International Labour Organization | Fair Recruitment Initiative

Recruitment fees and related costs at a glance



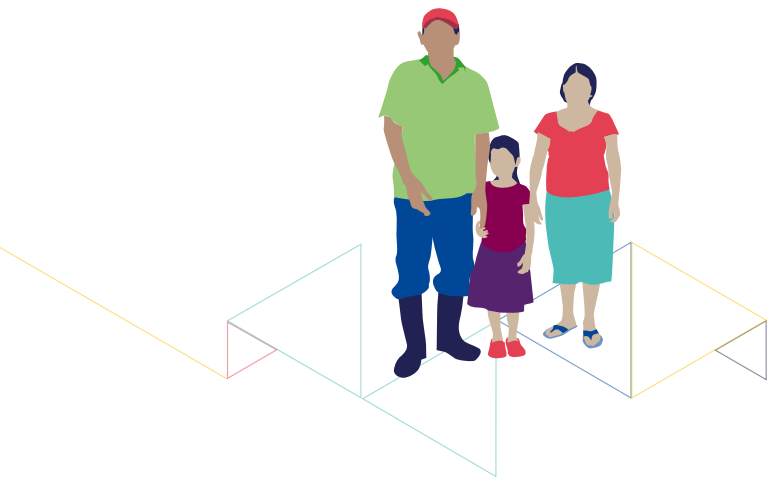
Section 1: What are recruitment fees and related costs?

One of the founding principles of the ILO is that "labour is not a commodity" (ILO Declaration of Philadelphia, 1944). Consequently, the principle that workers should not be made to pay for their recruitment is enshrined in several relevant international labour standards and ILO guidance documents, becoming a significant component of ILO technical work.

However, available data show that workers, particularly migrant workers, continue to pay a wide range of recruitment fees and related costs, which can be as high as 14.6 months worth of wages (Bangladesh Bureau of Statistics, 2022). These high costs can lead to situations of debt bondage and forced labour. In fact, a recent report on the economics of forced labour reveals that one of the main sources of illegal profit from forced labour is the payment of recruitment fees and costs. It is estimated that a staggering 5.6 billion US dollars in annual profit are extracted from migrants in forced labour situations through these fees and costs, a clear violation of their labour rights (ILO, 2024).

Against growing concern on abuses relating to worker-paid recruitment fees and related costs and international commitment to respond to these challenges, ILO tripartite constituents, in 2018, convened in a Tripartite Meeting of Experts on Defining Recruitment Fees and Related Costs. Subsequently, they adopted the first internationally agreed-upon Definition of Recruitment Fees and Related Costs (hereafter, "the ILO Definition"). This definition, which complemented the previously adopted General Principles and Operational Guidelines for Fair Recruitment (GPOG), guides the ILO action on fair recruitment as implemented under its Fair Recruitment Initiative.

According to these principles, "the terms recruitment fees or related costs refer to any fees or costs incurred in the recruitment process for workers to secure employment or placement, regardless of the manner, timing or location of their imposition or collection". Guided by international labour standards, the approach to recruitment fees specified in the General Principles and Operational Guidelines is clear: "workers shall not be charged directly or indirectly, in whole or in part, any fees or related costs for their recruitment".



▶ ILO Definition of recruitment fees and related costs.

▶ **Figure 1: Breakdown of the definition of recruitment fees and related costs**

▶ A. Recruitment fees:

Payments for recruitment services offered by labour recruiters (public or private); payments made in the case of recruitment of workers with a view to employing them to perform work for a third party; payments made in the case of direct recruitment by the employer; and payments required to recover recruitment fees from workers.

These fees may be one-time or recurring.

▶ B. Related costs:

Related costs are expenses integral to recruitment and placement. When initiated by an employer, labour recruiter or an agent acting on behalf of those paerties; required to secure access to employment or placement; or imposed during the recruitment process, the following costs should be considered related to the recruitment process:

- Medical costs
- Insurance costs
- Equipment costs
- Costs for training and orientation
- Travel and lodging costs
- Administrative costs
- Costs for skills and Costs for skills and qualifications tests

▶ C. Illegitimate, unreasonable and undisclosed costs:

Extra-contractual, undisclosed, inflated or illicit costs are never legitimate.

Source: ILO Fair Recruitment Roadmap: A guide for national implementation, *(forthcoming 2024)*

▶ What are the implications of paying recruitment fees and related costs?

Workers' paid recruitment fees and related costs are an issue of growing global concern, and their elimination is a matter of increased international agreement. This issue has been expressly and extensively addressed in several international legal standards (see Figure 21). International frameworks such as the United Nations' Agenda 2030 and its Sustainable Development Goals (SDGs) recognise that recruitment costs borne by employees bear a significant impact on achieving global commitments to "facilitate orderly, safe, and responsible migration and mobility of people, including through implementation of planned and well-managed migration policies" (SDG target 10.7). Similarly, Objective 6(c) of the Global Compact for Safe, Orderly and Regular Migration, commits States to, among others, prohibit recruiters and employers from charging or shifting recruitment fees or related costs to migrant workers to prevent debt bondage, exploitation, and forced labour.

▶ Figure 2: Some key considerations highlighting the importance of regulating recruitment fees and related costs

- The payment of recruitment fees and costs exacerbates risks of debt bondage, a key indicator of forced labour. About 20 per cent of forced labour cases emanate from debt bondage, often linked to recruitment fees and related costs (ILO, IOM, Walk Free Foundation, 2022).
- The economic implications of recruitment fees and related costs constitute 15 per cent ($5.6 billion) of the illegal annual profits from international migrant workers (ILO, 2024).
- The Sustainable Development Goals Agenda (SDGs), particularly in SDG 10.7.1, highlights the impact of recruitment fees and related costs on exacerbating income inequality. *(See section 3 below for more)*.
- Recruitment fees and costs constitute a subset of total migration costs that could take several months' worth of a migrant worker's wages to completely repay. *(See section 3 below for more)*.
- Recruitment-related debt can force migrant workers to accept abusive employment, refrain from complaining, and overstay their visas, driving them into irregularity and heightening their risks for exploitation through forced labour. *(See section 3 below for more)*.

