

Promoting Effective Governance of Labour Migration from South Asia

The ILO South Asia Labour Migration Governance Project 2013–2016



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ILO Country Office for Nepal

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Labour migration from South Asia: Trends

The world's foreign migrant population in 2013 was an estimated 232 million (persons residing outside their country of birth), according to the United Nations Population Division. The International Labour Organization (ILO) estimated (in 2010) the population of foreign migrant workers at more than 105 million – with more than 30 million (almost 30 per cent) in Asia.

Latest government data place the total annual outflow from five countries in South Asia at 2.5 million migrant workers per year. India is the largest sending country (at 747,000 workers), followed by Pakistan (623,000 workers), Nepal (454,000 workers), Bangladesh (409,000 workers) and Sri Lanka (282,000 workers).¹

South Asian migrant workers are found around the world, with the migration trends becoming increasingly complex these days. Migrant movements within South Asia are mainly to India (primarily from Nepal and Bangladesh) and to Pakistan (mainly Afghan refugees). Within Asia, there is a steadily increasing flow of South Asian workers to East and South-East Asia, with Malaysia

the primary destination. Though smaller in number, workers are also choosing the Republic of Korea and entering under the Employment Permit System, introduced in 2006.

Still, the main flow of workers from South Asia is to Gulf Cooperation Council (GCC) member states. The GCC region emerged as the primary destination for South Asian workers in the 1970s and has remained because of the demand connected with the massive oil boom-related development. Of all migrant workers from India, Pakistan and Sri Lanka, 96 per cent, 94 per cent and 88 per cent, respectively, take jobs in a GCC country. About 67 per cent of all migrant workers from Bangladesh end up in a GCC country.² 62 per cent of all migrants from Nepal work in the GCC and an additional 36 per cent in Malaysia.

The six GCC economies rely heavily on foreign labour – expatriates account for around 85 per cent of the GCC countries' total population. Foreign labour comprises 99 per cent of the private sector labour force in Qatar, 93 per cent in Kuwait and 89 per cent in Saudi Arabia.³ Future demand is likely to increase with the

extensive infrastructure investments planned for the Qatar World Cup 2022, the UAE World Expo 2020 and across Saudi Arabia.⁴

Although Asia accounted for a third of all migrants to OECD countries in 2011, and half of them had higher education (largely from China, India and Philippines),⁵ the majority of South Asian migrant workers are low- or semi-skilled. A large majority of South Asian migrants (including all who go to the GCC countries) work with a fixed-term contract. The private sector manages most of the recruitment, with state agencies taking a minor role.

There is an increasing trend of female workers going abroad, although starting from a very low level and with variation among countries: women account for 50 per cent of all migrants from Sri Lanka, but only 6 per cent of all migrants from Nepal and only 1 per cent from Pakistan.⁶ In the GCC countries, women are primarily employed in hospitality and services, including domestic work, whereas men typically are employed in construction, manufacturing, agriculture/herding, transport and security. ■



Labour migration between South Asia and the GCC: Challenges

Despite the substantial benefits – remittances in origin countries and human capital in destination countries – the official channels for migration are failing to distribute the benefits equitably among employers, intermediaries and workers. Too many migrant workers pay high recruitment fees, receive low wages and are denied their fundamental rights to freedom of movement and freedom of association when abroad. Abuses during recruitment and employment are common.⁷ Yet, sadly, the lack of decent work options at home makes the challenging conditions abroad a compelling choice. Specific challenges entail the following.

Commercialization of the recruitment industry and exploitation during recruitment. Malpractice and abuse, including high fees, misrepresentation of the jobs, failure to meet placement obligations and contract substitution, are typical across South Asia's recruitment industry, which is largely managed by the private sector. Often combined with low wages, the abuse leads to a heavy debt burden for workers. Low-skilled and poorly educated workers often are unable to distinguish the genuine from the unscrupulous of agents and intermediaries in the wide range confronting

them. Current regulation of recruitment agencies tends to be ineffective.

Abuses during employment and low returns to migration. Several restrictive policies in the GCC countries impact the rights of migrant workers, including the kafala, or sponsorship system.⁸ The absence of freedom of association in many GCC states further contributes to workers' vulnerability to abuse and exploitation. In 2012, the ILO estimated⁹ that some 600,000 migrants are trapped in forced labour conditions in the Middle East. Domestic workers are particularly vulnerable to abuse because they work in the isolation of private homes. Employers' illegal confiscation of workers' identity and travel documents is common practice, as is the signing of second contracts with lower wages and modified work- and living conditions.¹⁰ Even where access to legal redress is provided under national law (with domestic work excluded across the region), there are few prosecutions and convictions in favour of migrant workers.

