

# Labour Migration for Employment

A Status Report for Nepal: 2013/2014



Government of Nepal  
**Ministry of Labour and Employment**  
Department of Foreign Employment



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# Foreword

I am delighted at the publication of the first national report on the status of labour migration for foreign employment from Nepal. The surge in out-migration for foreign employment has brought profound changes in the socio-economic fabric of the country. Although the labour migration phenomenon has emerged as an alternative livelihood opportunity for many Nepali households, it poses new challenges for the Government and policy-makers in managing safe migratory flows between the countries of origin and destination. Strengthening the migration governance system is needed in the current context and that requires reliable and easily accessible data that informs on the present situation and provides a basis for future interventions.

This report reflects efforts to capture the trends in labour migration from Nepal, identify the structural gaps and suggests ways to move forward for the Government and stakeholders. Although various government agencies have maintained and published data on numerous aspects of labour migration, no one source had assembled all the pieces. This report fills that gap and goes beyond to highlight the achievements of the Government as well as remaining challenges. It presents a guide for policy-makers to use when addressing labour migration issues, particularly to ensure that the rights of migrants are foremost protected.

I want to congratulate the coordination committee for this report. The support provided by the International Labour Organization, the International Organization for Migration and The Asia Foundation and the financial support from the European Union for this task is appreciated and has strengthened the collaboration between the Government of Nepal and development partners. I also want to thank the senior consultant, Uddhav Raj Poudyal, and his research assistant, Ishan Ghimire, for compiling and authoring this report. Lastly, I want to thank the government officials in the Department of Foreign Employment, including the officials in the Foreign Employment Promotion Board and Foreign Employment Tribunal, for bringing this publication together.

I hope such an initiation will continue in the future and that all stakeholders will support and cooperate to promote safe migration.



**Bishwa Nath Dhakal**

Director General

Department of Foreign Employment

# Preface

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Over the past decade, Nepal has experienced a surge in out-migration for foreign employment to various destination countries. As more and more Nepali citizens aspire and depart for foreign jobs, regulators and stakeholders face new challenges in managing the migratory cycle and ensuring the that well-being and rights of all migrant workers are safeguarded. This report is an important step to help government agencies and other stakeholders work towards the effective regulatory mechanisms that both protect and enhance migrant workers' welfare.

No consolidated report had previously been published by the Government regarding the status of labour migrants for foreign employment. Although several government institutions maintain a database of citizens who go abroad, the information had never been collated and analysed in a single report. Thus, this report presents information from the agencies that track some aspect of the migration cycle. The data was assessed and delineated in various dimensions. Additionally, the report highlights government-led initiatives at the policy and structural levels that promote safe migration and the rights and welfare of migration workers. The report provides commentary on the numerous challenges confronting the Government and suggestions for moving forward to overcome such challenges. This report is the first in what is anticipated to be a series of yearly migration status reports.

This report is divided into five parts. The first part presents the nature and scope of the material, followed by a brief literature review of the past trends and the labour migration context. The second part touches on the country's socio-economic and political conditions that have highly influenced the patterns of labour migration throughout its history, such as the liberalization of the political and economic environment and the decade-long conflict between Maoist insurgents and security forces that began only a few years after the return of democracy. Additionally, new insights have emerged through ongoing research on associations between climate change and migration and they are highlighted.

The third part of the report describes the various laws, policies and structural mechanisms that govern labour migration for foreign employment. Although previous laws and policies are mentioned, the report focuses on the government-led initiatives after the enactment of the Foreign Employment Act, 2007. The subsequent years of its enactment marks a new era in the regulation of foreign employment in Nepal. Similarly, the Foreign Employment Policy, 2012 addresses the changing dynamics of labour migration. Both the law and policy on foreign employment depart from their precursors in essence and orientation, taking a position that encourages migration, albeit safe migration. The Government has established numerous institutions, both in the country of origin and destination, over the past six years to facilitate labour migration.

The fourth part presents trends evident in the data for the past six fiscal years (2008/09–2013/14) regarding labour permit applications for foreign employment, in particular the staggering increase. There has also been a significant increase in the number of women obtaining such permits. The information presented specifically looks at the geographical origins and destinations of labour migrants and the number of grievance cases filed with the Government. Despite the various efforts to promote safe migration, there has been an increase in grievances and distress experienced by migrant workers (which is also a correlation with the increasing numbers of migrants). This section touches on efforts by relevant agencies to ameliorate the problems. Relying on secondary statistics, the section also looks at the share of remittances to the national economy and what is known on how remittances are used.

The final part of the report highlights the structural changes the Government has made over the past six years to improve the foreign migration process. Based on discussions with key informants and a small group of returned migrants, this section cites continuing challenges. Although Nepal has developed numerous policies and legislative rules governing labour migration, the gaps and loopholes in their implementation is adversely affecting the safety and the rights of migrant workers. The commentary concludes with recommendations. With reliable data now accessible through this report, it is hoped that the way forward taken by the Government will be to strengthen the system for ensuring decent work and the protection of migrant workers' rights and well-being.

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# Acronyms

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DOFE	Department of Foreign Employment
EPS	Employment Permit System
FEPB	Foreign Employment Promotion Board
FET	Foreign Employment Tribunal
FY	Fiscal Year
ILO	International Labour Organization
IOM	International Organization for Migration
MOFA	Ministry of Foreign Affairs
MOLE	Ministry of Labour and Employment
MWCSW	Ministry of Women Children and Social Welfare
PNCC	Pravasi Nepali Coordination Committee
TAF	The Asia Foundation

# Notes on terminology

The Foreign Employment Act, 2007 defines the terminology that governs the foreign employment process and its elements.

This report adheres to the definitions stated in the Act. However, the following terms are used to indicate associated meaning while maintaining the essence of terms stated in the Act.

- Labour migration: The term is used to indicate migration for foreign employment from Nepal, excluding such endeavour to India. Correspondingly, “labour migrants” refer to citizens of Nepal in labour migration.
- Recruitment agency: The term refers to institutions established under the prevailing Company Act that have acquired a license to conduct foreign employment business that recruits workers for advertised jobs in other countries.

Additionally, “undocumented migrant” or “illegal migrant” are not used; rather the following is used out of consideration for the human rights of each person who migrates.

- Irregular migrant: A person who crosses a foreign border in a movement that takes place outside the regulatory norms of the sending, transit and receiving countries. The term has been preferable in international practice since the International Symposium on Migration: Towards Regional Cooperation on Irregular/Undocumented Migration convened by Thailand in 1999. Correspondingly, the term “irregular migration” refers to the process of migration through which the irregular migrant passes.

The data in this report is mostly reported on using the Nepali fiscal year (FY) as a basis. In Nepal, the fiscal year starts 17 July and ends on 16 July every year. The report refers to the last fiscal year as 2013/2014. Previous years are referred to in the same manner.



*Construction worker ©ILO/M. Crozet*



# Introduction

This first national report on labour migration for foreign employment from Nepal is an outcome of collaborative effort between the Government and development partners to map the recent trends and practices. Over the past decade, a surge in out-migration for foreign employment to various countries has been occurring in Nepal. Although the history of emigration in search of better opportunities for Nepali people is not new, the high volume of individuals opting for foreign employment is unprecedented.

