



International
Labour
Organization

► **Facilitating Journeys:**
**The role of intermediaries
in labour migration
process from Nepal**



► 1. Multiple actors

- Labour migration from Nepal involves a host of institutions: private recruitment agencies (PRAs), pre-departure orientation training (PDOT) centres, medical centres, travel agencies, insurance companies, and government bodies such as the Department of Foreign Employment (DoFE) and Foreign Employment Board (FEB).
- PRAs issued 85% of labour permits issued for 'new entry' in 2020/21. There are 827 PRAs currently active in Nepal.
- Informal labour intermediaries are also involved in the facilitation of migration from Nepal, assisting migrant workers in completing different steps of the migration process. Locally known as 'agents', these intermediaries work closely with the PRAs but function outside the national legal framework.
- Other actors involved in the migration process include insurance policy providers, hotels, and government organisations (in the case of government-facilitated recruitment involved in the sending of workers to work in foreign countries).

► 2. Study method

41 in-depth interviews conducted with current and returnee migrant workers from 5 provinces in Nepal; 32 mens and 9 womens

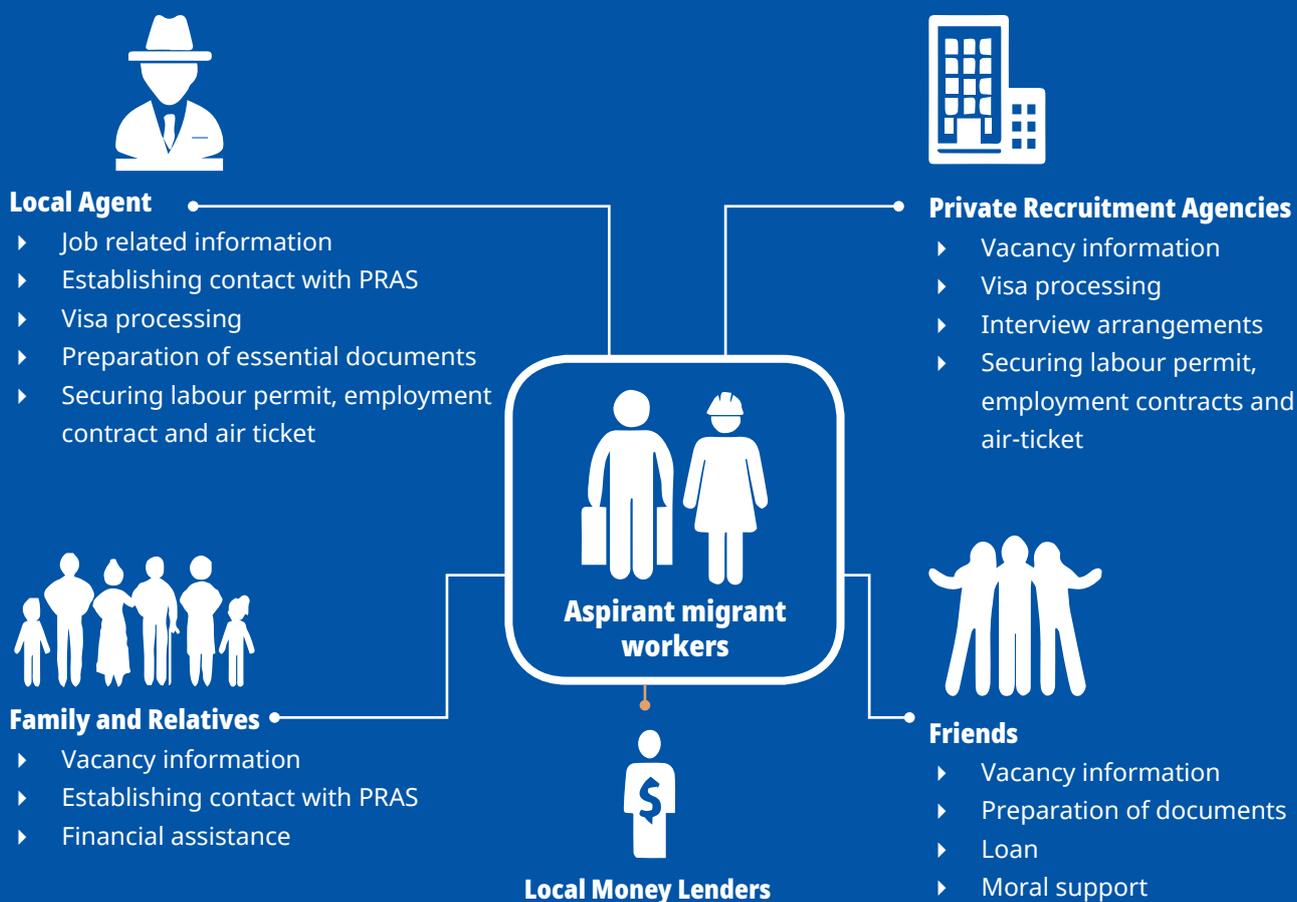
Destination and occupation of the sampled women migrant workers