Labour mobility, skills and certification: Lack of information about qualifications, skills and wages and how demand will evolve in the short, medium and long terms inhibits informed decisions among workers and public and private institutions. This results in lost opportunities or

training investment mistakes in both source and recipient countries. There is no system of mutual recognition of educational attainment and acquired skills, based on comparable standards for low- and semi- skilled occupations between the two regions. A system that recognizes and certifies workers' qualifications and skills, that periodically tests for and documents upgraded skills throughout the foreign employment and provides mutual recognition of those skills through an internationally recognized 'skills passport' would bring tremendous benefits to countries, employers and workers.

Migration and development: Labour migration generates substantial benefits for both countries of origin and destination. In addition to remittances, migration enables the upgrading of professional, cultural and social skills as well as technology transfer. Yet, development frameworks are largely quiet on how to use these resources at the national, community and individual household levels. International migration has become a vehicle for development and poverty reduction and may be incorporated in the Post-2015 Development Agenda – but the contribution of migrants in promoting development and poverty reduction in origin countries and towards the prosperity of destination countries needs to be recognized and reinforced. ■



The ILO response: South Asia Labour Migration Governance Project

The South Asia Labour Migration Governance Project (SALM) promotes well-managed labour migration flows from India, Nepal and Pakistan to Kuwait, Qatar and the United Arab Emirates through three approaches:

1. Providing reliable information on overseas employment opportunities and building up the system for matching qualified jobseekers with foreign employer demand.
2. Improving recruitment services and increasing the protection of migrant workers during employment to reduce migration costs and recruitment abuses in origin and destination countries.
3. Expanding training opportunities and providing a system to enable the portability of skills for outgoing and returning migrant workers.

Through governments, trade unions and NGOs, the project targets at least 15,000 migrants from India, Nepal and Pakistan with:

- improved access to reliable information on job opportunities and requirements in the GCC countries;
- pre-departure information;
- portability of skills;
- better recruitment services, including lower recruitment costs; and
- protection during employment, including links to local service providers. ■

THE PROJECT AT A GLANCE

Donor: European Commission

Budget: €2,407,186 (of which the European Union is contributing €1,925,749 and ILO €481,437)

Duration: 1 June 2013–31 May 2016

Geographical focus: Three countries of origin – India, Nepal and Pakistan – and three countries of destination in the GCC – Kuwait, Qatar and the United Arab Emirates

Partners: Ministry of Labour and Employment in Nepal; Ministry of Overseas Pakistanis and Human Resource Development in Pakistan; and Ministry of Overseas Indian Affairs and the India Centre for Migration in India. The project also works with workers' and employers' organizations, private recruitment agencies, NGOs, migrant associations, diaspora organizations, embassies, researchers and other actors in each country.



The SALM Project: Achievements as of October 2014

The SALM project responds to the challenges of migration in the South Asia–GCC country corridors with activities in five critical areas, with the following achievements to date.

- 1. Promotion of safe migration and information:** Access to accurate and relevant information prior to migration is absolutely necessary to ensure that workers make informed decisions throughout their migration cycle.
- The project is helping to establish migrant resource or information centres. In **India**, the project is working with the India Center for Migration to enhance the capacity and outreach of two centres in Andhra Pradesh and Kerala, the two states that send most low- and semi-skilled workers who go to GCC countries each year. An evaluation of the migrant resource centres is ongoing to determine the strengths and weaknesses of the model. In **Pakistan**, the project supports the establishment of a migrant resource

centre within the Protector of Emigrants Office in Lahore – the first-ever facility in the country dedicated to providing information activities to migrant workers. In **Nepal**, the project collaborates with the Department of Foreign Employment in the establishment of an information centre in the Labour Village of Kathmandu – a one-stop location catering to 1,200–1,500 workers on a daily basis. Full implementation of activities will commence by February 2015.