The international distribution of labour is an integral component of the globalization process, and migration and foreign employment have characterized much of Nepal's immersion with modernity. As well, migration and foreign employment have provided alternative livelihood opportunities to many people in the face of slow socio-economic growth. But they have also brought new challenges for the Government and policy-makers in managing safe labour migratory flows.

Strengthening the governance process and policy frameworks that support safe labour migration is a crucial need in the current context. Effective international labour migration governance requires the Government to create cohesive legislation and policies that are oriented around protection of labour and human rights and the well-being of migrant workers. It is additionally imperative to ensure the effective implementation and enforcement of those policies and laws.

Even though Nepal has developed numerous policies and legislative rules governing labour migration, the gaps and loopholes in their implementation are adversely affecting the rights and safety of migrant workers going abroad for employment. The lack of easily accessible, disaggregated and statistically comparable data has hampered efforts to narrow the gaps, amend the loopholes and strengthen the governance framework.

Thus, this report intends to inform various country-level initiatives in both Nepal and countries receiving Nepali workers when making strategic decisions, strengthening policies, improving the migration management mechanisms and focusing national governance structures on promoting safe and empowered labour migration. This report is the first in what is expected to be a series of yearly migration status reports.

## 1.1 Objectives of the report

The research reflected in this report set out to:

- assess and delineate the magnitude of labour migration for foreign employment from Nepal in all its dimensions by collecting and collating information available from agencies with relevance to the migration cycle;
- present various government-led initiatives at the policy and structural levels to promote safe migration and protect the rights and welfare of migrant workers in Nepal and in the countries of destination; and
- identify the gaps and challenges in the current policies and structural mechanisms that support labour migration and the human development of migrants as well as the families left behind and define strategies to fill those gaps.

## 1.2 Methodology

The terms of reference were developed in consultation with the Ministry of Labour and Employment, its Department of Foreign Employment and their three development partners (the International Labour Organization, the International Organization for Migration and The Asia Foundation).

A coordination committee was formed to provide technical and operational guidance to the research process. The committee comprised government officials from the Ministry of Labour and Employment, the Department of Foreign Employment, the Foreign Employment Promotion Board, the Employment Permit System (EPS) Korea Section and representatives from the three development partners.

The researchers primarily relied on the official data records from the relevant line ministries and agencies: the Ministry of Labour and Employment, the Department of Foreign Employment, the Foreign Employment Promotion Board, the Foreign Employment Tribunal, the Ministry of Foreign Affairs and the Ministry of Women, Children and Social Welfare. These sources provided valuable information regarding the scale of labour migration, demographic and geographic characteristics of the migrants, the frequency of grievances, the number of grievance cases filed and resolved and data on incidence and causes of death in the destination countries. All the data were retrieved from existing database management systems in those agencies, although primarily the Department of Foreign Employment.

For the longitudinal analysis, the researchers, in consultation with the coordination committee, took as the starting date for the collection of data the fiscal year 2008/09 because it marks a turning point in the regulation and management of foreign migration. With the enactment of the Foreign Employment Act in 2007, structural changes began in 2008. Additionally, no geographic or sex disaggregated information across various data sources was available before 2008/09. The researchers relied on the labour permits issued by the Department of Foreign Employment as a primary indicator of the scale and magnitude of labour migration from Nepal. However, data before 2008/09 and trends highlighted in the available literature are included in the analysis where useful.

Key informant interviews were conducted with high-level officials, focal persons from the various ministries, civil society organizations and academic institutions to gain an in-depth perspective on the nature and issues of labour migration for foreign employment.<sup>1</sup>

Two group discussions were conducted with eight returned labour migrants (one with four men, the other with four women) for insights into the life and work of Nepali workers in destination countries. Despite the small number of participants, the group discussions with the returned migrants were helpful in raising and reinforcing issues that had emerged through the data analysis.

<sup>1</sup> See Annex II for the key informants.

## 1.3 Limitations of the report

Given the extensive scope of the issue, this report is limited to the official data available at various levels of government institutions. By using data from the past six years, the report presents only current trends (although there is brief discussion on trends that were picked up through the literature review).

The use of labour permits issued by the Department of Foreign Employment as the primary indicator limits the assessment to the nature, scale and magnitude of labour migrants in foreign employment. The report does not include data on other dimensions of migration, including internal migration, the “absent population” (the people who at the time of the Census were not residing in Nepal) and immigration (although there are government reports and research papers by academics and institutions that cover these facets).

As well, labour migration to India is not included in the analysis. Because Nepal shares an open border with India, there is no requirement for official documents to cross over and thus there are no records of migration flows; any numbers would be guestimates.

The report does not provide information on the skill level of labour migrants. Although the researchers acquired crude data from the Department of Foreign Employment, it did not truly reflect the skill level of migrants. For instance, in many entries the occupation of the labour migrant was recorded only with no references to skills or qualifications. The use of such data would be misleading rather than insightful. Furthermore, a labour migrant may have more skills than what is recorded in the Department of Foreign Employment database.

Similarly, the geographical data is limited to one of the two types of labour permits granted by the Government: Permits are given to migrants who apply on their own to go abroad and to those who apply through the services of a recruitment agency. The data on geographical origins of migrants receiving a work permit is recorded only for those using a recruitment agency. Even that information is sparse because the Department of Foreign Employment only began recording such detail in the middle of 2011/12. However, the geographically disaggregated data acquired for the past two years did not match – due to a technical problem – with the same data disaggregated by sex. Sex-disaggregated data was available for both types of permit recipients.





*Potential migrant workers stand in a queue to obtain document ©Prakash Mathema/AFP/Getty Images*



# Background

In 2013, the number of international migrants worldwide reached 232 million, up from 175 million in 2000, with an annual growth rate hovering around 2 per cent.<sup>2</sup> Labour migrants comprise a significant proportion of all international migrants and the ILO estimates that some 105 million persons worked in a country other than the land of their birth in 2010.

## 2.1 Past trends in Nepal

The history of labour migration from Nepal dates back to the period of unification, more than 300 years ago. The mass migration from the unified territory to the neighbouring countries to escape the new State's taxation system, which was often exploitive, could be considered the first incidence of out-migration of labour from Nepal.<sup>3</sup>

The induction of young Nepal individuals into the colonial British army in the early nineteenth century appears to be the first instance of the State's involvement in formalizing labour migration through treaties between two governments. The treaty between Amar Singh Thapa and David Ochterlony in 1815, specifically, made the flow of migrants from Nepal for foreign employment official and opened doors for such engagement beyond British India to other colonial territories.<sup>4</sup>

Much of the history of labour migration for foreign employment from Nepal is characterized by the outflow to India, at least up to the mid-1980s. Nepal and India share a tremendously long border that is completely open – no documentation or approval is required to cross the border from either side. Then suddenly new destinations emerged with the intensification of globalizing dynamics and the boom in the oil industry that started in the Middle East in the 1970s.

The demand for workers in industries in Middle East countries created massive opportunities. The Government of Nepal responded with the promulgation of the Foreign Employment Act, 1985. The Act specified the countries (published in Nepal Gazette) to which Nepali citizens (preferably low-skilled workers) were encouraged to migrate.<sup>5</sup> The Act also opened avenues for the private sector to facilitate foreign employment.