▶ Recruitment fees and related costs in a crisis period

The COVID-19 pandemic highlighted and exacerbated pre-existing inequalities and vulnerabilities between and within societies and labour markets. Its negative impacts were especially severe for those who were already in vulnerable situations, including migrant workers (United Nations 2020, 2). During the pandemic, migrant workers faced a combination of health, socio-economic, and protection challenges. In this light, migrant workers faced the compounding effect of job loss or reduced wages while dealing with a fast-spreading virus (and potentially additional healthcare costs), which was exacerbated by limited access to social welfare and benefits (ILO, 2021). These significantly impacted the payment of recruitment fees and costs in numerous ways. **Reports indicate the overall increase in recruitment fees and related costs during the pandemic (ILO, 2021).**

The pandemic's unprecedented impact on recruitment fees and related costs also affected employers, especially when the "employer pays" principle applies. Overall, this negatively impacted fair recruitment outcomes for workers and effective job skills matching (ILO, 2021, 20). This underscores the importance of streamlining recruitment processes and reducing recruitment costs for all parties and stakeholders involved.

Furthermore, while many governments provided services such as reintegration assistance and legal measures to returned migrants, these rarely addressed the recruitment fees and related costs paid by migrant workers or the additional financial burden of being unable to continue work employment or remain in the destination country.

The COVID-19 pandemic highlighted an overarching issue facing migrant workers. Due to limited social protection regimes and sustainable reintegration, many migrant workers who lost their jobs and were repatriated did not receive any social benefits, owed wages, and were denied access to redress mechanisms owing to lockdowns and closures.

▶ **Figure 3: Core considerations on recruitment fees and related costs resulting from the COVID-19 pandemic**



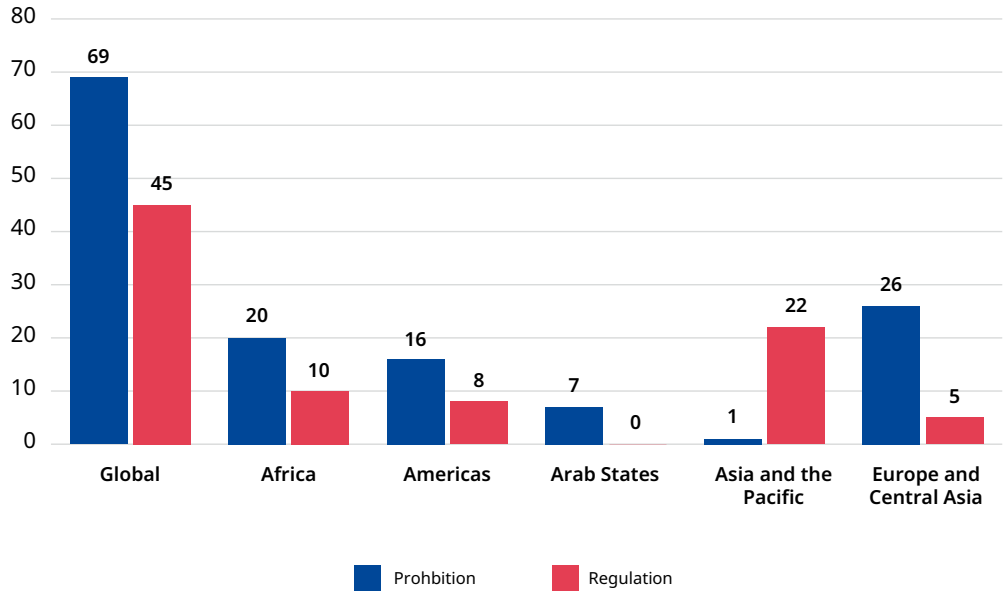
Section 2: How are countries addressing recruitment fees and related costs?

In 2018, the ILO reviewed the recruitment-related laws, policies, and practices of 90 countries across all five regions to document current regulatory approaches and experience on the subject, along with various frameworks and stakeholder initiatives in the first-ever global study on recruitment fees and related costs. **In 2024, the ILO is releasing an expanded second edition covering 110 countries**, documenting progress, challenges, and regulatory gaps. This second edition offers insights to better understand the global recruitment landscape, the realities that workers, recruiters, and employers face, and the ILO Definition's impact on recruitment practice.

The legislative and policy perspectives on recruitment fees and related costs reflect global migration dynamics, which can be divided into three broad categories.

