

# IMMIGRATION IN MEXICO: MORE OPENNESS, LESS BARRIERS

3<sup>RD</sup> REPORT



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The series of reports #MásAperturaMenosBarreras (More Openness, Less Barriers) has highlighted in previous editions the economic, social, and cultural relevance of the reception of migrants to an economy. Migrants contribute to the diversity of thought, foster innovation, enrich culture, and drive economic growth.

One year after the launch of the first report #MásAperturaMenosBarreras and two years after the pandemic's start, Mexico has become even more relevant for humanitarian and economic migrants. Our projections, and those of many experts, indicate that migratory flows throughout the territory will increase imminently. After reviewing literature presented in previous reports and comparing it to international best practices, we believe Mexico is in a privileged position to act proactively and decisively to reform its institutions, activate the private sector, and raise awareness in society concerning the integration of immigrant communities in Mexico.

The COVID-19 pandemic accentuated and modified many of the trends in migration flows in Mexico. The intensified economic and security crisis in some Central and South American countries in 2021 caused Mexico to register historical figures in the number of asylum applications and the issuance of permanent resident cards. The sanitary measures, the economic situation, and the shifts in digital labor dynamics, mainly in the U.S., generated a slight rebound in the entry of tourists into Mexico. There was also a substantial increase in their average spending, a possible indicator of increased entry of short-term "economic migrants."

Regarding public policy in Mexico and the United States, the immigration containment measures implemented in recent years have been based on a national security approach. On the Mexican side, visas were imposed on Ecuador, Venezuela and Brazil. In addition, the sending of National Guard troops to the southern border continued. In addition, the persecution

carried out by immigration authorities of those who had entered the country was revealed to the public. On the US side, the Migrant Protection Protocols (MPP) program was reinstated, and informally called "Stay in Mexico."<sup>1</sup> Within the framework of the health crisis, Title 42 of the United States Code was implemented, a public health and welfare statute, which determines whether a disease communicable in a foreign country poses a serious danger of spread in the United States, whether by persons or property entering the country.<sup>2</sup>

In this third report we present an x-ray on immigration to Mexico during 2021, we highlight the challenges and opportunities of the Mexican immigration system, and we end with a series of public policy recommendations and pertinent actions to make the immigration phenomenon an opportunity for success for the country.

To facilitate analysis and recommendations, this text segments migrants in Mexico into three categories: 1) Refugee applicants and refugees; 2) Entrepreneurs, business leaders and people with investment potential; and 3) Digital nomads and remote workers.

## 1. Refugee applicants

### 1.a. Context and history

Throughout its history, Mexico has received various waves of migrants seeking refuge. Data is extremely scarce, but it is estimated that the first group of refugees in Mexico were the Kikapú Indians from the United States at the beginning of the 19th century who found refuge in Coahuila<sup>3</sup>, a similar case to the thriving Chinese community of La Laguna. Decades later, in the late 1920s, communities from the newly created USSR settled. In the 1930s, Spaniards arrived after fleeing from the Civil War; and the sixties and seventies were marked by the arrival of Brazilians, Chileans, and Argentineans, among other

1 The program provides that people seeking asylum may be returned to Mexico and wait outside the US for the duration of the immigration proceedings. Mexico will provide them with all appropriate humanitarian protections for the duration of their stay. Department of Homeland Security (2019) Migrant Protection Protocols <https://bit.ly/3sqn0eN>

2 Castillo, A., & García, K. (October 25, 2021). Title 42 explained: The obscure public health policy at the center of a U.S. border fight. Los Angeles Times. [lat.ms/44nl2wT](https://www.latimes.com/44nl2wT)

3 UNHCR. "Mexico and its history with refugees" (in Spanish) <https://bit.ly/3KX1ohU>

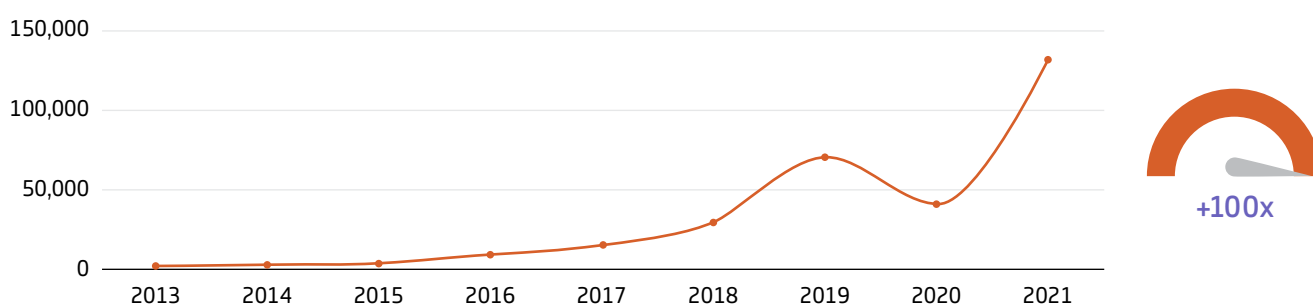
South American nationalities.<sup>4</sup> However, it was not until the 1980s that, with Guatemalan immigration, the Mexican Commission of Aid to Refugees (COMAR) started registration and tightened control of people seeking refuge in Mexico.