A historical turn in the migratory pattern came with the restoration of democracy in Nepal in 1990. The democratically elected Government in 1992 embarked on a journey of economic liberalization and made official moves to a market economy, which also encouraged out-migration. The liberalization on mobility as

<sup>2</sup> DESA, 2013.

<sup>3</sup> Gurung, 2004.

<sup>4</sup> For more on the history of labour migration in Nepal, see Sijapati and Limbu, 2012.

<sup>5</sup> Sec. (4) of Foreign Employment Act, 1985.

well as the economy after the 1990s, coupled with the rapidly increasing labour demand in the Middle East countries, gradually increased the number of migrants travelling beyond India. The earliest record of labour permits issued by the Government shows that 3,605 Nepalis left for foreign employment in 1993/94, primarily to Bahrain, Kuwait, Oman, Qatar, Saudi Arabia and the United Arab Emirates (UAE).<sup>6</sup>

The numbers of labour migrants leaving Nepal continued to gradually increase until 1999, at which time the labour permit records reflect a sharp rise. A total of 27,796 labour permits were issued in 1999/2000 – a more than threefold increase than what was recorded in 1998/99. The new destinations for foreign employment were so attractive that the 2001 National Population Census detected a decrease in Nepali migrants to India as a percentage of the total emigrants, declining from 89.2 per cent in 1991 to 77.3 per cent in 2001.<sup>7</sup> Since 2001, more than 100,000 labour permits have been issued each year, peaking at 249,051 in 2007/08.

The most attractive destination countries for Nepali foreign labour migrants since 1993 have been Kuwait, Malaysia, Qatar, Saudi Arabia and the UAE. From 1993/94 to 2007/08, these countries received nearly 97 per cent of all labour migrants from Nepal. Malaysia, which had no records of labour permits issued until 1997, experienced a staggering increase: from just 89 labour permits issued in 1997/98 to 50,554 in 2007/08. As of 2013/14, Malaysia had become the destination country with the largest number of Nepali migrants.

The Government did not maintain sex-disaggregated data until 2005/06; but the Nepali labour migrants have predominantly been men. Available records from the former Department of Labour and Employment Promotion (2001)<sup>8</sup> show that only 161 women migrated for foreign employment between 1985 and 2001. The most popular destination countries for women in that time were Hong Kong (China), Israel and the Republic of Korea. As of 2013/14, 46,274 permits were issued to women going abroad to work.

The government records in the Ministry of Labour and Employment and the Department of Foreign Employment for prior to 2008/09 are limited in terms of disaggregated data and thus only provide scant insight into other characteristics of labour migrants obtaining labour permits.

The National Population Census, carried out every ten years, elaborates further on the migration status of the Nepali population. Since 1961, the Census has collected information on the absent population (as noted, the people not residing in Nepal at the time of the Census),<sup>9</sup> with the records revealing a substantial increase in absolute terms. The increase in the absent population as a proportion of total population, however, is not so compelling. In the 1991 Census, there was an increase of 63.4 per cent in the absent population in absolute terms from the previous Census, but it accounted for only 3.4 per cent of the total population. In the subsequent decade's data (2001), the rate of increase in absolute terms slowed significantly, to 15.8 per cent, accounting for 3.2 per cent of the total population (table 1).<sup>10</sup>

<sup>6</sup> DOFE, 2013

<sup>7</sup> Kansakar, 2003, pp. 85–119.

<sup>8</sup> Gurung, 2004, pp. 28.

<sup>9</sup> The census considers absentee to be any member of household who has been abroad for six months or more months prior to the time of enumeration.

<sup>10</sup> Kansakar, 2003, pp. 85–119.

The percentage of the absent population in the 2011 census reflected a surge in numbers, with an increase of 152 per cent in absolute terms and accounting for 7.3 per cent of the total population.

**Table 1.** Out-migration from Nepal, 1961–2001, based on the absent population (gone abroad)

Population census	Total population	Absent population	% of total population
1961	9,741,466	328,470	3.4
1971	NA	NA	NA
1981	15,425,816	402,977	2.6
1991	19,149,387	658,290	3.4
2001	23,499,115	762,181	3.2
2011*	26,494,504	1,921,494	7.3

Source: Kansakarr, 2003 and \*CBS, 2011.

Although the Census records indicate that the most popular destination among the absent population until 2001 was India, the share decreased every decade. The Census first started recording destination of emigrants in 1981, at 93 per cent going to India; as noted previously, that proportion declined to 89.2 per cent in the 1991 Census and then to 77.3 per cent in 2001.<sup>11</sup> The 2011 Census data on destination countries of the absent population have not yet been published. Based on the patterns in the previous censuses and the rapid increase in labour permits issued to other countries, it is probably safe to assume a remarkable shift to destinations beyond India.

In addition to the Census, other facets of migration are captured in the Nepal Labour Force Survey 2008, the Nepal Living Standards Survey 2010/11 and the Nepal Demographic Health Survey 2006 and 2011. These surveys rely on a large sample frame and include information on both internal migration and migration out of the country. Additionally, they gather information on the socio-economic status of migrants.

Assessing the real number of labour migrants is largely impossible, considering the country's open border with India and migrants' use of irregular channels for going to other countries. No extensive research has been conducted on migration through irregular channels; the few reports available suggest that a substantial number of labour migrants use irregular channels to emigrate and thus are not registered in the government system – they travel without a labour permit and typically depart for foreign countries via India.<sup>12</sup> More women than men are suspected of using these irregular channels.<sup>13</sup>

<sup>11</sup> Ibid.

<sup>12</sup> TAF, RMMRU, CREPHA and CORT, 2013.

<sup>13</sup> Sharma et al., 2014.

## 2.2 The labour migration context

Beyond the push-and-pull theories of migration, scholars are increasingly looking at global migration patterns as “systems” produced through interaction between macro-level and micro-level processes. Macro-level factors include the political environment, laws and regulations controlling immigration and emigration and changes in the international economy. The micro-level factors largely refer to the resources, knowledge and understanding of the employment opportunities that the migrant populations possess.<sup>14</sup>

Situating the labour migration trends discussed in the previous section within the macro and micro frameworks provides some explanations to factors associated with the migration process. As noted, migration from Nepal was first regularized under the government authorities of Nepal and British India. Migration to other destinations is also associated with the changing relationships Nepal has with the global community. Nepal's political situation in different periods of the past century has shaped the country's relations with the global community, which in turn have influenced the flow of out-migrants. For instance, 1990 marked a significant turn in Nepali politics with the restoration of democracy and the liberal overtures on mobility and migration that followed. The liberalized economic policy adopted after 1992 helped to formalize labour migrants and opened doors for recruitment and remitting agencies to operate in the country and solicit workers for jobs in other countries. The flow of out-migrants increased with the achievement of democratic freedom.

After the restoration of democracy, Nepal increased its bilateral relationships through the opening of embassies or consular offices where there had not been one, which thus expanded the horizon of employment opportunities for Nepali workers. Additionally, the globalization processes that took off in the 1990s, combined with booming economies in certain parts of the world, further contributed to an increasingly global mobile labour force moving within and between various regions of the globe. The prospect of relatively more lucrative work in foreign countries has increasingly appealed to Nepalis as it has to many other Asian migrant workers.

At the same time, the outflow of migrants from Nepal rapidly increased as the Maoist insurgency against security forces and political turmoil brutally intensified in the country at the turn of the new millennia. The ten-year armed conflict, which ended in 2006, significantly stifled the national socio-economic development<sup>15</sup> and the prolonged political transitional process that followed the peace agreement is associated with increases in the number of labour migrants.