- The project is developing country-specific information booklets called Travel Smart – Work Smart. The booklets target low- and semi-skilled workers with information on security during employment, working safely and profitably and how to avoid exploitation and abuse. The eight booklets created thus far refer to the following specific migration corridors and will be translated into local languages:
 - Nepal – Kuwait
 - Nepal – Qatar
 - Nepal – UAE



- India – Kuwait
- India – Qatar
- India – UAE
- Pakistan – Saudi Arabia
- Pakistan – UAE

In **India**, the Ministry of Overseas Indian Affairs will replicate the booklets for additional destination countries.

- In **Nepal** and in partnership with the International Organization for Migration (IOM) and The Asia Foundation, the project supported the Ministry of Labour and Employment's production of the first-ever annual migration status- and statistical report.¹¹ Discussions are ongoing with the responsible ministry in **Pakistan** to launch a similar report.



- In **Pakistan**, the project developed a training of trainers' manual for trade unionists to better protect the rights of migrant workers. The first training will be conducted during the first quarter of 2015 in Lahore.
- In **India**, the Ministry of Overseas Indian Affairs requested the project to assess the pre-departure activities and detail improvements for the better preparation of migrants. The Ministry is using the field assessment and recommendations to develop a pre-departure system.

2. Improvement of recruitment services and reduction of migration costs:

- The work addresses regulatory and enforcement gaps governing the recruitment industry, mechanisms for complaints and remedy, migration costs and recruitment practices.
- Although in the early design stage, a study on migration costs from **India, Nepal and Pakistan to Kuwait** will likely focus on low-skilled migrant workers in construction and domestic work. The study is using the methodology and tools developed under the World Bank-led KNOMAD project¹² to collect recruitment cost data that is comparable across migrant-sending countries and will contribute to a database of worker-paid migration costs and to develop policies to reduce such costs. The findings of the research are slated for publication in 2015.
 - The project is working to promote ethical recruitment through support to the development of codes of conduct and national plans of action for self-monitoring (as a follow-up to the regional conferences of the Alliance of Asian Associations of Overseas Employment Service Providers¹³). In **India**, the project is partnering with the European Union-funded ILO Decent Work Across Borders Project¹⁴ and Verité¹⁵ to promote ethical recruitment practices and explore possibilities for a self-rating system among recruitment agencies. Agents from more than 30 recruitment agencies participated in a training programme in October 2014 and two follow-up courses are planned

in other states. In **Nepal**, the project, in partnership with IOM and the ILO Work in Freedom project¹⁶ is assisting the Nepal Association of Foreign Employment Agencies to develop a national action plan, complete with strategies and activities to promote ethical recruitment practices for all members. Among the strategies is a sector-wide monitoring mechanism of the existing ethical code of conduct. In **Pakistan**, the project has entered into an agreement with the Pakistan Overseas Employment Promoters Association to develop a national code of conduct and a national plan of action.

- Forthcoming activities include feasibility studies for alternative models for rating private recruitment agencies and a complaints mechanism linked to licensing. In **Pakistan**, a study on recruitment practices, in the development stage, will look also at intermediary agents.

3. Protection in employment: The activities range from legislation and policy review to increasing access of support services to migrant workers in the three targeted destination countries.

- The project is working with the Migrant Forum Asia (August 2014–February 2016) to strengthen civil society support mechanisms in **Kuwait, Qatar** and the **UAE** for coordinating and providing legal and social services to migrant workers from **India, Nepal and Pakistan**. That work will generate a base for advocacy

geared towards foreign missions, governments, human rights bodies, UN Special Rapporteurs, trade unions and other actors engaged in the protection of migrant workers. The initiative targets at least 3,000 Indian, Nepalese and Pakistani migrant workers with information, advice, dispute resolution and legal support and 20 civil society organizations, trade unions, missions, human rights bodies and government officials with participation in networks and training workshops.

- The project is also working with GEFONT, a trade union in **Nepal**, to replicate its highly successful experiences in Hong Kong, Malaysia and Republic of Korea in the project's three targeted destination countries (July 2014–February 2016) to increase Nepali workers' access to legal and social support services, including information, advice, dispute resolution and legal assistance. GEFONT is also promoting education on the labour law and other laws and regulations related to the rights and responsibilities of Nepali workers in the three GCC countries and strengthening the formal and informal links and networks with relevant service providers in those countries. The project targets 2,000–3,000 migrants in the three GCC countries and 4,000–5,000 potential migrants in Nepal. In September 2014, GEFONT established two migrant workers' support groups in the UAE. Such groups



have proven to be vital for coordinating with the Nepali Government and non-government agencies in the destination countries and for advocating for policy and legal frameworks needed for the protection of migrant workers.