The trend of applicants for refugee status recognition in Mexico has grown exponentially and steadily in recent years. This phenomenon has brought a saturation in the institutions responsible for dealing with cases (COMAR and the National Insti-

tute of Migration – INM). It has revealed a diversity of deficiencies in the mechanisms for receiving said migrants in Mexico.

In 2013, Mexico received close to 1,300 refugee applications; in 2021, it registered more than 131,000 applications, an unprecedented number (see Graph 1). Since there has been official registration, the increase in refugee applications in Mexico in the last nine years has been exponential. Applications have multiplied by more than a hundred. However, of the total requests made in 2021, only 37,000, that is, 28%, have been resolved.<sup>5</sup>

Graph 1. Refugee applications in Mexico



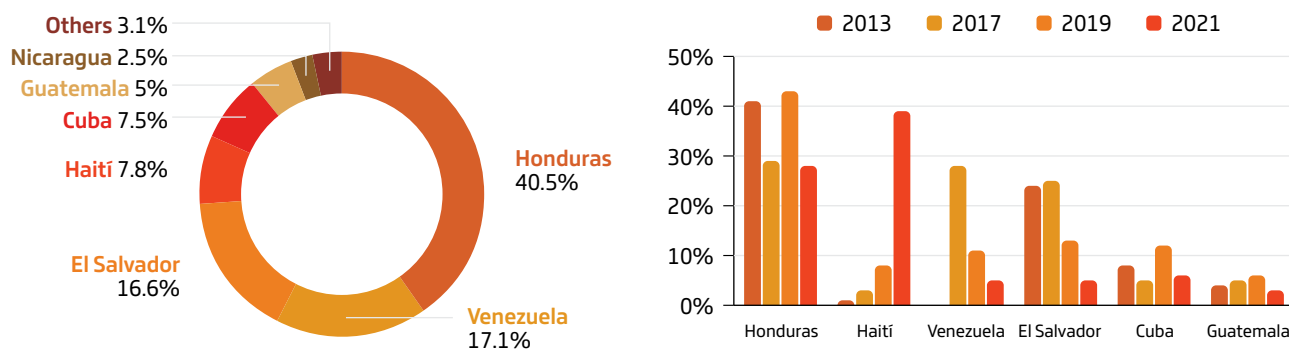
Own elaboration with data from the Secretary of the Interior

From 2013 to date, the largest number of refugees in Mexico came from Honduras (40.5%), followed by Venezuela (17.1%) and El Salvador (16.6%). However, according to the 2021 figures, the predominant country of origin was Haiti, with almost 40% of the applications, followed by Honduras, Cuba, and Venezuela (Graph 2). When analyzing the composition of the origin of asylum seekers in Mexico in the last decade (since official data have been available), we observe that, although Honduras is predominant, there is heterogeneous variation in the origin of refugee applicants. Proof of the dynamism and local effect on migration motivations.

<sup>4</sup> Toussaint, Mónica. "The refuge in Mexico. Between history and contemporary challenges" (in Spanish) <https://bit.ly/3wmb01r>

<sup>5</sup> Refugee applications once resolved can be positive (and refugee status is granted), negative, or complementary protection (PC, in Spanish).

Graph 2. Comparison of countries of origin – Refugee applications



Own elaboration with data from the Secretary of the Interior

## 1 B. Challenges and opportunities

Migrants seeking refuge face multiple challenges once in Mexico. One of the main limitations in obtaining a job, for example, is the lack of official documentation from Mexico. Not having a residence (temporary or permanent) or a Unique Population Registry Code (CURP).<sup>6</sup> Additionally, refugee applicants have limited mobility. Legislation obliges asylum seekers have to remain in the federal entity where they began their asylum request.

Even though Article 24 of the applicable law indicates that the government must respond within 45 working days with a maximum extension of 10 days, it is estimated that resolutions take more than six months.<sup>7</sup> While once the COMAR process has begun, a visitor's card can be obtained for humanitarian reasons - for six months or a year - and this allows the person to work legally, ignorance of the process by both applicants and employers causes gaps in this labor market.

This translates into decreased employment, subsistence, and development opportunities for the migrant population and their families. During this "legal limbo," people cannot obtain a formal job, open a bank account, or carry out any other type of procedure. His vulnerability is immense. Neglecting this

problem can create incentives to seek income through illegal or informal channels.