The political unrest in the country adversely affected the economic growth of the country. The trends reported in the *Economic Survey 2013/14* published by the Ministry of Finance shows that for most of the past decade, the economic growth rate hovered around a mere 3–4 per cent, peaking in 2007/08, at 6 per cent. The growth rate in the agricultural and industrial sectors has decreased more often than increased. Additionally, the unemployment rate has increased, from 1.8 per cent in 1998 to 2.1 per cent in 2008, and the labour underutilization rate (as a percentage of labour force) is at 30 per cent.<sup>16</sup> Considering that much of Nepali society is still agrarian and most of its labour force is in the agriculture sector, the dismal economic scenario has influenced many individuals to look at foreign employment as an alternative livelihood strategy.

<sup>14</sup> Giddens, 2009.

<sup>15</sup> NPC, 2013.

<sup>16</sup> CBS, 2008.

As more and more Nepali citizens have migrated for foreign employment and returned, their familiarity with the process and with foreign destinations has expanded. Labour migrants passing through a successful migration cycle often become a source of inspiration and motivation for their families and communities to also seek foreign employment. The personal and labour-related networks of labour migrants often pave the way for prospective migrants.

In addition to the global and local socio-economic and political situations as factors of out-migration, scholars are now exploring the relationship between environmental change, including climate change, and population movements, such as displacement, labour migration and planned settlement. In the context of Nepal, previous research had examined the influence of environmental changes on mobility and had reported that a perceived decline in agricultural productivity, decline in the share of a neighbourhood covered in flora or an increase in time required gathering firewood increased the likelihood of migration.<sup>17</sup> Similarly, increases in environmental insecurity have also been associated with the increased likelihood of labour migration, regardless of destination.<sup>18</sup>

Although there is lack of empirical evidence regarding the role of environmental drivers of migration in Nepal, there is a burgeoning interest in the issue and its implications. The National Adaptation Plan for Action (NAPA) in Nepal focuses on the in-situ adaptation options, as indicated by the thematic working groups: agriculture and food security, water resources and energy, climate-induced disaster, urban settlement and infrastructure, public health, and forest and biodiversity. The NAPA recognizes the influence of climate change on mobility.

Although this recognition is limited to the negative aspects of migration, such as addressing rural–urban migration by supporting rural development, urban planning has become challenging due to an increase of climate-induced rural–urban migration. As well, male out-migration has heavily imposed an additional workload on women left behind. The risks that climate change present in terms of their potential to dislocate populations need to be addressed.

The policy discourse should not ignore, however, that migration and remittances contribute to the development and adaptation needs of recipient families and origin communities, for example, in the form of employment, food security, asset creation, livelihood diversification (income, sector and geographic), disaster risk reduction, changes in attitudes or skills. The current NAPA provides several entry points to incorporate the role of migration and remittances in the Thematic Working Groups on agriculture and food security, water resources and energy, climate-induced disasters, and urban settlement and infrastructure. For example, the financial and social remittances can support off-farm livelihood diversification, which can in turn compensate for the income losses in the farm sector due to environmental hazards. Recipient households can invest financial remittances into a clean energy supply based on biogas or solar power. Financial remittances can be used to procure insurance and support disaster preparedness. Public awareness in Nepal about the relationship between climate change adaptation and remittances is low. Government stakeholders need to support measures to enhance the understanding of and the coordination and cooperation regarding climate change-induced displacement, labour migration and planned relocation.<sup>19</sup>

<sup>17</sup> Massey et al., 2007.

<sup>18</sup> Shrestha and Bhandari, 2007.

<sup>19</sup> Soumyadeep Banerjee, Migration and Population Specialist, International Centre for Integrated Mountain Development.





*Domestic worker carrying her employer's child ©ILO/S. Mitra*

# Laws, policies and structural mechanisms

The Government's responses in addressing and facilitating labour migration processes take shape through policies, laws, institutions and programmes. The Government has collaborated with the United Nations and other international agencies to develop policies and legal frameworks, to establish structural mechanisms and to promote foreign employment as a safe, dignified and decent prospect for would-be migrants.

## 3.1 Policies and legal frameworks

### **The National Labour Policy, 1999 and the Foreign Employment Policy, 2012**

The National Labour Policy adopted in 1999 cited foreign employment indirectly by including a few strategies that highlight the necessity of developing mechanisms and structures for facilitating foreign employment, in particular:<sup>20</sup>

- make special attempts for the institutional development of the regime of foreign employment of Nepali people and secure its continuity;
- form a high-level advisory committee with participation from various ministries, including labour, finance, planning commission and foreign employment entrepreneur organizations; and
- establish a foreign employment institution, with participation of the private sector, for the development of foreign employment.

By 1999, the trend of labour migration was already increasing (from 3,605 in 1994 to 27,796 in 1999) as an option to reduce household poverty and as refuge from political conflict. By the end of the decade, the National Labour Policy was emphasizing the need for structures and mechanisms to better manage the safe flow of migrant workers from Nepal.

As the next decade unfolded, the Government realized that foreign employment was an attractive option for its young labour force and recognized the need for a new policy framework in response to the changing dynamics. In 2012 the Government established its Foreign Employment Policy, which reflects the principles set out in international commitments that Nepal is a signatory to by inculcating the goal to “ensure safe, organized, respectable and reliable foreign employment to contribute to poverty reduction along with sustainable economic and social development through economic and non-economic benefits of foreign employment”.

<sup>20</sup> Adhikari, 2004.

The Foreign Employment Policy responds to issues in the migration cycle that had not been addressed previously. Though there had been no specific policy on foreign employment previously, various policies were geared towards controlling the flow of migrants in terms of minimizing it. The new policy has made the safety and protection of workers its upmost priority. It acknowledges the increase in the number of female migrants, especially for domestic work and the care industry (the care of children, the elderly, those who need assisted living) and the importance of remittances in the development of migrant workers and their families and the society. The Foreign Employment Policy attempts to facilitate labour migration with the following strategies:

- identify and promote employment opportunities in the international market;
- develop skilled human resources to a competitive capacity to maximize the benefits from foreign employment;
- make each step of the foreign employment process simple, transparent, organized and safe;
- address concerns of female migrant workers and ensure their rights in the overall migration cycle;
- ensure good governance in the management of foreign employment;
- marshal local, national and international resources for managing foreign employment and promote collaborative efforts by increasing sector partnerships; and
- help foreign labour migrants utilize their remittances for their own “human development” as much as possible.

The Foreign Employment Policy recognizes the problems that female migrants experience in the migration process and includes strategies intended to better protect them. The major problems cited are lack of skills among the female labour migrants, which render low salary and less than ideal workplaces; migration through irregular channels, which increases their vulnerability; and lack of protection, especially for domestic workers, from physical violence, sexual harassment and economic exploitation.

The strategies to improve the protection of migrant workers presented in the policy include analysis of the jobs offered in terms of the skills required, the nature of the work and the duration and if it is in line with Nepal’s labour standards. It includes providing skills training and pre-departure orientation to working in a different culture, extensive dissemination of information regarding the migration process, establishment of structural mechanisms for the protection of female migrant workers and collaboration with various stakeholders to develop inter-country networks to prevent human trafficking that typically begins under the pretext of labour migration assistance.