Country of Destination	Qatar	Kuwait	Malaysia	South Korea	Lebanon	Jordan
Occupation	Hospital cleaning Office help	Domestic help	Electronic factory	Animal farm	Garment factory	Garment factory

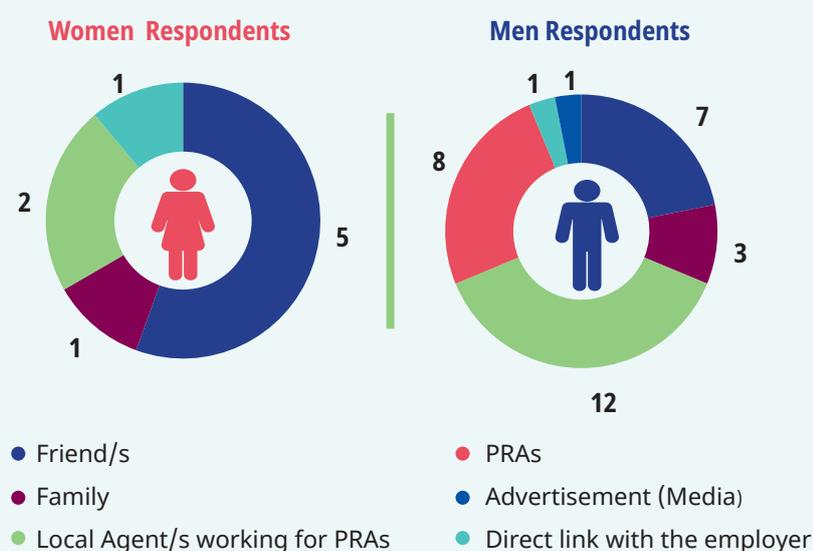
Destination and occupation of the sampled men migrant workers

Country of Destination	Qatar	Saudi Arabia	UAE	Malaysia	Kuwait	Oman	South Korea	Portugal	Macao	Japan	Jordan
Occupation	Driver Security guard Electrician assistant Cleaner Carpenter Sales Data entry Mason	Waiter Driver	Security guard Cook Electrician	Manufacturing Electrical company Security guard Ice Plant company House painting Packaging Food processing	Sales	Rigger	Animal farm	Cook	Bodyguard	Construction	Garment factory

► 3. Intermediaries involved in the pre-departure phase



3.1 Sources of preliminary information about foreign employment¹



Source of job related information	Total Respondents	Percentage (%)
Friend/s	12	29
Family	4	10
Local Agent/s working for PRAs	14	34
PRAs	8	20
Advertisement (Media)	2	5
Direct link with the employer	1	2
Total	41	100

¹ These findings are comparable to other studies, such as Arjun Kharel et al. (2022), 'Migration Profile of Province 1 of Nepal', forthcoming, Kathmandu: SDC & CESLAM, which also find a high proportion of Nepali workers migrating with the help of informal intermediaries.

3.2 Job application and interviews

- Local agents and PRAs facilitate job application and interviews for migrant workers travelling to the GCC and Malaysia. PRAs also processed job applications and contracts for migrants bound to Eastern European countries.
- Language training institutes are active in preparing workers to countries such as Japan and South Korea, through Government to Government (G-2-G) recruitment modality. Their roles also extend to facilitating job interviews and employment contracts.
- Women workers migrating to Gulf countries through unauthorised channels, are aided by a host of intermediaries that operate clandestinely.
- Local agents representing recruiters based in India remain in close contact with the migrant workers throughout the migration process.

3.3 Visa application

- Recruitment agencies provide essential support to aspirant migrant workers to secure visas for migration to the GCC, Malaysia and Eastern European countries.
- The Nepal EPS Centre under the Human Resources Development Office of Korea Migrant manages visa processing for workers travelling to South Korea, once these have passed the Korean language test (TOPIK).
- Japanese language training institutes deliver the Technical Intern Training (TIT) visa to workers bound to Japan as well as counselling on jobs in Japan.

3.4 Pre-departure orientation training (PDOT)

- PDOT is provided by dedicated centres established under the criteria set by the Foreign Employment Board. The two day training aim to disseminate country specific information and help safeguard migrant workers' rights while abroad.
- Japanese language training institutes deliver the Technical Intern Training (TIT) visa to workers bound to Japan as well as counselling on jobs in Japan.