According to a study by the Refugee House Program,<sup>8</sup> only 9% of refugees manage to change their place of residence during their recognition process. They continue with it in a different entity from the previous one. Additionally, it is detected that the majority (63%) of the migrants who seek to relocate come from the municipality of Tapachula and the majority of displacements (78%) occur towards cities in the north of the country, where greater security and job opportunities are perceived. The main cities are Saltillo, Guadalajara and Monterrey.<sup>9</sup>

## 1 C. Benefits for Mexico

After explaining the panorama and the difficulties that refugees have faced in the country, it is essential to explain the benefits their reception can generate for Mexico. First of all, and in line with previous reports,<sup>10</sup> we have already mentioned the legacy in creating large companies that the Lebanese and Spanish refugee communities, for example, have left in Mexico. The conjunctural nature of the migrant has been studied by multiple authors, and it is concluded that the entrepreneurial and work spirit is characteristic of the vast majority.

6 El Colegio de la Frontera Norte (COLEF). (2020, December). Profiles, Dynamics and Perspectives on the Situation of Refugees in Mexico. (in Spanish) <https://bit.ly/3ozPvWb>

7 Programa Casa Refugiados A.C. (2019). Mexican Guide for Hiring Refugees and Applicants. (in Spanish) <https://bit.ly/3LmVYxt>

8 *Idem*

9 *Idem*

10 U.S.-Mexico Foundation. Cabrera A. & Casas Alatríste P. (2021, January). Immigration in Mexico: More Openness, Less Barriers. (in Spanish) <https://bit.ly/3HFKwe4>

Second, the tax benefits generated by employability and the inclusion of refugee applicants in the formal economy. Up to the first week of March 2022, 18,000 refugees are projected to have been integrated into Mexican society as part of UNHCR's integration program. They are expected to have contributed nearly 105 million pesos in taxes and contributions. It is expected that by 2022, if the program continues, the Mexican state could collect up to 383 million pesos. Based on UNHCR predictions, if all refugee applicants of working age had been integrated into the formal economy in 2019, the Mexican state would have collected nearly 245 million pesos by 2021.<sup>11</sup>

Third, changes in the labor markets and in the demographics of Mexico and the United States. Both nations lack sufficient manpower. On the Mexican side, there was a significant increase in the shortage of talent reported by employers, rising from 52% to 74% between 2019 and 2021<sup>12</sup>. In addition, businessmen from the north of the country have reported on multiple occasions the lack of workers. While in the United States, the number of vacancies ranged between 10 and 11 million in 2021, mainly in the leisure and hospitality sectors; education and health services; professional and business services; manufacturing and; trade, transportation and public services,<sup>13</sup> with an unemployed population of 8.4 million.<sup>14</sup> In other words, there are more vacancies in the US market than people available to fill them.

In the particular case of Mexico, there is a progressive aging of society. Currently, 12 out of every 100 Mexicans are over 60 years old. The birth rate in 2020 was 44% lower than in 1994. Meanwhile, the average age in five years rose from 27 to 29 years.<sup>15</sup> However, compared to the United States, Mexico is an extremely young and thriving country. Both nations face similar needs in their labor markets but at different rates and levels over the development of their economies.

Lastly, Mexico ranks 79 out of 185 in the labor productivity index of the International Labor Organization (ILO); in contrast,

the United States and Canada, its North American partners, are in fourth and 19th place, respectively.<sup>16</sup>

Restructuring these labor markets will be a fundamental phenomenon in the following years. The aging of the population and lack of productivity is a problem that Mexico still has time to address. Migration flows are essential to cover these spaces, maximize productive capacity and boost national economic growth.

So far, the efforts made by UNHCR, civil society organizations, and the Mexican private sector have allowed more than 18,000 refugees to integrate into formal jobs in the country, mainly in Nuevo León and Coahuila, in northern Mexico.<sup>17</sup> It is necessary to broaden the scope of these labor linkage efforts for immigrants who obtained refuge in Mexico. As explained above, incorporating refugees into the formal labor market would result in an increase in tax collection, an increase in national economic dynamism, and an addition of knowledge and innovative practices from other economies.

## 2. Entrepreneurs and business people

### 2.a Context and history

According to current immigration legislation,<sup>18</sup> foreigners can be visitors or residents in the country. When talking about immigration, and its consequent economic and social integration, it is essential to analyze the trends in the issuance of temporary residence visas (TRT, in Spanish - residence greater than 180 days and less than four years) or permanent (TRP, in Spanish).

To obtain a temporary residence, the person must prove one of the following conditions: economic solvency, scientific research, job invitation from a public or private institution, family ties, possession of assets on national territory, or invest-

11 UNHCR, ECLAC. "Collection – Contribution of refugees to the national economy"

12 Vargas, I. (2021, November). Mexico has the highest level of talent shortage, what are we going to do? Business Insider. (in Spanish) <https://bit.ly/3rwm4WZ>

13 U.S. Bureau of Labor Statistics (BLS). Job openings, hires, and total separations by industry, seasonally adjusted. <https://bit.ly/3gxIB0E>

14 U.S.-Mexico Foundation, Gutiérrez, G., & Marroquín, D. (2021, diciembre). Advancing Labor Mobility between Mexico and the United States: A Time of Opportunity. <https://bit.ly/3oyyyvc>

15 National Institute of Statistics and Geography (INEGI). (2022). Demography and Society. (in Spanish) <https://bit.ly/34lczuM>

16 International Labour Organization (ILO). (2021) Statistics on Labour Productivity. <https://bit.ly/3JdVckB>

17 United Nations High Commissioner for Refugees (UNHCR) (2021, May). 2020 Main Results UNHCR Mexico. P48 (in Spanish) <https://bit.ly/3B6e-IIH>

18 Mexico Migration Law. Article 52. <https://bit.ly/3uAMLvu>

ment on national territory.<sup>19</sup> We can see that most of the TRT categories are economical.