The Foreign Employment Policy seeks to make optimal use of migrants’ remittances by establishing financial channels for them to borrow money for the initial migration costs at fair interest rates so they do not begin their migration cycle overwhelmed with debt<sup>21</sup> that consumes their earnings. These channels also enable migrants to remit their earnings safely and ideally invest so that it grows while they are abroad and thus they return to a source of capital. The policy refers to establishing a Labour Bank, the preparation of which is ongoing, that would offer subsidized loans to prospective migrants to cover

<sup>21</sup> According to Khabar South Asia, prospective workers going to Middle East countries or Malaysia spend about NR200,000 (\$2,050) for airfare, insurance and other expenses; the lack of easy banking services forces them to take high-interest loans. Kosh Raj Koirala: “Nepal creating Labour Bank for migrant workers”, in Khabar South Asia, 26 Aug. 2014, [http://khabarsouthasia.com/en\\_GB/articles/apwi/articles/features/2014/08/26/feature-02](http://khabarsouthasia.com/en_GB/articles/apwi/articles/features/2014/08/26/feature-02)



the fees, transport and other costs required to migrate formally. The bank would offer a remittance account and help returned migrants access additional capital for investment purposes. Currently, workers deposit 1,000 rupees into a Migrant Workers' Welfare Fund, managed by the Foreign Employment Promotion Board, before departing to their destination country. Through a public–private partnership, the Government will establish the Labour Bank that will also offer loans to returned migrants for initiating their own business in Nepal.

The “human development” focus in the policy includes informing migrants and returned migrants of options for investing their earnings and providing skills training and financial literacy training to migrants and their families to pursue such opportunities. Additionally, the policy aims to create an enabling environment for investment by labour migrants through various tax benefits and concessions.

The policy also provides for institutional structures that would ensure its smooth implementation, monitoring and evaluation:

- 1) a High-Level Foreign Employment Coordination Committee to coordinate and harmonize policy issues between the stakeholders and the Government and to monitor and evaluate activities; and
- 2) an Executive Committee to direct the High-Level Foreign Employment Coordination Committee, to implement foreign employment-related activities and to resolve problems that may arise during the policy-related of activities.

### **The Foreign Employment Act, 1985 and the Foreign Employment Act, 2007**

The Government's first effort at regulating foreign employment was issued in 1985 in the form of the Foreign Employment Act. The Act was a response to the growing demand of labour in the global market and encouraged people to migrate to selected countries. The law was amended three times and governed all activities of foreign employment until it was repealed to give way to a new Act in 2007.

The 2007 Foreign Employment Act was legislated after the Comprehensive Peace Agreement was reached between the insurgents and the Government in 2006. The Act was designed to address the new issues brought by the rapid growth in labour migration for foreign employment. The Act contains several provisions that respond to the changing dynamics of foreign labour migration patterns and differs from the 1985 legislation in one fundamental way: The original law and its subsequent amendments aimed at regulating the foreign labour market and preventing an exodus of higher-skilled individuals; the 2007 law sought to control and facilitate the process of Nepalis seeking foreign employment – but to control for the sake of making that process safe.<sup>22</sup>

The Foreign Employment Act promotes the security and welfare of foreign labour migrants with provisions for the protection of their rights and for the regularization and monitoring of the businesses that facilitate the migration process. The provisions include pre-departure preparation (including cultural orientation, what to expect, some language training etc.) and skills training, creation of the Migrant Workers' Welfare Fund and establishment of a Labour Desk at the national airport.

<sup>22</sup> Sijapati and Limbu, 2012.

The Migrant Workers' Welfare Fund is designed to provide education and access to health facilities to the children of migrant workers, pay compensation to workers who are injured and to family in the event of death while working abroad and to evacuate workers during crises and covers the repatriating expenses of bodies of the deceased workers.

Departing migrants use the Labour Desk to exit the country. The officials there inspect the permit sticker in the passport using a hand-held reader to confirm its authenticity and validity. Those whose permit is not deemed valid are not allowed to leave the country.

The Foreign Employment Act also regulates businesses (registered under the Company Act to conduct foreign employment services) that send migrant workers for foreign employment by issuing licenses and specifies that the license may be revoked if a business does not uphold the spirit of the Act and policies. The Act also calls for the formation of a steering committee to formulate policies and make arrangements required to make the process of sending migrant workers systematic and transparent (which the Foreign Employment Policy includes).

To keep pace with the ever-changing dynamics of labour migration, the Foreign Employment Act is under review currently, with adjustments expected that will further ensure that labour migration is safe, decent and dignified and in line with international frameworks governing labour migration, including the ILO multilateral framework.<sup>23</sup>

## 3.2 Structural mechanisms

### **The Ministry of Labour and Employment**

The Ministry of Labour and Employment is the apex body that governs labour administration and management. It promotes safe, dignified and decent foreign employment and serves to create an enabling environment for relations among employers, workers and other stakeholders. The Ministry has been mandated with responsibility for the labour administration and management, including regulating foreign employment as defined in labour-related legislation.

### **The Department of Foreign Employment**

The Department of Foreign Employment was established with the enactment of the 2007 Foreign Employment Act, after the dissolution of the previous Department of Labour and Employment Promotion. Concomitantly, the Department of Labour was established to oversee the administration of internal migration.

The Department's objectives revolve around promoting safe and dignified foreign employment, including regulating the operations of the recruiting agencies and other business offering related services to ensure they conduct fair and decent practices. Thus the Department:

<sup>23</sup> [http://www.ilo.org/dyn/migpractice/docs/28/multilat\\_fw\\_k\\_en.pdf](http://www.ilo.org/dyn/migpractice/docs/28/multilat_fw_k_en.pdf)

- regulates the foreign employment businesses, including the issuance of, renewal and revocation of a license to operate;
- investigates workers' complaints against agencies or agents and initiates the process for prosecution if the investigation warrants it;
- controls fraud in regard to foreign employment by confirming that jobs advertised are legitimate and decent;
- protects the rights of migrant workers by scrutinizing the job notifications, the contracts and the appointment letters; and
- provides "labour approval" for foreign employment through the permits that are issued to departing migrants.

Notification of jobs that are available in foreign countries, typically coursed through the recruiting agencies, are provided to the Department, which reviews the terms and conditions of a contract to affirm it is within the law and gives an "approval notice" for that job listing. Once a migrant is recruited for a particular job and has signed the contract, the handling agency registers the migrant with the Department through the application for the labour permit to travel abroad, which is essentially a stamp of approval. At that point, the recruiting agency provides the Department with the "appointment letter" from the employer in the destination country, again specifying the terms and conditions of the job they are now contracted to perform (often the terms and conditions will be different than what was first presented or presented in the contract). The labour permit is a sticker placed in the worker's passport.

The Department of Foreign Employment maintains a database of details from the labour permit applications and permits granted as well as complaints made and cases resolved regarding foreign employment.

The database records the labour permit applications of workers who go abroad through the services of a recruitment agency as an "institutional" application (referring to the agency acting on a worker's behalf). Workers who go abroad without the help of a recruiting agency learn about jobs through personal networks, independent agents or friends. They can still migrate formally by applying on their own to the Department of Foreign Employment for the labour permit. They are required to provide details of their contract. The database records this type of application as "individual". These workers travel to the foreign country on their own and through their own contacts and thus with no system monitoring their journey.