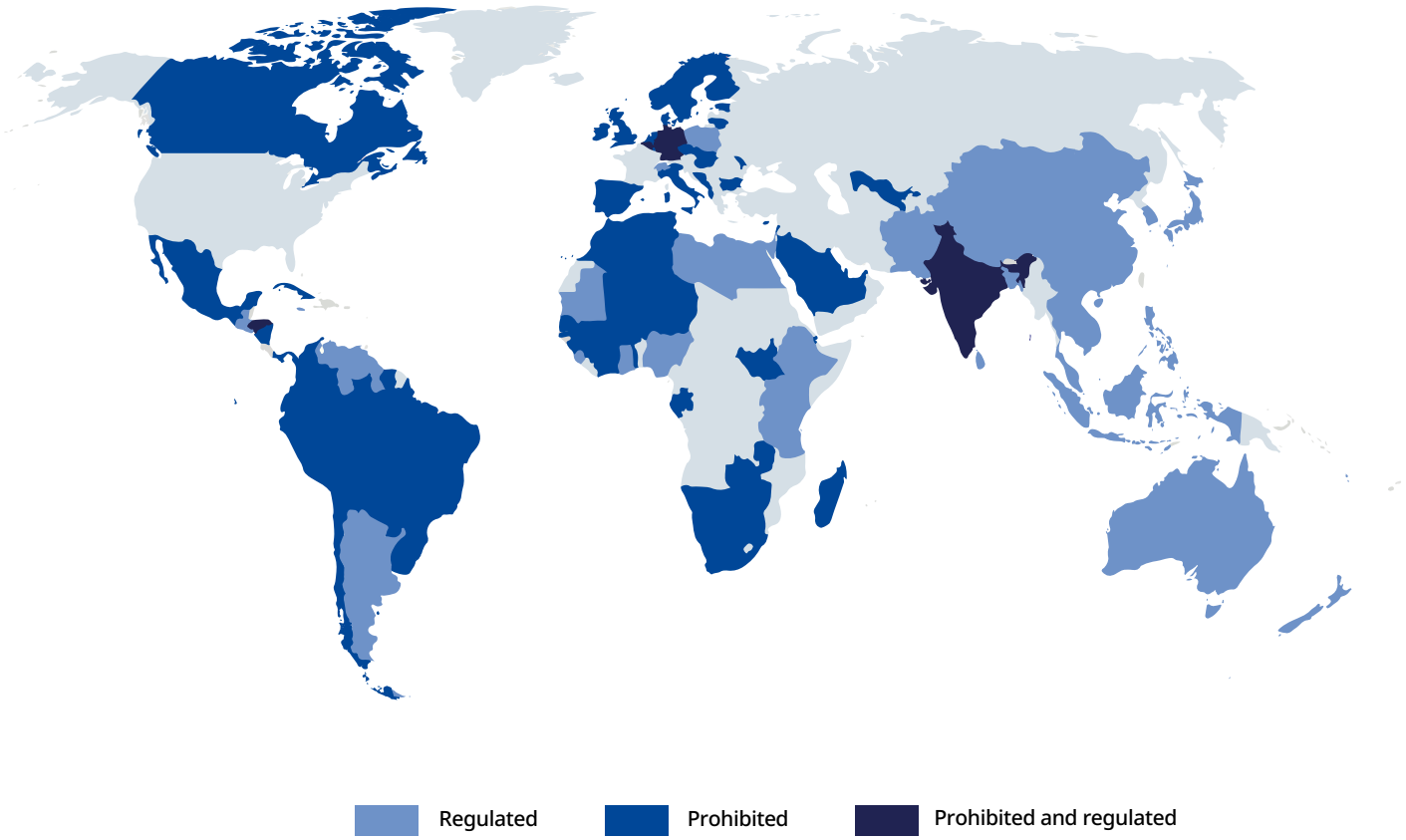
- In **Europe and Central Asia**, and the **Arab States**, more countries **adopt legislation prohibiting** the charging of recruitment fees and related costs to workers (for, at least, some categories of workers or for, at least, certain costs).
- In **Asia and the Pacific**, more countries **adopt legislation regulating** the charging of recruitment fees and related costs to workers, for example, by introducing a cap on their imposition (for at least some categories of workers).
- In **Africa and the Americas**, there is a greater **mixture of approaches** to recruitment fees and related costs, **consisting of both prohibition and regulation**. *See figures 4 and 5 below.*

▶ **Figure 4: Global and regional breakdown of legal provisions on recruitment fees and related costs**

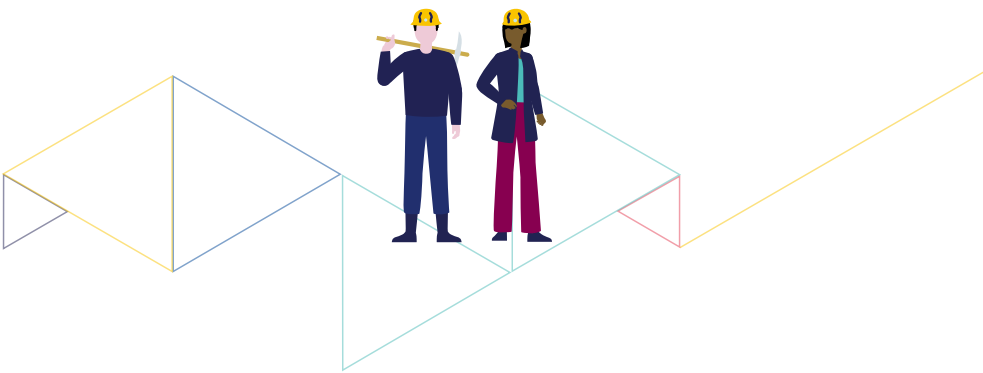


Note: The figures correspond to the numbers and share of: (a.) ILO Member States that have legislation prohibiting the charging of recruitment fees and related costs *(for, at least, some categories of workers or for, at least, certain costs)* to workers (blue); and (b.) ILO Member States that have legislation regulating the charging of recruitment fees and related costs *(for at least some categories of workers)* (red).

▶ Figure 5: Global overview of legal provisions on recruitment fees and related costs



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Regional highlights



Africa

- Most provisions cover both international and national recruitment, this is often achieved through separate legislation.
- General statements or declarations were the primary approaches to prohibit recruitment fees and related costs.
- Yet, compared to other regions to other regions, it was more common in Africa to identify laws that prohibit charging workers very specific costs – most commonly transportation.



Americas

- The regional approach presents a regulatory mix. While most countries in the region prohibit the charging of recruitment fees and related costs, a significant but lesser number of countries focus on regulation.
- It is common to find a general statement or declaration prohibiting recruitment fees and related costs, and in a limited number of cases, such declarations are accompanied by detailed cost breakdowns.
- The legal and policy approaches to recruitment fees and related costs in the region often apply to both national and international workers.



Arab States

- The general trend is to prohibit charging recruitment fees and costs to workers recruited from abroad, focusing on expenses in destination countries like work and residence permits. However, policies often overlook fees and cost imposed in countries of origin.
- Sector-specific regulations on recruitment fees and related costs, such as those for domestic and construction workers, are common.



Asia and the Pacific

- The overall trend is a general declaration or statement regulating the payment of fees and related costs while not necessarily providing details on what such fees and costs entail.
- There is no general consensus on what constitutes recruitment fees and related costs, as almost half of the countries examined do not have an official or formal definition of the concept.
- The primary approach to regulating recruitment fees and related costs is to apply caps or ceilings on fees and costs charged to workers.