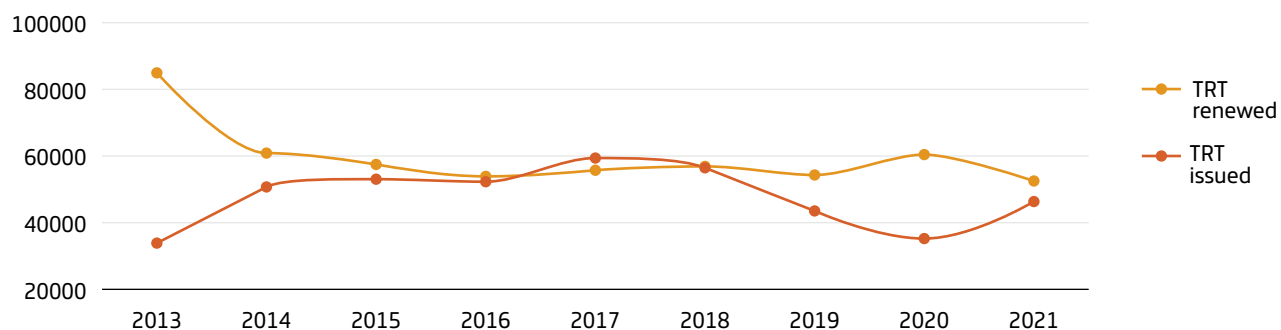
The indicators presented below show that, progressively, Mexico has become home to a steadily growing number of immigrants. They highlight the urgency of addressing this phenomenon with public policies that favor and promote the regular and orderly settlement of foreigners in the country.

Over the past decade, the renewal of temporary residents has been relatively steady, with 55,000 procedures per year on average and a slight downward trend. However, it is striking that the year the pandemic began in Mexico, 2020, registered the

highest number of TRT renewals in the last six years. An explanation for this phenomenon could be that during this period, economic activities continued, and Mexico presented itself as an open country in a world full of policies that limited mobility.

For its part, the issuance of new temporary residences showed considerable growth, doubling its annual issuance of 30,000 TRT in 2013 to 60,000 in 2017. As of 2018, with the arrival of the government of President Andrés Manuel López Obrador, the figures for the issuance of TRTs reversed their trend (Graph 3). In just three years, they were back to 2013 levels. However, in 2021 there was a sizable rebound, delivering close to 50,000 TRT.

Graph 3. Temporary Resident Cards (TRT, in Spanish)



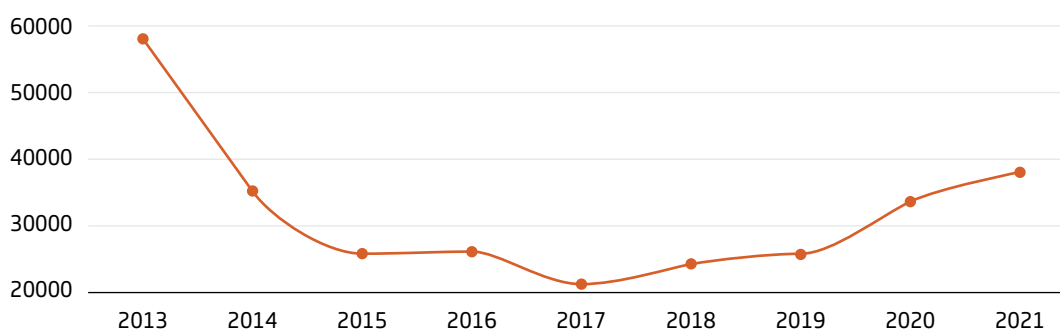
Own elaboration with data from the Secretary of the Interior

Additionally, there has been a sustained increase in the annual issuance of TRP over the past five years. Two main reasons explain the growth in this section. First, due to the change in the immigration status of temporary residents to permanent residents (TRT to TRP). This regularization movement has seen a significant increase since 2017. It is necessary to reflect on this trend: an increasing number of potential short- and medium-term workers have decided to remain in Mexico (Graph 4).

