Appendix IV

Definitions of recruitment fees and itemization of related costs by selected multi-stakeholder initiatives/organizations

A- Guidance documents

<table>
<thead>
<tr>
<th>Definition of recruitment fees</th>
<th>Itemization of related costs</th>
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<tbody>
<tr>
<td>Recruitment fees include any and all fees, charges, costs, assessments or other financial obligations associated with the recruiting process regardless of the manner or timing of their imposition or collection, including fees, charges, costs, assessments or other financial obligations assessed against workers in sending, receiving, or transit countries.</td>
<td>Recruitment fees include, but are not limited to, payments in any form for</td>
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<td></td>
<td>a) submitting applications, making recommendations, recruiting, reserving, committing, soliciting, identifying, considering, interviewing, referring, retaining, transferring, selecting, or placing potential job applicants, potential employees, persons who may be referred or contracted for employment, and employees;</td>
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<td></td>
<td>b) labour broker services, both one-time and recurring;</td>
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<td>c) pre-departure or post-arrival skills testing, training, or orientation, including, but not limited to, testing of competency or skill level in foreign languages, strength, or machinery use;</td>
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<td>d) covering the cost, in whole or in part, of advertising;</td>
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<td>e) certifying labour applications;</td>
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<td>f) processing petitions;</td>
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<td>g) visas and any fee that facilitates an employee obtaining a visa such as appointment, application fees, exit clearances or certificates;</td>
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<td>h) work permits, residence certificates, and security clearances (including renewals);</td>
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<td></td>
<td>i) sending, transit and receiving country government-mandated fees, levies, and insurance, including, but not limited to, border-crossing fees;</td>
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<td>j) procuring photographs and identity documentation, including any non-governmental passport fees;</td>
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<td>k) documentation services including notarization and translation;</td>
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<td>l) fees charged as a condition of access to the job opportunity, including procuring medical examinations and immunizations and obtaining background, reference and security clearance checks and examinations;</td>
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<td>m) pre-employment medical examinations or vaccinations in the sending country;</td>
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<td>n) receiving country medical examinations;</td>
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<td>o) transportation and subsistence costs while in transit including, but not limited to, airfare or costs of other modes of international transportation, terminal fees, and travel taxes associated with travel from sending country to receiving country and the return journey at the end of the contract;</td>
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<td>p) transportation and subsistence costs from the airport or disembarkation point to the worksite;</td>
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<td>q) bribes, tips or tributes;</td>
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<td>r) security deposits and bonds;</td>
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<td>s) the inclusion of a collateral requirement, such as land deeds, in contracts; contract breach fees;</td>
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<td>t) an employer’s recruiters, agents or attorneys, or other notary or legal fees; insurance;</td>
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</table>
2. **Institute for Human Rights and Business**

Employer Pays Principle: No worker should pay for a job - the costs of recruitment should be borne not by the worker but by the employer. IHRB mentions that migrant workers frequently pay fees to agencies and brokers for recruitment and placement in jobs abroad.

Fees may cover costs including the recruitment itself, travel, visa and administrative costs and other various forms of unspecified “fees” and “service charges”.

IHRB recommends that employers:
- pay the full costs of recruiting workers
- Ensure no worker is required to pay a deposit or bond to secure work, nor have to pay any reimbursements to cover their recruitment fees and costs.

Source: *Recruitment Fees (IHRB Briefing, May 2016)*
Definition of recruitment fees

Any and all fees, charges, or costs associated with the recruiting process, whether they are charged legally or illegally, in countries of origin, transit or destination. Workers, employers, or both employers and workers often pay recruitment fees.

Itemization of related costs

Any fee, charge or cost may be a recruitment fee regardless of whether it is deducted from wages, paid back in wage or benefit concessions, paid back as a kickback, bribe or tribute, remitted in connection with recruitment, or collected by an employer or a third party, including but not limited to agents, recruiters, staffing firms (including private employment and placement firms), subsidiaries/affiliates of the employer and any agent or employee of such entities.