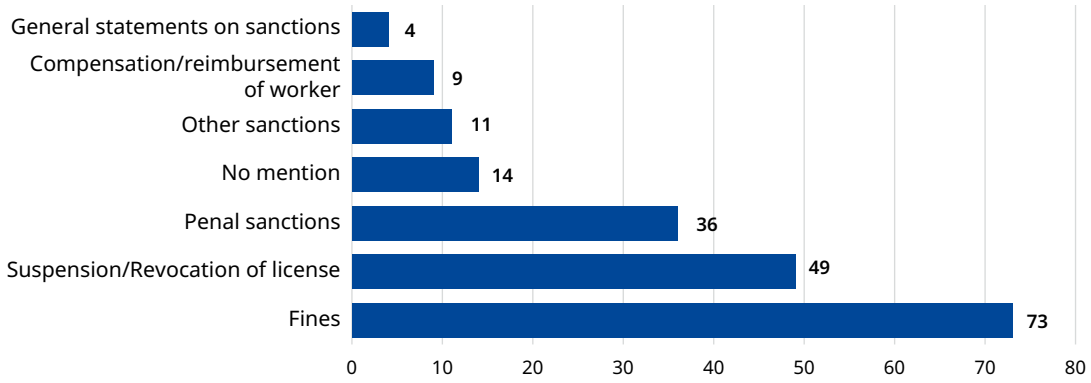
Europe and Central Asia

- The general trend is the prohibition of recruitment fees and related costs in international and national recruitment. However, these prohibitions often only apply to temporary employment agencies.
- General statements or declarations prohibiting recruitment fees and related costs were the primary approaches to addressing the issue.
- Only a few countries in the region provide a detailed breakdown of recruitment costs.

▶ Sanctions

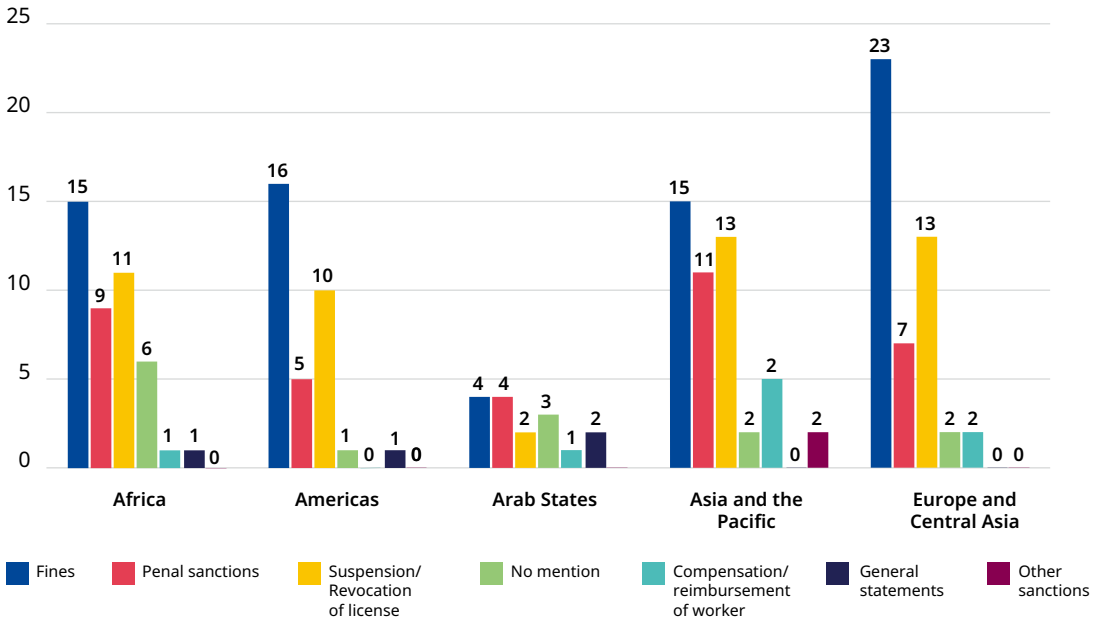
Data from ILO's research shows that most countries sampled provide at least one or more sanctions, mostly in the form of fines, for violating legal provisions that regulate recruitment fees and related costs. Other major approaches to sanctions include suspension or revocation of recruitment licenses and penal sanctions, which sometimes include imprisonment. Other less frequent approaches include compensation or reimbursement of the worker for the illegal fees paid and other forms of sanctions, which include, for example, entering and publishing the recruitment agency in an open list or register. *(See figures 6 and 7 below for more on this)*

▶ Figure 6: Global prevalence of sanctions regarding recruitment fees and related costs



Note: Countries may utilize more than one type of sanction.
Source: Compiled by the authors from the law and policy review.

▶ Figure 7: Regional breakdown of sanctions regarding recruitment fees and related costs



Note: Countries may utilize more than one type of sanction.
Source: Compiled by the authors from the law and policy review.

▶ Role of social partners in addressing recruitment fees and related costs

Employers' and workers' organisations play a crucial role in promoting fair recruitment, upholding the rights of workers, including migrants, and preventing exploitation through the payment of recruitment fees and related costs. Across different regions and contexts, their collective action can ensure decent work outcomes and protect against recruitment fees and related costs

▶ Figure 8: Promising practice examples of employers' organisation's actions and tools reducing or eliminating recruitment fees and related costs

In 2019, the ILO and the International Organisation of Employers (IOE) developed the "ILO–IOE Guidance Tool for Construction Companies in the Middle East". This tool identifies recruitment fees and related costs as risks that can be considered as elements of forced labour. Contractors are encouraged to only contract registered recruitment agencies and ensure that the agency does not charge workers any recruitment fees and related costs. The tool provides guidance on identifying where recruitment fees and related costs are charged and to preventing it.

A notable trend in Africa is the increasing adoption of codes of conduct by federations of private recruitment agencies, aligning with international guidance and regulate recruitment fees and related costs. For instance, codes of conduct have been developed by recruitment agencies' bodies in Ethiopia, Uganda, and Kenya.