Cases of foreign employment filed under the Foreign Employment Act are considered cases against the State. When a grievance is filed, the Complaints Registration and Investigation Section of the Department of Foreign Employment must investigate. Under sections 43–59, the Department has jurisdiction to decide if an offence has occurred and under sections 48–55 it can impose penalties. The cases beyond this jurisdiction are forwarded to the Foreign Employment Tribunal. For example, the Department does not handle cases filed by workers who received an "individual" type permit, but automatically forwards them to the Tribunal.

The Department of Foreign Employment restructured itself in 2013 to better manage the changing dynamics of labour migration, establishing the following sections and offices in Kathmandu:

- Kathmandu Office
- Malaysia Section
- Qatar Section
- Saudi Section
- EPS Korea Section; and
- Labour Desk at Tribhuvan International Airport

### **The Foreign Employment Promotion Board**

The Foreign Employment Promotion Board was established according to section 38 of the Foreign Employment Act, 2007 and is chaired by the Minister for Labour and Employment. Its main functions are to implement promotional activities for foreign employment and to ensure the social protection and welfare of migrant workers through the following functions and duties:

- carry out studies of international labour markets and explore new destinations;
- collect, process and publish information that promotes specific jobs;
- manage the Foreign Employment Welfare Fund;
- conduct pre-departure orientation, skills training and arranging emergency contact detail for each worker that leads to their improved protection while working abroad;
- formulate, implement, monitor and evaluate programmes to use the skills, capital and technology of returned migrants and mobilize them for national interests;
- prescribe qualifications for the registration of businesses that provide pre-departure orientation training to migrant workers;
- formulate and approve the curricula of the pre-departure orientation training;
- formulate short- and long-term policies as required to make foreign employment safe, systematic and decent;
- carry out a comprehensive study on the implementation of the Foreign Employment Act and give suggestions for amendments to the Government; and
- advise the Government on the fixing of service charges and promotional costs.

The Foreign Employment Promotion Board manages the Migrant Workers' Welfare Fund and thus oversees the following activities:

- skills training and orientation;
- provision of life insurance and access to medical facilities to workers and their families;
- rescue, rehabilitation and reintegration;
- financial support and compensation;
- awareness-raising and promotional activities;

- research and studies on foreign employment to strengthen policy and institutional development;
- “localization” programme through which information on the migration process and requirements are distributed at local levels to reach prospective migrants with critical information for them to make informed choices; and
- monitoring and evaluation.

### **The Foreign Employment Tribunal**

The Foreign Employment Tribunal was established under the 2007 Foreign Employment Act and its 2008 Regulations. It is a semi-judicial body consisting of three members: chaired by the Judge of the Appellate Court, a case-trying officer of the Labour Court and the gazetted first class officer in the judicial service.

The cases filed in the Tribunal are tried and settled in accordance with the Summary Procedures Act, 1972. The Tribunal receives cases forwarded by the Department of Foreign Employment.

### **Labour Attaché**

The 2007 Foreign Employment Act (section 68) requires the appointment of a labour attaché in destination countries where 5,000 or more Nepali migrant workers are based. The functions, duties and powers of the labour attachés are as follows:

- provide information to the Government about the condition of labour, employment and immigration where Nepali migrants are working and the steps taken by that country for the protection of the rights of migrant workers;
- assist in resolving any dispute between workers and businesses involved in sending foreign labour migrants;
- make the necessary arrangements for rescuing any Nepali worker who has been deemed helpless in the course of foreign employment;
- furnish information on the availability of employment that matches with the skills of Nepali workers;
- manage the repatriation arrangements of the body of any deceased migrant worker;
- maintain bilateral agreements at the government level for the supply of workers from Nepal;
- provide welfare-protecting information to migrant workers and discourage them to do any other work than set forth in the work contract;
- supervise any activity that may affect migrant workers; and
- perform functions as prescribed by the Government from time to time.





*Rushing to stand in a queue for the EPS Korean language test ©IOM/G. Karki*

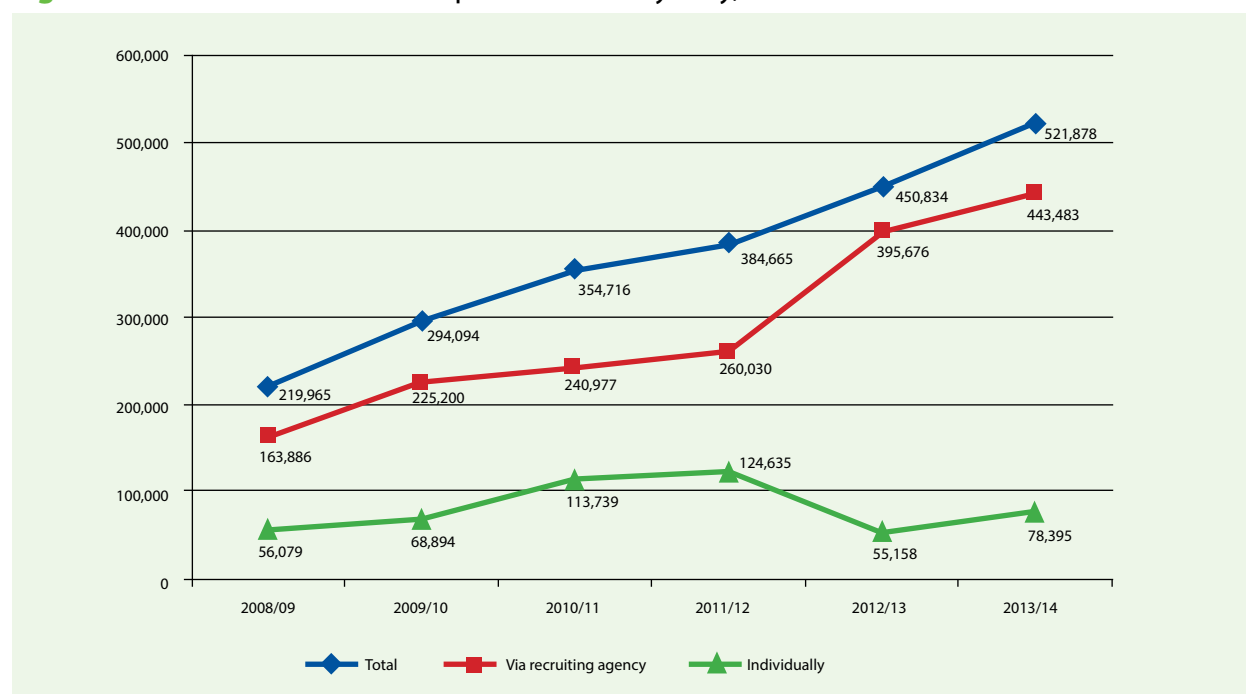
# Overview of the status of labour migration in Nepal

This section presents the data on labour migration out of Nepal collected between 2008/09 and 2013/14.<sup>24</sup> The data is broken down in terms of the type of application process (modality) to obtain a labour permit, either through individual initiative or via a recruiting agency. The data is further disaggregated according to sex and geographic origin of the labour migrants and the destination chosen. As noted previously, there is no geographical data on individual applicants for labour permits.

