percent impunity rate.\textsuperscript{40}

**The Salvadoran government does not recognize internal displacement** and, as a result, there are no government services specifically for internally displaced persons. This is despite overwhelming public support for recognition—92 percent of Salvadorans in a survey agreed that the State should create a law to protect victims of displacement.\textsuperscript{41} In addition, the Constitutional Chamber of the Supreme Court asked the State to create legislation and, as of the beginning of 2019, a draft law has been awaiting discussion since August 2018. **El Salvador’s small and dense population and the national reach of the gangs make it difficult to internally relocate persons at risk safely.**

1.3 **Returned migrants vulnerable to extortion, fuel organized crime and gangs**

**Extortion is a major problem** in El Salvador and Honduras: 92 percent of Salvadoran\textsuperscript{42} and 80 percent of Honduran small businesses have reported extortion.\textsuperscript{43} Salvadorans and Hondurans pay an estimated $390 million and $200 million, respectively, in annual extortion fees to organized crime groups.\textsuperscript{44} Extortion is the “economic engine behind gangs and represents the largest share of gang income.”\textsuperscript{45} The amount of extortion money collected in Honduras is higher than the federal budget dedicated to security and to health.\textsuperscript{46} According to the Honduran Chamber of Commerce, 72,000 jobs have been lost due to the collection of “war tax” or extortion, and at least 18,000 businesses have been closed.\textsuperscript{47}
Primary targets for extortion include taxi drivers, public transportation operators, small businesses, merchants, residents of poor neighborhoods, and individuals with family members in the United States. Deportation of TPS holders who have lived in the United States for longer than a decade would prove a boon to the extortion industry. This population is viewed as having resources—Community and gang members have observed family members of TPS holders in El Salvador and Honduras receiving remittances to support education, housing, and other costs. These very same family members in El Salvador and Honduras have sometimes been targets of extortion themselves—based on the very fact of having a family member who lives in the United States. Some cases in the former Central American Minor in-country refugee processing program (CAM) have involved Salvadoran youth threatened with harm, death, rape, or kidnapping unless their parent in the United States provided money to a gang.

In addition to creating new extortion opportunities, deported TPS holders also provide a new source of potential recruits for gangs, given their vulnerability and lack of support networks in Honduras and El Salvador. Addressing extortion and gangs are two U.S. priorities in the region, yet deporting Honduran and Salvadoran TPS holders works directly against these priorities.

Section 2: Threatening prosperity in El Salvador and Honduras

Few would argue with Vice President Pence’s call at the June 2017 Conference on Prosperity and Security in Central America, for “work[ing] together... to provide more people with a path out of poverty—to give the citizens of Central America a better path and a brighter future.” Now and for the foreseeable future, remittances will be both a de facto social safety net in the region and a significant source of income for the national treasuries of both Honduras and El Salvador.

2.1. Remittances as social safety net

Remittances totaled 22 percent of El Salvador’s GDP, amounting to $5.501 billion USD in 2018. Salvadoran TPS holders sent an estimated 20 percent of those remittances. Remittances totaled 20 percent of Honduras’ total GDP in 2018, amounting to $4.751 billion USD. Honduran TPS holders sent an estimated 12 to 15 percent of those remittances. Already from January 1 to March 7, 2019, Hondurans around the world, the majority of which live in the United States, have sent $886.8 million USD in family remittances, representing a 12 percent increase compared to the same period in 2018.

To put these large sums into perspective, in 2016, El Salvador received $4.58 billion USD in remittances, a startling figure when compared to a generously calculated total of $2.6 billion USD for all U.S. formal economic activity, including foreign direct investment. Remittances, contributed by the estimated 2 million Salvadorans living in the United States, provided almost twice as much as total U.S. public and private sector investments combined in 2016.

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. Of those, about 70 percent are women in...
both countries. In El Salvador, 79 percent are low-income or poor households; that number rises to 83 percent in Honduras. About 90 percent in both countries reported using remittances to cover basic expenses on a monthly basis. If TPS ends, the negative consequences will be swift and severe for the economies of these countries and their families who depend on remittances.

2.2 Ending TPS would remove an important source of contributions to the tax base of El Salvador and Honduras.

The U.S. strategy for improving prosperity in Central America, as articulated in the State Department materials and reiterated by Vice President Pence at both conferences on prosperity and security in Central America, emphasizes the importance of tax collection as an engine for sustaining long-term improvements in security and governance. There is ample evidence that TPS holders are a significant source of Value Added Tax (VAT) revenues.

A 2008 study conducted by the Fundación Nacional para el Desarrollo (FUNDE) in El Salvador, the National Alliance of Latin American and Caribbean Communities (renamed Alianza Americas), and the Centro Regional de Investigaciones Multidisciplinarias at the National Autonomous University of Mexico (UNAM) showed that remittances accounted for nearly 13 percent of total VAT collection in El Salvador. 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 percent.\(^59\)

Removing this important source of tax revenue could be extremely destabilizing to countries that are already struggling to produce enough tax revenues to cover security, governance and anti-poverty programs.

Section 3: Undermining governance and security objectives due to lack of capacity for return/reintegration

The U.S. State Department governance goals include improved systems for return/reintegration of deported migrants, judicial reform, transparency, and protection of human rights. All of these goals would be undermined by ending TPS as their deportation would overload already fragile and inadequate systems for return and reintegration.