In September 2020, the Ministry of Labour and the Qatar Chamber of Commerce and Industry, with the support of the ILO and the Institute for Human Rights and Business (IHRB), launched a Guidance Tool for Hotels in Qatar, which serves as a resource to promote fair recruitment and employment standards in the hospitality sector. The tool adopts the ILO Definition and includes a due diligence checklist for service providers and recruitment agencies, underlining that recruitment fees and costs should not be charged to workers.



In the Asia and Pacific region, recruitment agencies' federations, including the Viet Nam Association of Manpower Supply and the Myanmar Overseas Employment Agencies Federation, have adopted codes of conduct that urge their members to be transparent and to comply with legislation regarding the collection of fees from migrant workers. In the Philippines, several recruitment associations – including the Association for Professionalism in Overseas Employment and the Philippine Association of Service Exporters, Inc. – have adopted a "no placement fee" policy in their operations. Their member agencies do not levy placement fees and processing fees on applicants, nor salary deductions.

In the Americas, CIERTO has demonstrated a steadfast commitment to protecting workers against exploitative recruitment fees and related costs. CIERTO has raised awareness about the risks faced by migrant workers due to recruitment fees and costs and has worked to minimize these expenses. CIERTO conducts independent monitoring in communities to ensure job offers are authentic, free from fraud, and do not involve illicit fees. This commitment helps create a fair environment for migrant agricultural workers and protects their rights.

▶ Figure 9: Promising practice examples of workers' organisation's actions and tools reducing or eliminating recruitment fees and related costs

The International Trade Union Confederation (ITUC) developed the Recruitment Advisor platform with support from the ILO Fair Recruitment Initiative. The platform allows workers to learn about their rights, comment on their experiences with and rate their experiences of recruitment agencies using a rating system benchmarked against the ILO General Principles and Operational Guidelines for Fair Recruitment. Originally launched in a limited number of countries, the platform has been extended to 23 countries and covers over 10,000 recruitment agencies.

The Kuwait Union of Domestic Labour Offices and the Ethiopian Overseas Employment Agencies Federation signed an MOU in May 2022 in which both parties agreed that Kuwaiti offices/agencies would pay their Ethiopian counterparts a maximum of US$1,300 per domestic worker for commission.

The African Trade Union Migration Network is focusing on implementing Objective 6 of the GCM, which is "Facilitating fair and ethical recruitment and safeguarding conditions that ensure decent work." It has developed a plan of action, including a campaign to prohibit recruitment fees and related costs.

The Sindicatos Unidos con México Moderno (SUCOMM) union, with the support of the ILO, launched the Migrant Workers' Resource Centre (MRC) in Tijuana, Mexico, a physical space that serves potential migrants, asylum-seekers and refugees, and their families and other members of the community, by providing them with information and assistance concerning their labour rights and access justice if their rights are violated. With the support of the ILO, SUCOMM has scaled this important initiative by opening another MRC in Cancun, Mexico.



▶ Other examples of promising practices for addressing recruitment fees and related costs

The ILO's work, through the advocacy of the Fair Recruitment Initiative and the adoption of the GPOG and the ILO Definition, has influenced both public and private actors around the globe to intensify efforts to address recruitment fees and related costs. Below are examples of other promising fair recruitment practices from governments, employers' and workers' organisations, individual companies or corporations, multi-stakeholder initiatives, and civil society organisations.

▶ Figure 10: Bilateral initiatives aimed at reducing or eliminating recruitment fees and related costs

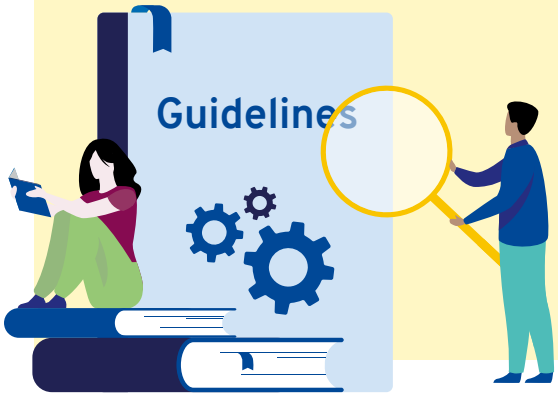
In July 2019, the Governments of Guatemala and the United States signed an agreement to develop a Temporary Agricultural Workers Program, strengthening bilateral cooperation and providing thousands of temporary employment opportunities to Guatemalan migrant workers in the United States through H2-A visas. The agreement was extended in 2020 with amendments that prohibited charging migrant workers recruitment fees of any kind.

The governments of Indonesia and Malaysia signed an MOU in April 2022 on the Placement and Protection of Indonesian Migrant Workers in the Domestic Work Sector in Malaysia. Among other provisions, the MOU contains provisions for recruitment costs to be paid by the employer, including costs arising in Malaysia (security deposits, processing fees, work pass, insurance costs, medical examinations, annual levy, COVID-19 testing and quarantine cost) and costs arising in Indonesia (costs arising in case the worker qualifies for the biomedical test in Indonesia, as well as costs related to passport, social security, health certificate, medical check-up, psychology test, local transport work visa, work training, certificate of competence, Indonesian placement agency fee, airfare and accommodation).



▶ Figure 11: Multilateral initiatives aimed at reducing or eliminating recruitment fees and related costs

The United States, Spain, and Canada have formed a trilateral partnership with a specific focus on addressing recruitment fees in Latin America. One of the primary objectives of this collaboration is to promote fair recruitment practices by reducing or eliminating exploitative fees charged to migrant workers during the hiring process. Canada has taken steps to receive over 50,000 workers from Mexico and Guatemala in the agriculture sector through existing programmes.



The Intergovernmental Alliance on Development (IGAD) developed Regional Guidelines on Rights-Based Bilateral Labour Agreements (BLAs), which was adopted at the IGAD's first Ministerial Conference on Labour, Employment, and Labour Migration in October 2021. These Guidelines mention the need to eliminate recruitment fees. During IGAD's Second Ministerial Conference on Labour, Employment, and Labour Migration, held in March 2023, Ministers of Labour committed to reviewing current recruitment policies and practices in the IGAD region, as laid down in a Ministerial Communiqué.