Recruitment fees include, but are not limited to, payments in any form for submitting applications, making recommendations, recruiting, reserving, committing, soliciting, identifying, considering, interviewing, referring, retaining, transferring, selecting, or placing potential job applicants, potential employees, persons who may be referred or contracted for employment, and employees; labour broker services, both one-time and recurring; pre-departure or post-arrival skills testing, training, or orientation, including, but not limited to, testing of competency or skill level in foreign languages, strength, or machinery use; covering the cost, in whole or in part, of advertising; certifying labour applications; processing petitions; visas and any fee that facilitates an employee obtaining a visa such as appointment, application fees, exit clearances or certificates; work permits, residence certificates, and security clearances (including renewals); sending, transit and receiving country government-mandated fees, levies and insurance, including, but not limited to, border crossing fees; documentation services including notarization and translation; fees charged as a condition of access to the job opportunity, including procuring medical examinations and immunizations and obtaining background, reference and security clearance checks and examinations; pre-employment medical examinations or vaccinations in the sending country; receiving country medical examinations; transportation and subsistence costs while in transit, including, but not limited to, airfare or costs of other modes of international transportation, terminal fees, and travel taxes associated with travel from sending country to receiving country and the return journey at the end of the contract; transportation and subsistence costs from the airport or disembarkation point to the work site; bribes, tips or tributes; security deposits and bonds; the inclusion of a collateral requirement, such as land deeds, in contracts; contract breach fees; an employer’s recruiters, agents or attorneys, or other notary or legal fees; insurance; and contributions to worker welfare funds or government provided benefits in sending countries required to be paid by supplier.

Source: Recruitment Reform Campaign Glossary, Open Working Group on Labour Migration & Recruitment (June 2016)

4. Responsible Business Alliance

Fees to obtain or retain employment.

If noted in their contract and a receipt or record of payment is provided, workers may pay for basic items to prepare for interview such as CV copies, photos, copies of existing documents and certificates, incidentals; costs to meet minimum qualifications for the job such as degree or certification; passport replacement cost due to employee loss or fault, for replacing visas/permits this also includes photo(s), providing/photocopying any documents, etc.; dormitory and meals (must be fair market value and meet international health and safety standards); and costs for any legally allowable levies may be charged but must be deducted in a pro-rata manner. At the end of employment, apart from situations where there is dismissal for gross misconduct, workers shall not be charged any remaining balance due on any levies. Employers shoulder pre-departure fees and costs including skills tests, additional certifications, medical exams/screening if required by the employer or law; pre-departure training or orientation, and any other requirement to access the job opportunity; documentation/permits and associated costs of obtaining such documents and/or permits, such as new passport/identity documents needed for the purposes of obtaining employment, including renewal(s) required for retaining employment, visas, temporary work or residence permits (including renewals), police clearance fee, birth certificate fee, and certificate of good behaviour fee; transportation and lodging costs (including taxes and fees), such as transportation and lodging costs after the employment offer has been made and accepted, from their home in the sending country to the port of departure, transportation from sending country to receiving country port of entry, transportation from receiving country port of entry to supplier’s facility or provided accommodations, border-crossing fees, relocation costs if asked to move once employment has begun, return transportation to
**Definition of recruitment fees**

5. UN Global Compact/Verité

Any and all fees associated with the recruitment process regardless of when, how and whom they are collected.

Recruitment fees can include, but are not limited to, payments for the following:
- Services such as advertising, recruiting, short-listing, interviewing, referring, retaining, transferring or placing job applicant or potential employees;
- pre-departure or post-arrival training, skills-testing or orientation;
- pre-departure or receiving country medical examinations, including immunizations;
- visas, work permits, residency certificates or security clearance;
- documentation services, including translation or notarization;
- government-mandated fees, levies or insurance;
- transport or subsistence costs from point of origin to worksite, including airfare;
- security deposits or bond;
- breach of contract fees;
- employer notary or legal fees and bribes, tips or tributes.

**Itemization of related costs**

employee’s home country at the end of employment; arrival/on-boarding including but not limited to new-hire training or orientation and medical exams/screening; and other legal requirements including but not limited to deposits and/or bonds (including non-legislated).