<sup>19</sup> Secretary of the Interior (SEGOB, in Spanish). Temporary residence visa. <https://bit.ly/3ljcGvb>



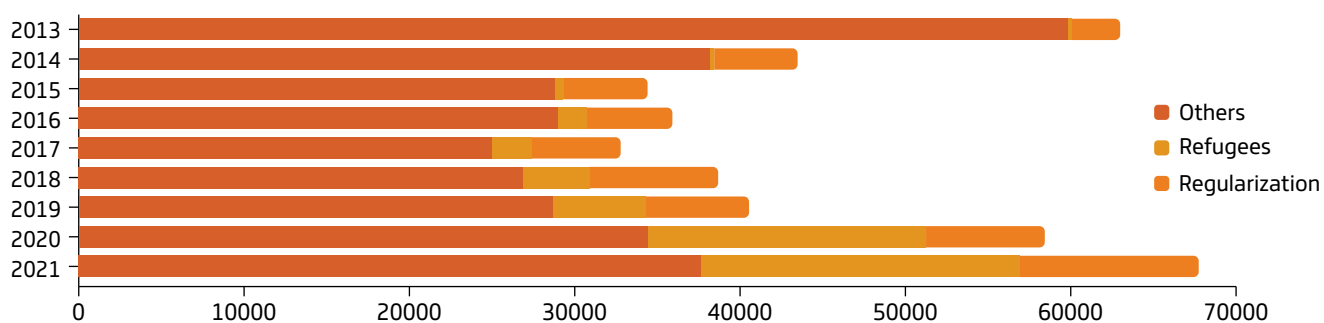
Graph 4. Change of Migration Condition from TRT to TRP



Own elaboration with data from the Secretary of the Interior

The second factor has to do with the increase in foreigners with refugee status granted by COMAR, which allows them to request a TRP. These additions can be observed in the green bars of Graph 5.<sup>20</sup>

Graph 5. Permanent Resident Card (TRP, in Spanish) by reason



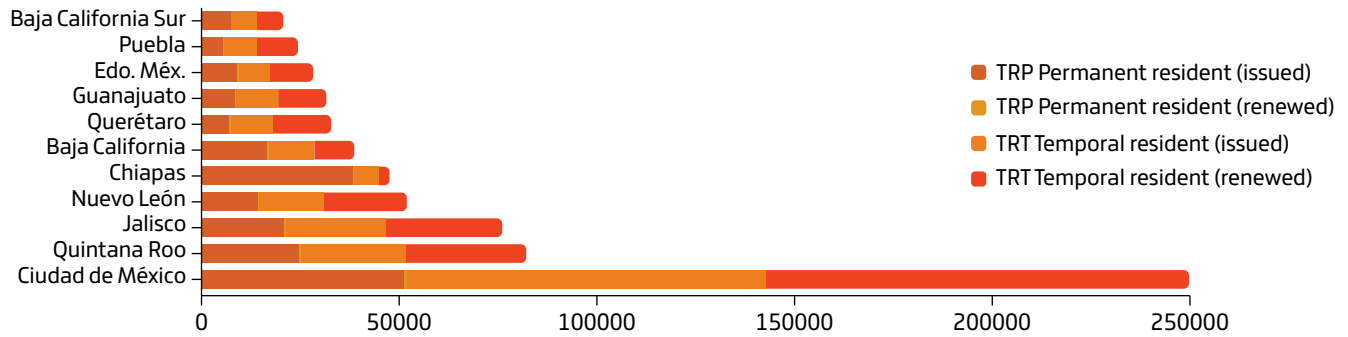
Own elaboration with data from the Secretary of the Interior

## 2.b. Challenges and opportunities

The historical political and administrative centralization of the country has meant that for at least the last five years, most of the procedures have been carried out in Mexico City. In 2021, the Mexican capital quadrupled the TRT and TRP procedures of the second state on the list, Quintana Roo (Graph 6) In order for the Mexican immigration system to function efficiently, it requires more professionals, material resources, and offices that allow it to unburden itself and make the procedures that immigrants must follow legally easier. Likewise, decentralizing the bureaucracy opens up additional opportunities for the different states throughout the country.

<sup>20</sup> Details and explanations covered in the previous section.

Graph 6. Residency procedures by State (2016-2021)



Own elaboration with data from the Secretary of the Interior

The geographical distribution of the issuance of TRTs and TRPs in recent years also tells a relevant story. The issuance of visas for temporary residents is relatively uniform throughout the national territory, except for Mexico City, Jalisco, Nuevo León, and Quintana Roo. These entities could potentially attract more foreign workers in the medium term. The numbers in the rest of the country are deficient.

These numbers are accentuated in the same regions when applying for permanent residence visas. However, it joins Chiapas, Baja California, and the northern states. This could reflect the fate of refugees. The states with lowest concentration of immigrants can attract talent to their territories based on their qualifications and abilities.

Graph 7. Issuance and Renewal of TRT and TRP by State (2016-2021)

TRT-Temporal Residence Card (issued and renewed; 2016-2021)



TRP-Permanent Residence Card (issued and renewed; 2016-2021)



Own elaboration with data from the Secretary of the Interior

Finally, immigrants in Mexico who seek to make a change in their immigration status, for example, go from temporary to permanent resident, have to make their change of residence

outside the country. This can generate disincentives or completely prevent immigration regularization in Mexico.