▶ Figure 12: Multi-stakeholder initiatives aimed at reducing or eliminating recruitment fees and related costs

Impactt Limited, an employee-owned consultancy, specializes in human rights, labour standards, and ethical trade. Among other services, Impactt helps businesses reimburse workers who have paid recruitment fees and costs, freeing them from debt bondage and addressing forced labour in supply chains. In October 2021, Impactt introduced a set of Principles and Guidelines for Repayment of Recruitment Fees and Related Costs, which aligns with ILO standards and outlines a clear and simple process for the calculation and repayment of recruitment fees charged to workers. This approach has been mirrored by similar organisations, such as The Consumer Goods Forum (CGF) Human Rights Coalition – Working to End Forced Labour (HRC) and AIM-Progress.



▶ Figure 13: Regional initiatives aimed at reducing or eliminating recruitment fees and related costs

In Africa, the Fair and Ethical Recruitment Strategy (2024–2030) developed in partnership with the African Union (AU) is based on continental and subregional frameworks and commitments, as well as ILO standards and definitions. The Strategy aims to review recruitment frameworks, support employers in due diligence, and inform workers about their rights. The Strategy will promote the adoption of the ILO Definition on recruitment fees and related costs by AU Member States and a move towards harmonized fair recruitment practices across the region, including the prohibition of recruitment fees and related costs.

In 2023, the ILO launched the ILO Regional Strategy on Labour Migration and Human Mobility in Latin America and the Caribbean 2023-2030. One thematic area focuses on fair recruitment, including the elimination of recruitment fees and related costs through law revisions, stronger enforcement, capacity building, and improved access to information for migrant workers.



Section 3: How are recruitment fees and related costs measured?

The payment of recruitment fees and related costs also impacts the overall income of workers, including migrant workers, as they may have to work several months to be able to recuperate the amounts spent on recruitment fees and related costs. This is a significant impediment to reducing global inequality, the focus of Goal 10 of the 2030 Sustainable Development Goals Agenda (SDGs). Hence, a specific SDG Indicator was developed (10.7.1): "**Recruitment cost borne by an employee as a proportion of monthly income earned in country of destination**" (RCI), which aims to calculate and provide empirical evidence on the impact of recruitment costs on workers' incomes.

The ILO, in collaboration with the World Bank, developed a methodology for the indicator, culminating in the publication of the measurement *Guidelines for the SDG indicator 10.7.1*, which was agreed with countries through a meeting of experts and validated through testing in collaboration with the national statistics office of selected countries in 2019. These Guidelines apply a statistical definition of recruitment fees and related costs based on the ILO definition of recruitment fees and related costs. The ILO has continued promoting the measurement of this indicator as part of official statistical processes through:

- direct technical support to National Statistical Offices to implement pilot surveys and conduct national surveys;
- capacity-building on SDG 10.7.1 measurement through global, regional and national courses;
- validation and refinement of the data collection tools; and
- the preparation of updated practical tools including survey questionnaires.

This initiative shows that beyond advocacy and regulatory and policy coherence purposes, **the ILO Definition of recruitment fees and related costs is also a fundamental tool for data collection and evidence-based policymaking**.

To date, various countries have intensified efforts in measuring recruitment fees and costs, either as a component of the SDGs measurements or national statistical measurement processes, including household survey and labour force survey processes and through other initiatives. *See below for some of the findings.*

▶ **Figure 14: Recruitment cost for Filipino migrant workers by gender**



Philippines: In 2024, the ILO and the government of the Philippines, through the Philippine Statistics Authority, released the results of a survey that deployed to the RCI to measure SDG 10.7.1. The study identified that there were over 2.2 million Filipino migrant workers abroad, of which 1.0 million were men migrant workers and 1.2 million were women. Together, Filipino migrant workers pay an average amount of 54,000 Filipino pesos as recruitment costs while earning an average monthly income of 45,000 Filipino pesos as income in their first employment. This means that it takes a Filipino migrant worker an average of 1.2 months to earn the equivalent of what they had spent on recruitment fees and related costs. However, this differs across genders. For instance, it takes men migrant workers 1.1 months to earn back their recruitment costs, while it takes women migrant workers the equivalent of 1.4 months to recuperate their recruitment costs.

▶ Figure 15: Recruitment costs for Vietnamese migrant workers by gender



Viet Nam: In 2021, the General Statistics Office of Vietnam released the results of the labour force survey in which they deployed the RCI to measure SDG 10.7.1. According to the survey, the average cost Vietnamese migrant workers have to pay to secure work abroad is 165 million Vietnamese Dong (VND) ($6,543). The survey also highlights that, on average, it would take a Vietnamese migrant worker 7.4 months of their first-month salary to cover the recruitment costs paid to secure the first job abroad. The survey also found that migrants with lower and intermediate education levels paid higher recruitment costs than those with higher education. The RCI also differed for men and women, with Vietnamese men migrant workers paying about 7.2 months and women migrant workers paying 7.6 months.

▶ Figure 16: Recruitment costs of Indonesian migrant workers

Indonesia: In 2020, the ILO released a migrant cost survey among Indonesian plantation workers in Malaysia. The survey also highlights that monies for recruitment fees and related costs were obtained through loans from family/relatives, friends, agents/brokers/recruiters, money lenders, and credit cooperatives, among others. It also highlighted other costs incurred through informal payments, including, medical check-ups, costs to expedite passport/visa/government documentation processes or falsifying official documents. The survey results also show that mi-gration to work on the plantations in Malaysia costs an Indonesian migrant worker about **1.4 months' work of wages**, on average.

▶ Figure 17: Recruitment costs for Cambodian migrant workers by gender



Cambodia: In 2019, the Cambodia National Institute of Statistics in the Ministry of Planning deployed the RCI in its conduct of the Cambodian national labour force survey. According to the Cambodian labour force survey, the average recruitment costs paid by Cambodian migrant workers amounted to 0.7 months of earnings. Further disaggregating by sex shows that the average recruitment costs paid by men migrant workers equal 0.6 months of income while representing 0.7 months of income for women migrant workers.