6. Association of Labour Providers

Recruitment fees include any fee, charge, or cost, regardless of whether the payment is in property or money, deducted from wages, paid back in wage or benefit concessions, paid back as a kickback, bribe, in-kind payment, free labour, tip, or tribute, remitted in connection with recruitment, or collected by an employer or a third-party, including, but not limited to: labour providers providing recruitment and/or employment services; subsidiaries/affiliates of the employer; any agent or employee of such entities; and subcontractors, sub-agents and brokers at all tiers.

Employers must cover the following fees:
1. General overhead and processing fees:
   1.1. Any operating, administrative and overhead costs associated with the recruitment, selection, hiring, placement and retaining of workers including any fees for applications, recommendations, soliciting, identifying, considering, referring, interviewing and processing, of any kind, at any stage.
   1.2. Any fees for covering the cost, in whole or in part, of advertising.
   1.3. Any fees for an employer's recruiters, agents or attorneys, or other notary or legal fees.
   1.4. Any fees for language interpreters or translators.
2. Pre-departure:
   2.1. Interview skills tests.
   2.2. Any fees related to obtaining permanent or temporary labour certification.
   2.3. Any additional certifications beyond those required for job eligibility.
   2.4. Medical exams/screening/immunizations if required by the employer or law.
Definition of recruitment fees

Itemization of related costs

2.5. Pre-departure orientation and job-skills training.

2.6. Transportation and associated costs to and from the interview where workers have already been through a selection process by the labour provider and have been pooled for interview with the user enterprise.

2.7. Any other fees to access the job opportunity.

3. Documentation costs after the employment offer has been made:

3.1. New passport/identity documents needed for the purpose of obtaining employment, including photographs required for such documentation, renewal(s) required for the purpose of retaining employment and any fees associated with obtaining a passport/identity documents such as appointment and expedite fees.

3.2. Visas (including renewals and any fees associated with obtaining a visa such as appointment and expedite fees).

3.3. Temporary work or residence permits (including renewals).

3.4. Background, reference and police/security clearance fees.

3.5. Birth certificate fee.

3.6. Certificate of good conduct fee.

3.7. Other certifications, identity or clearance documents required for residing and working in the destination country, completed pre-departure.

3.8. Replacement of any stolen documentation.

4. Transit costs after the employment offer has been made:

4.1. Transportation, lodging and subsistence costs (including all taxes and fees) after the employment offer has been made and accepted from the worker’s home to the port of departure.

4.2. Transportation from port of departure to receiving country port of entry including but not limited to airfares or costs of other modes of international transportation, terminal fees and travel taxes.

4.3. Transportation, lodging and subsistence costs from receiving country port of entry to workplace or provided accommodations.

4.4. Border-crossing fees.

4.5. Return transportation, lodging and subsistence to worker’s home in the origin country at the end of the employment contract.

4.6. Any costs associated with travel arrangements, e.g. travel agents’ fees.

5. Arrival:

5.1. New-hire orientation and job-skills training.

5.2. Medical exams/screening.

5.3. Any certifications, identity or clearance documents required for residing and working in the destination country, completed post-arrival.

5.4. Legal requirements including, but not limited to, deposits and/or bonds (including non-legislated).
**Definition of recruitment fees**

Recruitment fees refer to all fees and costs associated with a migrant worker taking up employment overseas – including during the pre-departure, employment and return stage.

**Itemization of related costs**

6. During employment:
   6.1. Relocation costs if asked to move once employment has begun.
   6.2. Any costs associated with paying the worker's salary (e.g. bank fees).
   6.3. Where a contract is extended, any costs associated with extending the work visa or paying any agent fees.
   6.4. Any deductions which take pay below the legal minimum wage which are not allowed by law.
   6.5. Any fees associated with guaranteeing shifts or work.
   6.6. Any fees for transport to and from the workplace which is a mandatory requirement of the job, i.e. the only reasonable mode of transportation to arrive at the place of work.
   6.7. Any fees for labour provider- or user enterprise-provided accommodation and subsistence that are not truly optional.
   6.8. All other initial and ongoing employment expenses and fees for work-related equipment, tools, and apparel shall be borne by the employer. If other costs are added by any agent, sub-agent, or intermediary which are not required by law or by the employment site, the worker shall not be required to pay.

7. End of employment and early leave:
   7.1. No fees or deductions should be charged to the worker as a penalty for termination of employment. Workers should receive payment for all hours worked. Employers can make lawful deductions, for example for overpayment of holiday, provided this is clearly stipulated in the worker’s contract.