## 2 C. Benefits for Mexico

In previous reports we have focused our attention on the benefits of attracting entrepreneurs and qualified human capital to Mexico, many of whom fall into this category.<sup>21</sup> Likewise, the US-Mexico Foundation, together with Endeavor and EY, published a study of the benefits of enterprises –startups– in Mexico City in the presence of foreign immigrants.<sup>22</sup>

Summarizing the main findings, we highlight that in developing countries the contribution of immigrants to the GDP of the receiving nations averages 7%. Dr. Michael Clemens has concluded that more gains are generated with a minimal relaxation of barriers to migration, than with those of trade and capital. Dr. Ricardo Hausmann explains that one of the reasons for the slow growth of the Latin American region is its restrictive immigration policies that limit innovation and knowledge transfer. Finally, startups studied in Mexico City that have at least one foreign founder tend to receive higher levels of investment, employ more people, and have a higher chance of success.

Restrictive labor and health policies during the pandemic also affected foreign workers in the United States. At the end of 2021, there were about 2 million fewer immigrants living in the country than projected. Of these lost immigrants, about a million would have had a university education.<sup>23</sup> It can be expected that a growing number of them have chosen Mexico as their chosen work destination, motivated by a favorable economic trend. Specifically, Mexico must effectively relocate, and promote its investments and consumption within the country.

Considering also that David Card, Nobel Prize in Economics 2021, has found that the influx of immigrants has not had negative effects on less qualified local workers nor has there been evidence of an increase in unemployment.<sup>24</sup> The Mexican economy needs to generate #MoreOpenness and #LessBarriers for immigrants with high human capital and investment

capacity –or investment attraction– to boost their economy, promote innovation and attract capital.

## 3. Nomads and digital workers

### 3.a Context and history

The phenomenon known as The Great Resignation has generated job voids in multiple industries, mainly in the United States. A growing number of workers have reassessed their work-life relationship. The latest figures from the US Census Bureau report that 4.5 million American workers have decided to quit their jobs. Experts believe that this phenomenon is giving way to The Great Reshuffle, where people will seek to work in places that give them the professional and personal benefits appropriate to their lifestyle.<sup>25</sup> In addition, according to the United States Bureau of Labor Statistics, the rate of people who quit their job voluntarily each month (quits rate), increased from 1.6% in April 2020 to 6.4% in August 2021; the highest number since this indicator has been recorded.<sup>26</sup>

The Great Resignation has opened the opportunity to encourage the attraction of foreign talent. An analysis by David Kaplan and José Pablo Hernández Ramírez suggests that workers are very confident in their chances of getting better jobs.<sup>27</sup> Millions of workers and employers in the corporate world have understood that remote work is possible and desirable for many industries. The health crisis forced a change in labor paradigms, and organizational culture generated a new market for remote workers. Mexico can take advantage of the remote working population by updating its immigration policies, leading to a more robust labor market and meet the post-pandemic era's needs.

Added to these new trends, people identified as digital nomads represent a growing niche of independent workers (freelancers), entrepreneurs and businessmen characterized by not having a fixed place of work in the world. They look for

21 U.S.-Mexico Foundation. Cabrera A. & Casas Alatríste P. (2021, January). Immigration in Mexico: More Openness, Less Barriers. (in Spanish) <https://bit.ly/3luFUHo>

22 Endeavor, EY, US-Mexico Foundation. Entrepreneurial Migration to Mexico. <https://bit.ly/37ExGQ9>

23 Peri, G; Zaiour, R. (2022) Labor Shortages and the Immigration Shortfall. Econofact. <https://bit.ly/3rwDJxL>

24 Industrial and Labor Relations Review, Vol. 43, No. 2. (Jan., 1990), pp. 245-257. <https://bit.ly/3rUP1vR>

25 British Broadcasting Corporation (BBC). (2021, December). How the Great Resignation is Turning into the Great Reshuffle. <https://bbc.in/3B8U2nR>

26 MBO Partners. "State of Independence 2021". <https://bit.ly/3wiWojw>

27 Kaplan, D.; Hernández J. (2022) Will 2022 be the Year of the Worker? Mexico, how are we doing? <https://bit.ly/3vrElr0>

affordable places to live for periods of between three and six months, before moving again.<sup>28</sup>

Mexico can benefit greatly from the changes in the labor market in the US. For example, digital nomads in the United States increased from 7.3 million people in 2019 to 10.9 million in 2020 and 15.5 million in 2021. In addition, the number of independent workers increased by 34% from 2020 to 2021, from 38.2 million to 51.1 million. This independent labor force is made up mostly of young people; 34% are considered Millennials, 23% Generation X and 17% Generation Z.<sup>29</sup>