- The project supports the development and review of legal and policy frameworks, including memorandums of understanding (MOU) and bilateral agreements in the area of labour migration. In **Nepal**, this includes support to a review of the 2007 Foreign Employment Act and of the draft MOUs with Kuwait and Saudi Arabia. In **Pakistan**, the project is initiating a legal review of the 1979 Emigration Ordinance. In **India**, the project has provided inputs to the standard contract for domestic workers being developed as part of a bilateral MOU with Saudi Arabia.
- In **Nepal**, the project supported a 12-day training programme for labour attachés

about to be placed in Bahrain, Kuwait, Malaysia, Oman, Qatar and the UAE, with other officials from the Ministry of Labour and Employment and the Ministry of Foreign Affairs as well. Discussions are underway to develop a similar training programme for **Pakistani** labour attachés (referred to as community welfare attachés). In **India** and in collaboration with the ILO Decent Work Across Borders Project, a training needs assessment of Protectorate of Emigrants officers is ongoing to provide inputs for future training.

- In **Nepal**, the project is working with the Department of Foreign Employment to strengthen its database system, particularly for complaints and the registration of occupations. Unlike the previous paper-based filing system, the new database enables the Department to track each individual case, allowing for transparency and the generation of comprehensive data reports for informing policies and strategies. The project is also helping the Department to enhance its current job classification system.
- In **India**, the Society for Labour and Development along with a Trade Unions Advisory Body are conducting evidence-based research on the protection of migrant workers. The research follows from a training session on international migration for trade union leaders and will open the way for developing the trade union agenda on international migration.

- Forthcoming activities include studies on migrant workers' access to justice (including settlement of complaints and grievances) in targeted countries of destination and origin. In **Nepal**, the project is exploring with the Foreign Employment Promotion Board the prospects of reviewing the migrant workers' welfare fund.

4. Labour market information, training and portability of skills:

The work is focused on improving information about labour migration (including labour market need assessments), creating a system of mutual recognition of educational attainment and acquired skills and the better training of prospective migrant workers.

- A study on the skills and occupations in demand in six destination countries and links to recruitment, training, certification and accreditation in four countries of origin in South Asia is in the final stages of completion. The study assessed the changing demand for male and female foreign workers in **Kuwait, Qatar, Saudi Arabia, the UAE, India and Malaysia** up to 2025. The study also looked at the information, policies and systems in origin countries that hamper or support the migration of male and female workers from **Bangladesh, India, Nepal and Pakistan**, including interventions that strengthen employment networks,



vocational and technical training and the of issuing permits. The study outcomes can guide governments and other actors to better align their systems for assisting migrant workers in selected sectors and trades. The report on the six countries of destination will be available by January 2015, with the four origin country reports available in early 2015.

- In **India**, the ILO is a technical partner to an interministerial committee established by the Ministry to look at the skilling scheme for overseas migration.
- The ILO, with support from the project, is a member of the steering committee of a pilot project on skills development, certification, upgrading, recognition and skills passports in construction and

service occupations. The project is in the design stage and involves the governments of **Kuwait** and the **UAE**, in partnership with the governments of India, Pakistan and the Philippines. The effort involves working with a group of construction and service workers from **India, Pakistan** and the **Philippines** who have been recruited by UAE and Kuwaiti employers, testing them to be certified as qualified for the jobs they were recruited to perform, conducting periodic tests and then certifying them for upgraded skills and issuing skills passports. The results are intended to inform policy initiatives for labour admission and mobility. The pilot is also a project of the Abu Dhabi Dialogue, which is looking to scale up the activities.

- In **India**, the project is exploring a partnership with one of the leading employment portals, naukrigulf.com,¹⁷ to recruit workers to jobs in the GCC region to expand its coverage to low-skilled workers. Due to a number of factors, naukrigulf.com – and other similar sites – is limited to recruiting skilled (or semi-skilled) workers. With the support of the project, a pilot will be conducted to explore ways to encourage low-skilled workers to post their CVs on the website (perhaps through a mobile phone application) and thereby find employment without having to pay fees to a recruitment agency. If the



model proves successful, it can be replicated easily on other employment portals and in countries of origin.

5. Migration and development (Nepal only):

The project supports the preparation and adoption of a migration and development strategy, roadmap and piloted activities that facilitate remittance-backed savings and investment.