7. International Recruitment Integrity System (IRIS) – International Organization for Migration

Recruitment fees refer to all fees and costs associated with a migrant worker taking up employment overseas – including during the pre-departure, employment and return stage.

This includes costs relating to international travel (i.e. passport, visa, return flights etc.), medical and training costs, and any administrative or overhead fees associated with job placement. Recruitment fees include costs that are paid in money or property, deductions from wages or benefits, kickbacks or bribes, and in-kind payments such as free labour. The labour recruiters must not charge directly or indirectly, in whole or in part, any fees or related costs to migrant workers, for the services related to recruitment for temporary or permanent job placement or employment. The labour recruiter is prohibited to charge recruitment fees and related costs to migrant workers, irrespective of where or how they are recruited; the migrant worker are not responsible for those costs; and labour recruiters are in the obligation to inform jobseekers during the recruitment process that they do not bear any cost related to it.

Source: IOM IRIS Standard

8. World Bank’s Global Knowledge Partnership on Migration and Development (KNOMAD)/ILO

Recruitment costs defined to include all out-of-pocket expenses paid by migrants to get a job abroad, including all formal and informal payments (i.e. bribes), to intermediaries (job brokers/licensed

Costs paid to:

(a) obtain information about the job or apply for it with a local agent;
(b) learn the language in country of employment;
(c) learn skills necessary to apply for the job;
(d) obtain a passport;
Definition of recruitment fees

- agencies, or friends and relatives) or employers, for work visas (including informal costs), interest paid on loans, and for local and foreign travel.

Itemization of related costs

- (e) take the medical exams;
- (f) take any skills tests required by the recruiter/employer;
- (g) obtain police/security clearance;
- (h) obtain approval of employment contract /exit clearance by national authorities;
- (i) take required pre-departure training;
- (j) acquire necessary health/life insurance;
- (k) obtain the work visa;
- (l) become member of welfare fund for migrant workers (required in some origin countries);
- (m) other costs, including informal payments (e.g. bribes);
- (n) pay for local transportation and accommodation while applying for the job;
- (o) pay for international transportation, including all taxes (e.g. departure tax);
- (p) pay for recruitment fees if not included in other fees paid.

9. International Trade Union Confederation (ITUC) Recruitment Adviser

Recruitment fees include agency fee/service charge/placement fee, medical examination, insurance, pre-departure orientation, passport application/renewal, visa, flight ticket, accommodation during recruitment, skills training and others.

Source: ITUC, Recruitment Advisor (2017)
### B- General statements on recruitment fees and related costs

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<thead>
<tr>
<th>Organization</th>
<th>Statement on recruitment fees and related costs</th>
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<tbody>
<tr>
<td>1. World Employment Confederation</td>
<td>Private employment services shall not charge directly or indirectly, in whole or in part, any fees or costs to jobseekers and workers, for the services directly relates to temporary assignment or permanent placement. Source: <a href="#">WEC Code of Conduct, principle 3</a></td>
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<td>2. The Consumer Goods Forum</td>
<td>No worker should pay for a job. Fees and costs associated with recruitment and employment should be paid by the employer, not the employee. Fees can cover a wide array of ‘costs’, including legal fees, travel, passport and visa processing, medical exams, in-country support services and languages classes. Fees can also include service charges for which there is no real choice, and that may be overpriced or fraudulent. Recruitment agents may even act as moneylenders, charging excessive interest or exchange rates. Payment of recruitment fees can be hidden as deduction from wages, or collected by forcing workers to buy services at inflated rates. Even optional chargeable services should be considered a recruitment fee if they are integral to the process of obtaining work, for example: providing information, advice and guidance on job vacancies; interview and assessment fees; completing, translating or sending documents to the employer. Source: <a href="#">The Consumer Goods Forum, Priority industry principles (2017)</a></td>
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<tr>
<td>3. Verité</td>
<td>The employer covers all recruitment and processing fees, costs, and expenses, including those associated with securing identity cards, medical certificates and examinations, skills testing, and travel. Source: <a href="#">Verité, Sample benchmarks of good practice in recruitment and hiring (2011)</a></td>
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