## 4.1 Currents trends

As illustrated in figure 1,<sup>25</sup> there has been a steady increase in the total number of labour permits issued for foreign employment. A total of 2,226,152 labour permits were issued over the six-year period, representing a staggering 137 per cent increase between 2008/09 and 2013/14, which represents about 8 per cent of Nepal's total population. As previously explained, there are two approaches to obtaining a labour permit. Prospective migrants acquire the permit on their own from the Department of Foreign

**Figure 1.** Total number of labour permits issued yearly, 2008/09–2013/14



Source: Department of Foreign Employment.

<sup>24</sup> Refer to section on methodology in part 1 for the selection of 2008/09 as the starting year.

<sup>25</sup> The data collected covers the period 16 July 2008 to 15 July 2014. Because the database is regularly updated with issuance of permits for new applicants and sometimes with a revocation, the data retrieved on the present day may not match with the one presented here.

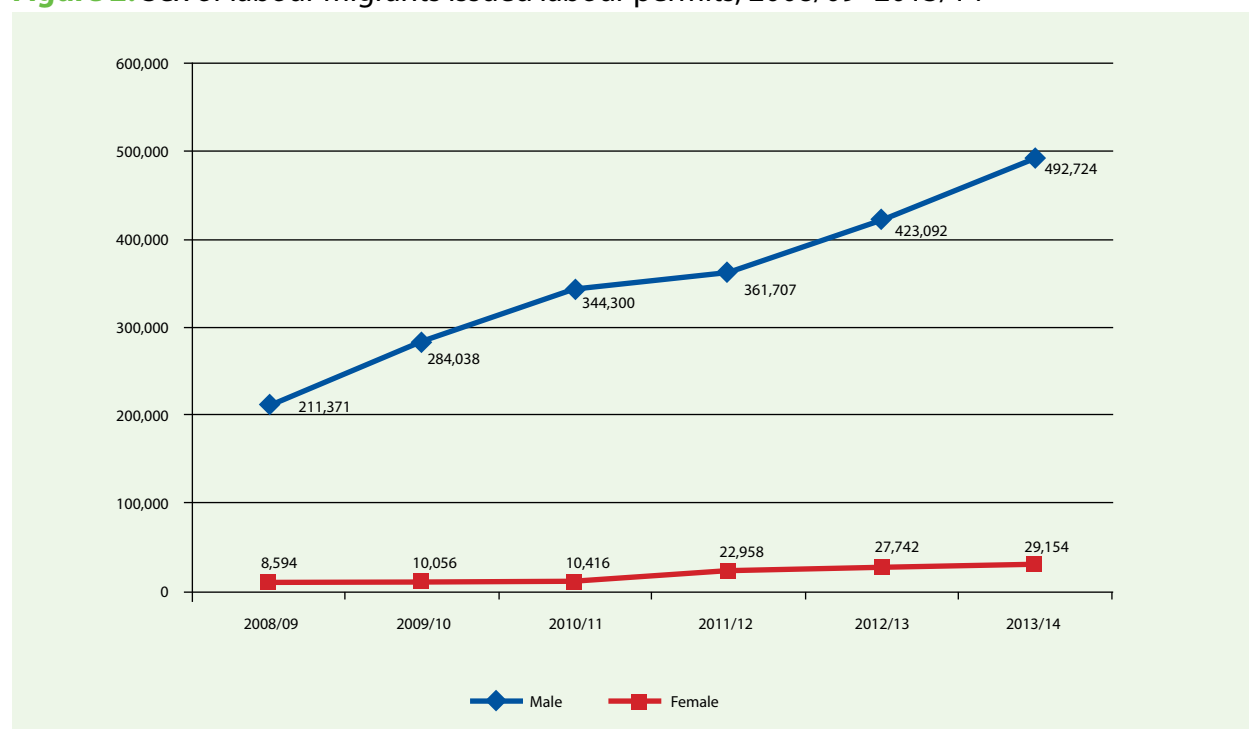
Employment or they use the services of a recruitment agency that facilitates the process on their behalf. Using an agency has been the preferred approach, at 77.7 per cent over the past six years.

There has been a considerable decrease in the total number of labour permits issued to individuals applying on their own over the six years. One of the factors associated with the decreasing numbers is the *Directive for Acquiring Labour Permits through Individual Process*, 2012, which was issued to regularize and monitor the acquisition of labour permits through that approach. Labour migrants who obtain their permit on their own also make their employment arrangements on their own and thus if they encounter any difficulty in the destination country, they do not have a recruiting agency to turn to for help. The intent of the Directive is to better control the process of migration for the safety of workers; by providing government oversight, workers ideally can be protected from unscrupulous agents and offers that ultimately entail exploitive and abusive work.

## 4.2 Sex disaggregated data

According to the data on labour permits issued, men account for the bulk of the labour migrants over the past six years, at 95.1 per cent. However, there has been a significant increase in the number of permits acquired by women, at 239 per cent over the six-year period, compared with nearly 133 per cent for men (figure 2)

**Figure 2.** Sex of labour migrants issued labour permits, 2008/09–2013/14



Source: Department of Foreign Employment.



Nepal, like a few countries in Asia, has invoked various bans on women from migrating for employment. In 1999, for instance, the Foreign Employment Promotion Board banned the issuing of a labour permit to any woman younger than 30 years who wanted to go to an Arab State as a domestic worker. The ban was lifted in 2010 after protective mechanisms were introduced for outgoing workers, but then was reinstated in 2012 to prevent any woman younger than 30 from travelling to the Middle East for domestic work. Even though the intent is to protect women from many risks, including long working hours, sexual violence, physical abuse and economic exploitation,<sup>26</sup> the policy is heavily criticized, particularly for not being effective – young women continue to migrate for domestic work to Middle East countries, but now do so through irregular channels, without any form of protection that the formal system can offer. Recognising this, the Government is currently reviewing the impact of the ban on female migration and considering alternative means to protect women during employment.

Table 2 illustrates a phenomenal spike in the number of permits issued for female migrants in 2011/12, which also pushed up the share of female labour migrants to 6 per cent among all labour migrants. This increase is attributed to the lifting of the ban in 2010 on Nepali women travelling to Middle East countries as domestic workers. The reinstated minimum age of 30 years remains in effect since 2012.

**Table 2.** Yearly rate of increase of permits issued to female labour migrants, 2008/09–2013/14

Year	Total labour migrants	Total female labour migrants	Rate of increase in absolute terms	Percent of the total labour migrants
2008/09	219,965	8,594	-	3.9%
2009/10	294,094	10,056	17.0%	3.4%
2010/11	354,716	10,416	3.6%	2.9%
2011/12	384,665	22,958	120.4%	6.0%
2012/13	450,834	27,742	20.8%	6.2%
2013/14	521,878	29,152	5.1%	5.6%

Source: Department of Foreign Employment.

According to the labour permit records, a greater portion of men (at 79.5 per cent) used the services of a recruitment agency than women (at 42.5 per cent) over the six year period (figure 3). This pattern, however, reflects that recruitment agencies are not permitted to recruit domestic workers (the main occupation of female labour migrants). Hence, female labour migrants have no choice but to obtain the permit on their own.

Figure 3 indicates a shift among the female labour migrants towards obtaining a labour permit through a recruitment agency, although they still predominantly apply on their own. In contrast, as shown in figure 4, a different pattern is evident among the male migrants.