Attendance of pre-departure orientation training

	Number of respondents	Women	Men
Respondents who took PDOT	26	5	26
Respondents who did not take PDOT	11	2	11
Respondents who could not recall if they took PDOT	4	2	4
Total respondents in the study	41	9	41

Of those respondents who did not take the PDOT, most had travelled via Kathmandu on an existing working visa, while others had travelled via India via irregular channels, or travelled on a tourist visa.

Information about PDOT centres is provided to migrant workers by PRAs, as well as by local agents or language institutes.

3.5 Contribution to the Welfare Fund

- ▶ The Foreign Employment Act, 2007 and the Foreign Employment Rules, 2008 (Third Amendment, 2017) require all migrant workers to contribute to the Welfare Fund for the issuance of labour permits by DoFE. The workers travelling on a three-year work contract contribute NPR 1,500 to the Foreign Employment Welfare Fund; those with contracts exceeding three years are expected to contribute NPR 2,500. The Fund is used for the welfare of current and returnee migrant workers. It is managed by the Foreign Employment Board (FEB), an entity that operates under the Ministry of Labour, Employment and Social Security (MoLESS).
- ▶ Contributions to the Welfare Fund from workers whose migration is processed by PRAs are made on their behalf by the PRAs, through the lumpsums they receive from workers.

3.6 Air ticket

- ▶ PRAs provide air tickets, as part of the overall services provided to workers.
- ▶ Air tickets for India are provided by informal agents to workers travelling to or via India without a labour permit from Nepal.

3.7 Migration cost

- ▶ Migrant workers paid on average above NPR 100,000 (~USD 800) to recruitment agencies as a lump sum amount for labour migration to GCC and Malaysia while migrating through regular channels. In most cases, this covers:
 - ▶ Recruitment agency fee
 - ▶ Visa application fee
 - ▶ Compulsory medical tests and medical certificate
 - ▶ Travel insurance
 - ▶ Airfare from Kathmandu to the destination country
 - ▶ Migrant workers' mandatory contribution to the Foreign Employment Welfare Fund (FEWF)
- ▶ Women workers travelling via India for domestic work paid around NPR 25,000 (~200 USD) for their migration. This usually covers:
 - ▶ Recruitment fees of the agents involved in sending works to destination countries
 - ▶ Amount incurred while travelling to India
 - ▶ Visa application fee

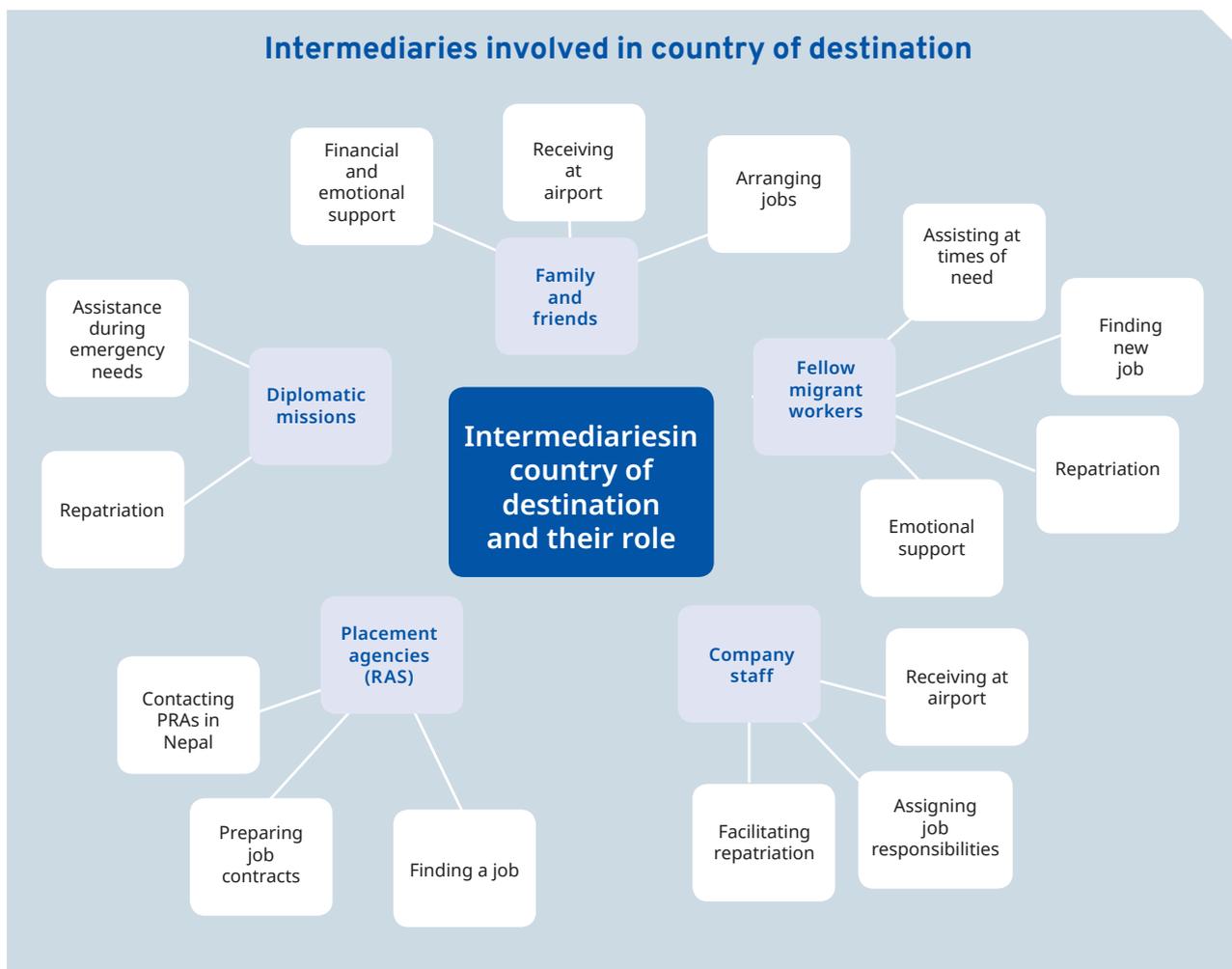
Destination country	Average recruitment fees (NPR) ²
Malaysia	120,000
Qatar	100,000
UAE (tourist visa)	50,000 (excluding air ticket)
UAE (regular channel)	200,000
Saudi Arabia	120,000
Kuwait (via India for domestic work)	25,000