In addition, according to recent studies on the future of work by McKinsey & Co., between 20% and 25% of workers in developed countries will have the option of working remotely most of the time, which will quadruple the existing remote work figures in the pre-pandemic era. In addition, it is expected that within the next 8 years, about 10% of the US workforce (17 million workers) will have to switch to a job or industry that favors remote work.<sup>30</sup>

According to the data presented by the Airbnb hosting platform, recent years have been characterized by travelers staying in cities for longer periods of time, including families, and the expansion of work destinations due to work visas for digital nomads. For example, “long stays” during the summer increased on the platform by 75% from 2019 to 2021.<sup>31</sup> Users of said platform traveling to Mexico were surveyed and 60% indicated that they are interested in working while traveling. Additionally, the platform indicated that lodgings in the Magical Towns in Mexico have increased 170% from 2018 to date.

Within the national territory, the most popular places for the American market are Mexico City, Tulum, Cancun and Playa del Carmen.<sup>32</sup>

As a labor sector in the making, nomads and digital workers are subgroups that have not been recorded in official migration records. From the essential characteristics of these groups, it is

possible to infer that their entry to the country is registered as tourists entering the country by air.

According to data as of December 2021,<sup>33</sup> the total number of inbound tourists in Mexico remains at levels below the pre-pandemic era. However, their average spending has already exceeded levels prior to the health crisis. In 2018, for example, tourists who entered the country by air spent an average of \$925 dollars; while last year it reached \$1,110 dollars, which represents an increase of 20%. The overall increase in spending by inbound tourists may reflect a change in the internal composition of this group. A possible explanation for this phenomenon may be that these people are staying longer on national territory, and therefore increasing their average spending. However, due to the lack of granularity in the data, these approaches are, for now, hypotheses.

### 3.b. Challenges and opportunities

A first challenge to highlight is work permits for entrepreneurs. It is necessary to expand the legal framework that allows foreigners living in the country to obtain paid work. Although TRT and TRP currently exist, it would be convenient to create visas –or expedited work permits– for entrepreneurs and businessmen who seek to invest in the Mexican economy. This fact would encourage the creation of formal jobs in the country. During the pandemic, more than 40 countries in the world made these adjustments to their migratory guidelines, managing to attract different sources of human capital to their country.<sup>34</sup>

With regards to the previous point and the design of public policy, the lack of data on digital nomads and remote workers prevents capturing a potential source of economic and social capital for the country, by generating an ad hoc policy that is tailored to their needs.

Through interviews with leaders and representatives of this population group in Mexico, we detected that one of the weaknesses of our country for the reception and promotion of

<sup>28</sup> There are different precisions about this concept, but this will be the definition on which we base ourselves for this study.

<sup>29</sup> MBO Partners. “State of Independence 2021”. <https://bit.ly/3wiWojw>

<sup>30</sup> McKinsey & Company. “The future of work after COVID-19”. <https://mck.co/3rUUC3Q>

<sup>31</sup> Airbnb. “2022: The Live Anywhere Revolution becomes reality”. <https://bit.ly/3ugkk4d>

<sup>32</sup> MexicoNewsDaily. “Airbnb identifies new trends in travel as a result of COVID-19 during tourism event.” <https://bit.ly/36a4RLI>

<sup>33</sup> National Institute of Statistics and Geography (INEGI). Tourism Figures 2021. <https://bit.ly/3BghD5N>

<sup>34</sup> Johnson, Tracey. “41 Countries With Digital Nomad Visas – The Ultimate List”. <https://bit.ly/3qmjHVP>

this human capital is the lack of digital infrastructure and investment in seed capital for entrepreneurs in small cities and beaches.

### 3.c Benefits for Mexico

The massive adoption of remote work revealed a reality that continues to be little discussed: there is a huge market of digital workers with high purchasing power, with spending and investment capacity, who are looking for places in the world to live.

In terms of aggregate demand, nomads and digital workers pay directly in consumption and real estate income to Mexican owners, among others. In addition, if medium-term permanence is encouraged, the investment capacity of this socio-economic profile is very high relative to the bulk of national investment opportunities.

Likewise, the diversity of ideas and cultures enriches societies and, in addition, multiculturalism is also a source of innovation, jobs, and opportunities. Therefore, socializing this understanding about foreigners and enhancing the level of human warmth among Mexicans toward migrants are two fundamental elements for preventing xenophobic attitudes and for enhancing the advantages these immigrants bring to the country.

## Recommendations for a better and more equitable immigration system in Mexico

It is necessary to attract, retain and respect people who, by their own decision or circumstance, have decided to settle in Mexico. Below are a series of concrete proposals to address the phenomenon of immigration in the country through public policy.

### 1. Refugees

1.1. Facilitate access and mobility when requesting refuge. Invest in capacities to expedite the issuance of refugee recognition. A visitor's card will guarantee access to regularization for humanitarian reasons in accordance with the Migration Law, and facilitate free transit through the nation.