The results presented should be interpreted with caution, as they are not directly comparable. The different stages of implementation, the diversity of survey methodologies and the specific contexts in which data are collected may not reflect comparable realities of progress towards achieving SDG 10.7.1. Some countries have already started to measure this indicator through nationally representative specialized surveys on migration, while others are currently in the pilot phase, integrating modules within national household surveys that may not have been specifically designed to capture the nuances of migrant populations. As such, the data may not fully reflect the complexities of recruitment fees and related costs as defined in the indicator 10.7.1 and should be considered as part of a broader effort to understand and measure migration in line with SDG 10.7.1.

▶ Figure 18: Recruitment costs for migrant workers in the Maldives by gender



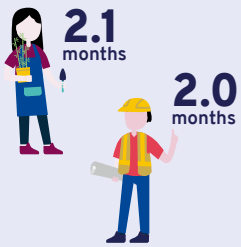
The Maldives: In 2019, the Maldives Bureau of Statistics, in collaboration with the ILO and the World Bank, integrated the RCI into its national household income and expenditure survey labour. This survey included information on migrants living in collective living quarters (labour quarter component) which is male dominated. Hence, the gendered results are not representative of all migrant workers in the country. The survey shows that on average, it takes a migrant worker in the Maldives 8.2 months to earn the requisite amount to recover their recruitment fees and costs. But there are significant differences across nationality, sectoral and skill levels. For example, it takes Bangladeshi migrant workers in the Maldives an average of 11.2 months to make similar recoveries. Similarly, workers in the manufacturing sector usually paid 10.3 months of their first-year income in recruitment fees and related costs. Also, high-skill occupations paid only 2.3 months of work income in recruitment fees and related costs, compared to 8.5 months paid by migrant workers in low-skilled occupations. Taking a gendered dimension to this survey, the results show that men migrant workers in the Maldives pay 8.3 months of work income in recruitment fees and related costs, compared to their women counterparts, who pay 3.9 months. This result only refers to migrant women workers living in collective quarters, who tend to have supervisory or managerial roles (high-skilled), which could explain the low RCI for women.

▶ Figure 19: Recruitment costs for Bangladeshi migrant workers by gender



Bangladesh: In 2019, the Bangladesh Bureau of Statistics, with the support of the ILO, instituted the first independent recruitment cost survey to measure SDG 10.7.1. The results of this first survey indicated that recruitment costs amounted to, on average, 17.6 months of income. Disaggregating these figures by gender shows that, on average, it took 5.6 months for women and 19.1 months for men to recover the costs incurred. The labour force survey conducted in 2022 and published in 2023 provides updated data on SDG 10.7.1. The 2022 Labour Force Survey estimates that recruitment costs can represent about 14.6 months of a worker's income, specifically, 15.1 months for men migrant workers and 7.8 for women migrant workers. It is also important to note that the RCI methodology for SDG 10.7.1 has been incorporated into the national labour force survey in Bangladesh.

▶ Figure 20: Recruitment costs for Ghanaian migrant workers by gender



Ghana: In 2019, the Ghana Statistical Service initiated a pilot survey to test out the RCI and measure SDG 10.7.1. The results of the survey show the differential impact of the payment of recruitment fees and related costs on the income of workers across gender and skill classifications. For instance, it takes Ghanaian man migrant workers 2.0 months to recover recruitment fees and costs from their income, while it takes women migrant workers 2.1 months. Similarly, recruitment fees and related costs constitute 2.1 months of income for low-skilled workers, compared to 1.7 months for highly skilled workers.

▶ Figure 21: Recruitment costs for Laotian migrant workers by gender



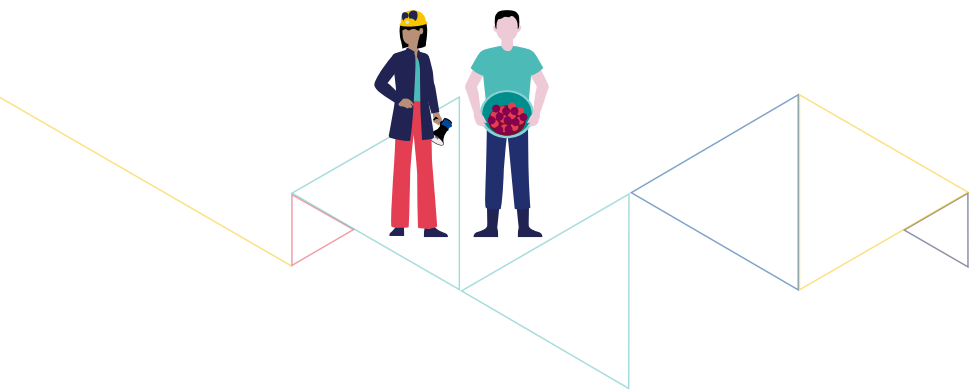
Lao People's Democratic Republic: In 2017, Lao PDR implemented its 2nd National labour force survey, which, for the first time, included a pilot module that accounted for measuring the recruitment costs. However, the survey was conducted before the completion of the SDG 10.7.1 methodology. Hence, the data is not comparable to the rest of the countries. Still, it is instructive in that it provides vital empirical data on Laotian migrant workers and indicates the potential costs they may bear and the impact thereof. The survey found that Laotian migrant workers primarily migrated to neighbouring Thailand, and the average recruitment costs totalled 141 United States Dollars (USD), the median cost was USD 96, and the most frequently occurring costs being USD 36, which suggests low fees paid by Laotian migrant workers. The survey also showed that it took Laotian men migrant workers approximately 0.32 months to recoup their recruitment costs from their income, compared to 0.33 months for women migrant workers.

▶ What is the relationship between gender and recruitment fees and related costs?

According to the studies above, there is no general gender-driven trend showing women paying higher recruitment fees than men or vice versa. These variations are based on several factors, including the type of industry, country of origin or destination, and the type and level of regulation and enforcement.