3.1 Overload systems for return/reintegration.

In addition to the inadequate conditions for safe return described in Section 1, return and reintegration services for migrants reflect the overall weakness of Salvadoran and Honduran governments to provide basic services to their citizens. In Honduras, the percentage of the federal budget allocated for education and health has been decreasing while that for security and defense has been increasing from 2010 to 2019.\(^60\) Both El Salvador and Honduras have only incipient, small programs to receive deported migrants, often with extremely limited funding. These programs are unable to support even the current flow of individuals and are often limited to reception services near airports to receive deportees from the United States and to centers along borders to receive deportees from Mexico.
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 that may lead to increased internal displacement or remigration. A larger group of deported migrants, such as TPS beneficiaries, would overwhelm the already overburdened systems.

Neither country provides services that successfully facilitate access to education, employment, or healthcare for the majority of deported migrants. These services often need to be administered carefully so as not to place returned migrants at an even greater risk for extortion or threats. Case management models that follow up with deported migrants to ensure that they do not fall into precarious situations are run by a limited number of churches and NGOs and are already overburdened. Lack of services, support, and follow-up for deported migrants leaves the most vulnerable with no choice but to flee again.

3.2 Return and reintegration challenges in Honduras

Deported Hondurans go through official repatriation at Centers for the Care of the Returned Migrant (CAMR, acronym in Spanish), currently located at three different points in the country. All three centers are joint efforts by the Honduran government, International Organization for Migration, and civil society organizations. All three centers were formed between 2015 and 2016. Children and families deported by land go through the repatriation process at the El Belen repatriation center in San Pedro Sula while single adults go through the process in Omoa. Deportations by plane (presumably all deportees coming from the United States) would be processed at the La Lima airport center.61

Government staff and the organizations that ensure that Honduran citizens are repatriated safely into the country are already at full capacity. An increase in deportations of Honduran citizens created by a loss of TPS would be unmanageable. The government has neither the physical capacity nor trained staff to accommodate the basic repatriation process that all migrants must go through upon return.

Beyond the approximately hour-long repatriation process when migrants land in Honduras, the capacity of the government to provide reintegration services becomes even scarcer.

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 country. Currently, nonprofits can support a small number of returned young people in San Pedro Sula, Tegucigalpa, and Olancho. These nonprofits provide important psychosocial support, a key piece of successful reintegration, and vocational training for young people to have economic opportunities in their country. The majority of reintegration programs are run by civil society organizations, and not by the government.

However, those programs only have the capacity to serve a small number of the currently returned migrants, lack vital psychosocial and individual accompaniment, and are not easily accessible to migrants. The local nonprofits building repatriation and reintegration models that can, alongside policy
changes, make a lasting impact in the lives of young people who migrated would be unable to provide services and operate successfully if TPS holders were deported.

3.3 Return and reintegration challenges in El Salvador

Similar to Honduras, the Salvadoran government and nonprofits offer programs to deported Salvadorans that are limited in capacity and scope. The Salvadoran government has the Consejo Nacional para la Protección y Desarrollo de la Persona Migrante y su Familia (CONMIGRANTES) through its foreign ministry. This initiative intends to provide access to reintegration services for returned Salvadoran migrants through the Departmental Committees for Human Mobility, created in 2015. In addition, El Salvador has a General Directorate of Migration and Immigration that coordinates the reception of deportees in two locations. One location is the International Airport of El Salvador “Oscar Arnulfo Romero y Galdámez, which receives those coming on federal flights from the United States as well as commercial flights from around the world. The second location is in the Quiñonez neighborhood of San Salvador, which receives deportees in buses from Mexico.

Information about their outcomes and scale is not easily available. Government reports suggest that the current programs may reach only a tiny fraction of returned migrants. The Salvadoran government reports having provided training in construction work to 29 returned migrants through a pilot program in 2017. The government launched the second stage of the program in 2018 with the goal of training 500 returned migrants. While these efforts to provide opportunities to migrants could serve as models, these government programs serve a very small percentage of the returned population and lack vital psychosocial support.

Any increase in deportations though the loss of TPS would immediately overburden these fledgling governmental programs to serve migrants. In addition, a few nonprofits and churches also have programs to assist returned adult migrants, but their capacity is also very limited. An increase in deportations would make it impossible for governments and nonprofits to provide basic services.

3.4 Pressure on other fragile governance systems including anti-violence and human rights protections

As mentioned throughout Section 1 of this document, both El Salvador and Honduras suffer from weak institutions and rule of law that are unable to protect citizens and punish perpetrators. In addition, institutions that could help investigate and prosecute human rights violations or protect victims are often severely underfunded or lack the political will to respond effectively.

As public opinion polls demonstrated, residents of both countries expressed distrust in the policing and justice systems and hesitation to report crimes as a result of these perceptions. Returned migrants also share these negative sentiments. Cristosal, a human rights organization in El Salvador, has documented, many migrants that were deported back to El Salvador said that they “did not report their fear and victimization to local authorities before they left, for fear that corrupt officials would inform gang members or because they left quickly in fear of violence or death from the gangs. Even individuals who were in victim/witness protection were at risk due to the failures of those programs.”
In addition, interviewees reported to Cristosal that “reintegration in countries of origin were often unsuccessful because of the persistence of threats and persecution upon return and the inability of NTCA [Northern Triangle of Central America] governments to guarantee access to justice and the full exercise of rights.” This indicates a crisis of governance and rule of law in El Salvador, and this crisis would be significantly undermined by an influx of returned TPS holders that would overwhelm already collapsing state protection and reintegration capacity.65

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7 InSight Crime, “InSight Crime's 2018 Homicide Round-Up.”


16 Honduras vive un estado crítico en derechos humanos: Mesa de Derechos Humanos.