1.2. Expedited issuance of documents. Accelerate the processing process for the issuance of the Unique Population Registry Code (CURP), so that refugee applicants have greater access to healthcare and better access to financial services.

1.3. Socialization of contracting mechanisms in the private sector. Prepare a pragmatic manual that specifies the facilities for hiring migrants. This manual should show the points of contact with authorities and civil society close to migrants. It should also exemplify the benefits of hiring migrants. It is necessary to reduce information asymmetries between the private sector, the public sector, civil society and refugee applicants.

### 2. Entrepreneurs and business leaders

2.1. Update Article 7 of the Federal Labor Law (LFT).

It is essential to broaden the range of total foreign employees in Mexican companies, which currently establishes a limit of 10%.

2.2. Create the Entrepreneur Visa. A growing number of foreigners trust Mexico's business climate and the strength of its economy. We need to encourage the inflow of capital aimed at entrepreneurship and facilitate the process of work and investment permits.

### 3. Workers and digital nomads

3.1. Generation of signals (signaling). Promote the country as an economic destination for workers in the digital age. A campaign inviting people to work in Mexico can boost, at a low operating cost, the flow of this human capital.

3.2. Work permits. The creation of a legal status, be it a permit or a work visa for remote workers, digital nomads and/or entrepreneurs would be a significant success for attracting talent, creating virtuous circles, and generating legal certainty for this type of worker.

3.3. Digital infrastructure. There is an unequal distribution of internet access between the main cities of the country and other destinations such as beaches and Magical Towns. Improving access to the Internet generates benefits for both local populations and immigrants.

### 4. Migrants in general

4.1. Demystify negative ideas and build a positive narrative. Mexico must generate public diplomacy strategies to raise awareness of the meaning and benefits of immigration.

4.2. Increase financing, training and tools for Mexican authorities and institutions. The oversaturation of the institutions (COMAR, INM) turns the authorities into human and bureaucratic barriers, instead of acting as facilitators, informants and receivers.

4.3. National and local coordination, accompanied by alliances with the private sector, civil society and international organizations. Migration movements in Mexico –and in the world– are multisectoral. It is essential to coordinate multi-stakeholder participation in the processes of reception, contracting, legal regularization, financing, transit, banking, obtaining housing, and education of the migrant population, among many others.

4.4. Immigration legislative dialogue. It is necessary to align the vision of the State, the laws and initiatives at the federal and international level, with the activities at the regional and local level.

4.5. Interdepartmental alignment. Various State Secretariats oversee different processes linked to the migratory phenomenon. In addition to enhancing productivity in bureaucratic processes, the alignment of the secretariats produces a more coherent multilateral public policy between the demands and obligations of national and international migrant populations, as well as border countries.

4.6. Streamline processes of regulation and issuance of papers within the country. Changes in immigration status must be possible within the country. For example, forcibly transitioning from TRT to TRP in a consulate outside the country generates friction and disincentives for these migrants to remain in the country. This disincentives them to continue with their regular social and economic activities. It is essential to increase the efficiency of the issuance of visas, work permits and migratory regularization procedures.

## Conclusion

The dual identity of Mexico and the geopolitical regionalisms of the continent are geographically delimited by two bodies of water: Latin America begins at the Rio Grande; North America at the Suchiate River. The current of these rivers reminds us that migration is continuous, natural and permanent.

In 2021, Mexico endorsed its status as a destination for immigrants, one of the central hypotheses of the series of reports *#MásAperturaMenosBarreras*; Entrepreneurs, remote workers, digital nomads, and refugees have expanded their presence in the country over the past 12 months.

Migration flows are no longer silent or invisible. At the center of this phenomenon are men, women, boys and girls who have a new home in Mexico, and whose needs must be covered, and their skills taken advantage of. Diversity of thought

generates innovation and synergies that are desirable -and necessary- for the Mexican economy.

The third installment of *#MásAperturaMenosBarreras* offers a series of concrete proposals for each of the subgroups of immigrants identified to adjust, develop and/or update public migration policies. In terms of labor policy, it is suggested to update the Federal Labor Law (particularly article 7), create a visa for entrepreneurs, and expedite and increase the issuance of work permits. Some of the changes in economic policy include the creation of signals from Mexico that it is open to immigration and innovation; creating an attraction strategy for talent in the different states; and providing enhanced connectivity within Mexico. In addition, social policy must facilitate access to the country for refugee applicants; establish a more positive narrative around immigration; make the issuance of documents efficient; and increase financing, training and tools for Mexican authorities and institutions. Institutionally, we must generate the necessary budgetary changes to provide tools to the institutions responsible for the issuance, regularization, attention, protection and registration of migratory flows in the country.

Mexico has hosted groups of immigrants for the past two centuries. It has used their talents to enrich its culture and to create vital institutions and businesses for the country. It is time to take a step forward in immigration policy that benefits both Mexicans by birth and those by choice.

# IMMIGRATION IN MEXICO: MORE OPENNESS, LESS BARRIERS

3<sup>RD</sup> REPORT

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