Gender intersects with a range of vulnerabilities and occupational segregation that results in a plurality of outcomes regarding recruitment fees and related costs. Women migrant workers are often disproportionately represented in sectors like domestic work, caregiving, and hospitality, which are typically less regulated sectors with limited labour protections. These sectors are also more likely to rely on informal recruitment channels, where the risk of exploitation is higher, including in relation to recruitment fees and costs. Yet, in some countries examined in the study, sectoral perspectives on recruitment fees and related costs often prohibit charging recruitment fees and costs to domestic workers while regulating it for other sectors. This highlights the multifaceted relationship between gender and recruitment fees and related costs.

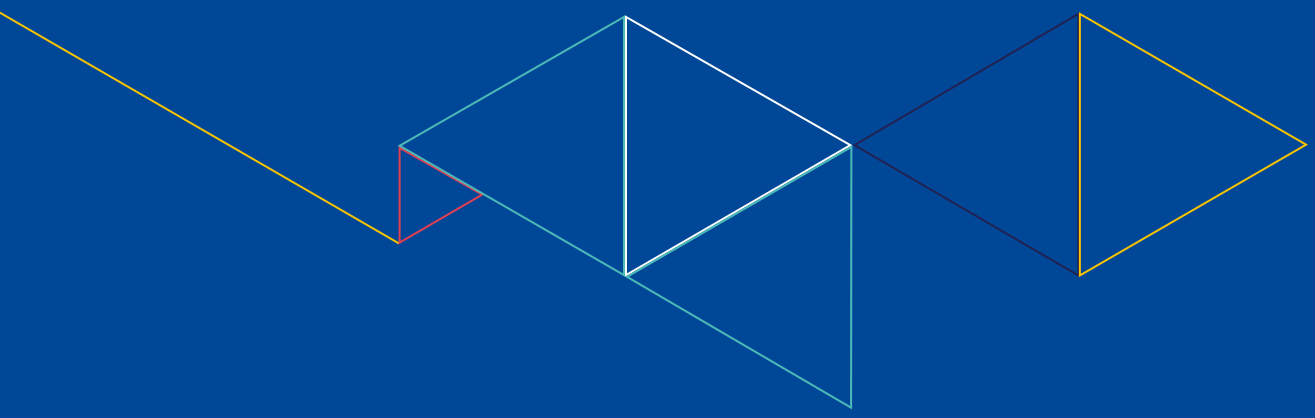
Women migrant workers also face the double disadvantage of the gender wage gap and the migrant wage gap because, as women, they tend to earn less than men, including men migrant workers, and as migrants, they also tend to earn less than non-migrants, including non-migrant women. Hence paying recruitment fees and related costs could be particularly detrimental to women migrant workers. Conversely, in more formal and regulated sectors, these gender-based differences tend to be less pronounced, reflecting the importance of standardized practices and rights-based regulatory approaches to addressing the payment of recruitment fees and related costs.



Section 4: Annex

What do the international labour standards say about recruitment fees and related costs?

- Employment Service Convention, 1948 (No. 88): Article 11 "effective co-operation between the public employment service and private employment agencies not conducted with a view to profit".
- Fee-Charging Employment Agencies Convention (Revised), 1949 (No. 96): Article 2 - "the progressive abolition of fee-charging employment agencies conducted with a view to profit and the regulation of other agencies" or "the regulation of fee-charging employment agencies including agencies conducted with a view to profit".
- Private Employment Agencies Convention, 1997 (No. 181): Article 2(3) specifies that one of the Convention's purposes is "to allow the operation of private employment agencies as well as the protection of the workers using their services".
  - Article 7(1) of Convention No. 181 stipulates, "Private employment agencies shall not charge directly or indirectly, in whole or in part, any fees or related costs to workers."
  - Article 13(1) of the Convention also encourages Member States to "establish and periodically review conditions to promote cooperation between the public employment service and private employment agencies" with the view to create conditions that enable efficient matching of labour demand and supply, while also providing an avenue for ensuring the protection of jobseekers and workers, especially against abusive practices.
- ILO Migration for Employment Convention (Revised), 1949 (No. 97): Article 7(2) of Annex I and Article 4(1) of Annex II requires that services provided by public employment agencies should be free for migrant workers.
- ILO Work in Fishing Convention, 2007 (No. 188): Article 22(3)(b) calls upon Member states to require that no fees or other charges for recruitment or placement of fishers be borne directly or indirectly, in whole or in part, by the fisher.
- Maritime Labour Convention, 2006: Regulation A 1.4 paragraph 5 (b) calls upon Members to require that no fees or other charges for seafarer recruitment or placement or for providing employment to seafarers are borne directly or indirectly, in whole or in part, by the seafarer, other than the cost of the seafarer obtaining a national statutory medical certificate, the national seafarer's book and a passport or other similar personal travel documents, not including, however, the cost of visas, which shall be borne by the shipowner.
- Wages Convention, 1949 (No. 95): Article 14 requires governments to take effective measures to ensure that workers are informed of their wage conditions before they enter employment and when any changes take place.
- Protection of Wages Recommendation, 1949 (No. 85): Paragraph 7 requires workers to be informed of the gross wage, deductions (amount and reasons), and net wages with each wage payment.
- Domestic Workers Convention, 2011 (No. 189): Article 15 (1) (e), requires Member States to take measures to ensure that fees charged by private employment agencies are not deducted from the remuneration of domestic workers.
- The Protocol of 2014 to the Forced Labour Convention of 1930: Article 2(d) highlights that persons, particularly migrant workers, shall be protected from abusive and fraudulent recruitment practices during the recruitment and placement process.
- The Forced Labour (Supplementary Measures) Recommendation, 2014 (No. 203): Paragraph 4(i) requires that Members should take the most effective preventive measures, such as the promotion of coordinated efforts to regulate, license and monitor labour recruiters and employment agencies and eliminate the charging of recruitment fees to workers to prevent debt bondage and other forms of economic coercion.
  - (Para 8(a) calls upon Members to take measures to eliminate abuses and fraudulent practices by labour recruiters and employment agencies, such as eliminating the charging of recruitment fees to workers.



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