² These findings are consistent with the other studies which also find Nepali workers paying excessive amount of money to recruitment agencies and agents for labour migration. See, Arjun Kharel et al. (2022), 'Migration Profile of Province 1 of Nepal', forthcoming, Kathmandu: SDC & CESLAM.

Table 1: Nature of transactions and amount involved during the pre-departure phase (NPR)

Migration destination	Loans borrowed	Fees paid while obtaining passport	Lump sum payment made to PRAs/local agents (covers medical tests, visa fee, recruitment fee and airfare) ³
GCC (via recruitment agencies)	105,000 to 300,000	5,000 to 10,000	100,000 to 200,000
Malaysia (via recruitment agencies)	60,000 to 120,000	5,000 to 10,000	120,000
Irregular migration to Kuwait via India	N/A ⁴	5,000 to 10,000	25,000
UAE (visit visa)	N/A	5,000 to 10,000	50,000 (excluding airfare)

► 4. Post-deployment at destination



3 The study found that research participants whose migration was processed through PRAs made lump sum payments to PRAs. The PRAs made the payments for various purposes on the migrants' behalf and hence, the research participants did not have full knowledge about where and what payments were made. Hence, they could not clearly recall the amount spent by the PRAs under different headings.

4 The research participants did not take any loan to facilitate their migration

4.1 Travel from airport to the employing company/agency

- Recruitment agents or employer company representatives receive migrant workers at the airport.
- Workers who travelled without a labour permit are received at airports in CoD by agents, whether these are representatives of placement agencies or local recruitment agencies registered in the destination country and operating legally, or informal agents.

4.2 Building contacts and providing help during crisis

- Fellow migrant workers from Nepal or from other countries played important roles in supporting other migrant worker's stay in the CoD and during repatriation. Fellow migrant workers with longer experience in CoD helped new arrivals build contacts and connections with new employers and find jobs.
- In the domestic work sector, fellow migrant workers employed as domestic helpers and in other sectors, acted as an integral support system. Those with longer experience in the CoD generally had more knowledge about jobs, workplace issues and labour laws. They also had a relatively stronger social capital in the form of connections and contacts.

► 5. Repatriation and post-return



5.1 Termination of job contract and exit from job

Employers were reported to have provided essential support during the repatriation process by making final arrangements such as booking flights and clearing the dues owed to migrant workers.

5.2 Settlement of outstanding issues and arrangement for return

Migrant workers who returned to Nepal during the COVID-19 induced lockdowns relied on the social network of support provided by fellow migrant workers in the CoD, in a few cases borrowing money to cover costs of return.

Migrant workers contacted the Embassy of Nepal for support on cases such as unpaid salaries or benefits in accordance with the contract, or if employing companies denied them opportunities to return to Nepal. In most cases, the Embassy intervened to resolve problems. In other instances, workers reported not receiving assistance.

5.3 Securing new sources of livelihood after return

Family members, friends and relatives in Nepal stepped in to help returnees find work upon their return to Nepal. Returnees with hopes of starting small-scale businesses collaborated with friends and relatives or benefited from financial assistance from such networks or from aid organisations.