- A study on the links between migration and development, including the use of remittances and skills, will involve 250 migrant returnees and 500 households through focus group discussions and structured questionnaires. The findings will be available by mid-2015 and will be followed by a series of stakeholder consultations. The research will also review national and international good practices on financial products. ■

Endnotes

- ¹ Bangladesh Bureau of Manpower, Employment and Training (2013), Ministry of Overseas Indian Affairs (2012), Nepal Department of Labour and Employment (2014), Pakistan Bureau of Emigration and Overseas Employment (2013) and the Sri Lanka Bureau of Foreign Employment (2012).
- ² Due to the open border policy with India since the 1950s, there are no official records of the number of Nepali migrant workers in India, though reports put it equal to the number of registered Nepali migrant workers elsewhere in the world.
- ³ ILO and GiZ: Occupations and skills in demand in India, Kuwait, Malaysia, Qatar, Saudi Arabia and UAE (Forthcoming).
- ⁴ ibid.
- ⁵ ADBI/OECD/ILO, 2014.
- ⁶ Official statistics from the Department of Foreign Employment of the Ministry of Labour and Employment in Nepal; and the Ministry of Overseas Pakistanis and Human Resource Development in Pakistan.
- ⁷ ILO: Labour migration in South Asia: A review of issues, policies and practices, International Migration Paper 108 (Kathmandu, 2011).
- ⁸ The kafala system regulates the relationship between employers and migrant workers in many countries in the Middle East in a manner that is firmly weighted towards the employer.
- ⁹ ILO: Global estimate of forced labour (Geneva, 2012).
- ¹⁰ IrudayaRajan et al. (2008), in ILO: Labour migration in South Asia: A review of issues, policies and practices, International Migration Paper 108 (Geneva, 2011).
- ¹¹ See www.ilo.org/kathmandu/whatwedo/publications/WCMS_312137/lang-en/index.htm
- ¹² See www.knomad.org/
- ¹³ See www.ilo.org/manila/info/public/pr/WCMS_240034/lang-en/index.htm
- ¹⁴ ILO Promoting Decent Work Across Borders is a project for migrant health professionals and skilled workers.

- ¹⁵ In 2012, Verité developed its Ethical Framework for International Labour Recruitment, which establishes standards of ethical practice, based on the Ciett Code of Conduct and consistent with ILO Convention No. 181 and its core labour standards.
- ¹⁶ ILO Work in Freedom Programme: Making migrant work safer for women from South Asia.
- ¹⁷ Naukrigulf.com claims to be the fastest-growing recruitment platform in the Gulf States, catering to the corporate world, placement agencies and jobseekers; having started in April 2006, it has more than 6,500 clients and a database of four million CVs, with offices in Dubai, Bahrain, Abu Dhabi and Riyadh. Nearly 24 per cent of all its visitors are from India, 17 per cent from the UAE, nearly 10 per cent from Pakistan, 9 per cent from Saudi Arabia and almost 9 per cent from Qatar.

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The European Union is made up of 27 Member States who have decided to gradually link together their know-how, resources and destinies. Together, during a period of enlargement of 50 years, they have built a zone of stability, democracy and sustainable development whilst maintaining cultural diversity, tolerance and individual freedoms. The European Union is committed to sharing its achievements and its values with countries and peoples beyond its borders.

The International Labour Organization is the United Nations' international organization responsible for drawing up and overseeing international labour standards. The ILO is the only United Nations agency with a constitutional mandate to protect migrant workers; this mandate has been re-affirmed by the 1944 Declaration of Philadelphia and the 1998 ILO Declaration on Fundamental Principles and Rights at Work. The ILO adopts a rights-based approach to labour migration and promotes tripartite participation in migration policy.

Contact

Anna Engblom

Chief Technical Advisor/Project Manager
South Asia Labour Migration Governance Project
ILO Country Office for Nepal
Email: engblom@ilo.org

Seeta Sharma

National Project Coordinator, India
South Asia Labour Migration Governance Project
ILO Country Office for India
Email: sharma@ilo.org

Niyama Rai

National Project Coordinator, Nepal
South Asia Labour Migration Governance Project
ILO Country Office for Nepal
Email: niyama@ilo.org

Sadia Hameed

National Project Coordinator, Pakistan
South Asia Labour Migration Governance Project
ILO Country Office for Pakistan
Email: hameeds@ilo.org



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