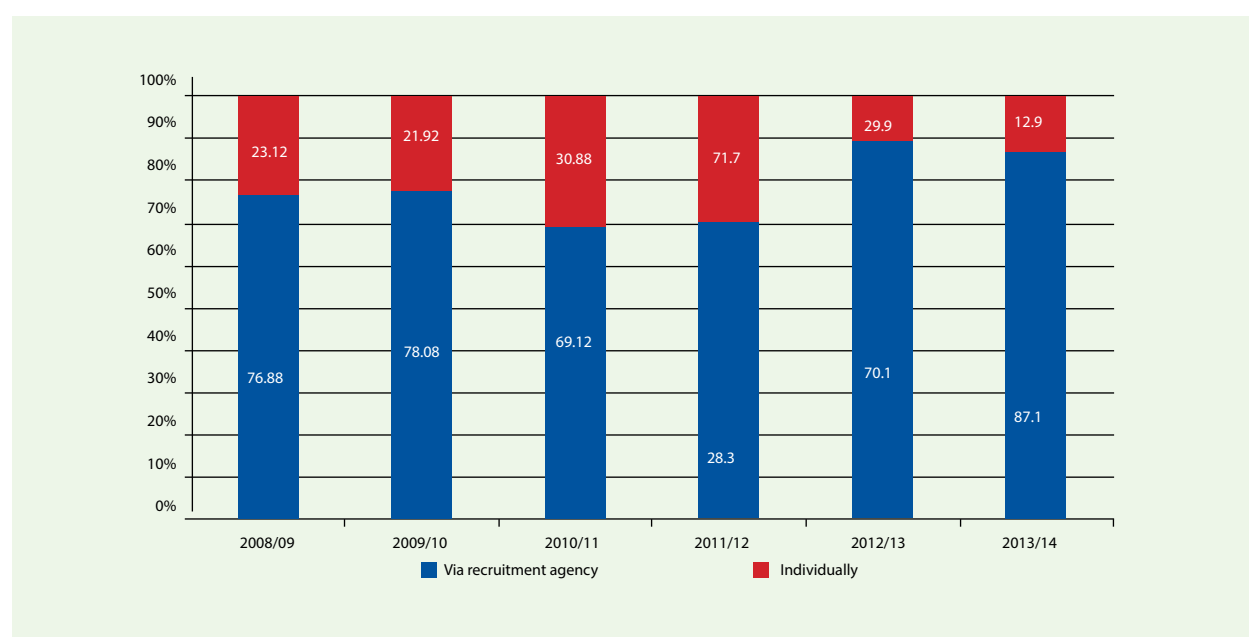
<sup>26</sup> Press release by FEPB after the decision by the Government in August 2012.

**Figure 3.** Modality for obtaining permits for female labour migrants, 2008/09–2013/14



Source: Department of Foreign Employment.

**Figure 4.** Modality for obtaining permits for male labour migrants, 2008/09–2013/14



Source: Department of Foreign Employment.

## 4.3 Origin districts of labour migrants

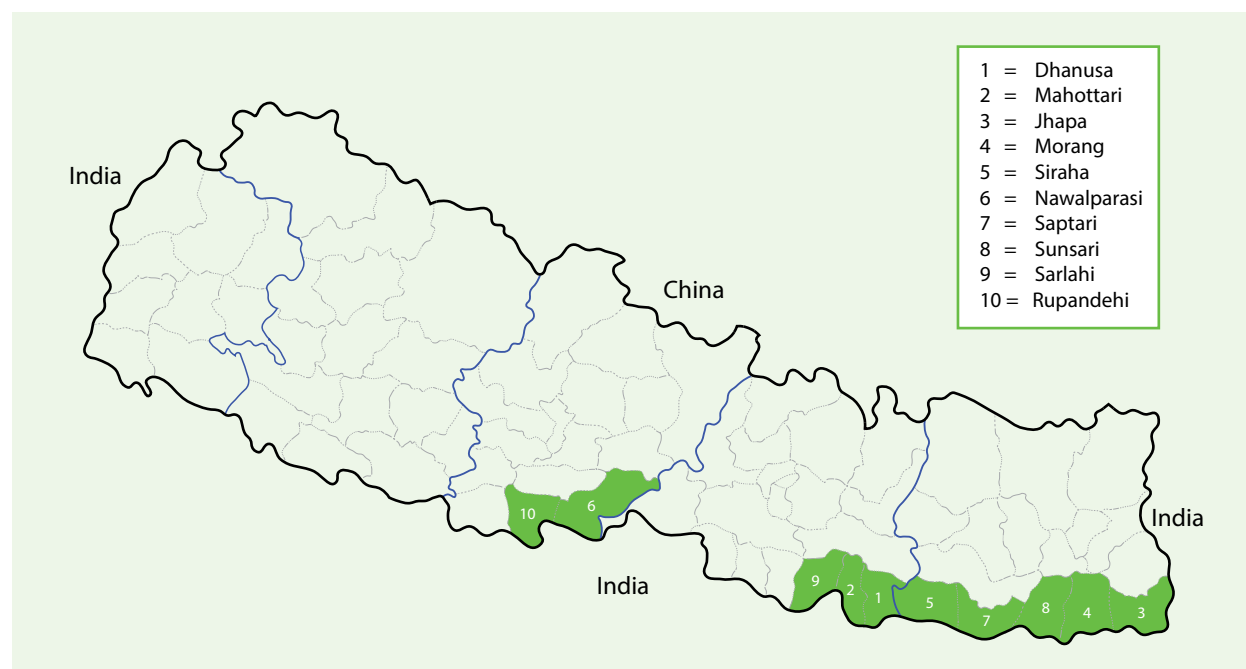
No geographical information is available for labour migrants receiving permits on their own. Thus the following data represents only labour migrants who obtain a permit through a recruitment agency, which, as previously noted, is used by more men than women.

Of the more than 2.2 million labour permits issued over the past six years, 1,729,252 of them were arranged through a recruitment agency. The receivers represented all 75 districts of Nepal,<sup>27</sup> with the top-ten districts of origin Dhanusa, Mahottari, Jhapa, Morang, Siraha, Nawalparasi, Saptari, Sunsari, Sarlahi and Rupandehi (figure 5).

The top-ten districts constituted 36.4 per cent of all labour permits issued over the six-year period, and as shown, are largely southern border districts. Of the ten districts, Dhanusa has the largest number of migrants overall, at 5 per cent of all the labour migrants who received a permit over the past six years. The bottom-five districts of origin (see Annex IV) are Dolpa, Mustang, Manang, Humla and Mugu – all located in northern Nepal, near China.

Mahottari district, which has the second-largest grouping of labour migrants with permits, has the lowest score of the ten districts on the United Nations Development Programme's Human Development Index. Mahottari, Siraha (No. 5 on the top-ten list) and Sarlahi (No. 9) are three of the country's most poorly performing districts in terms of education – they have the smallest number of school-going young people, a high drop-out rate and inadequate educational facilities.<sup>28</sup>

**Figure 5.** Top-ten origin districts of labour migrants receiving labour permits (excluding individual applicants), 2008/09–2013/14



Source for Base Map: Survey Department, Ministry of Land Reform and Management

<sup>27</sup> The complete data set is presented in Annex IV.

<sup>28</sup> NPC and UNDP, 2014.

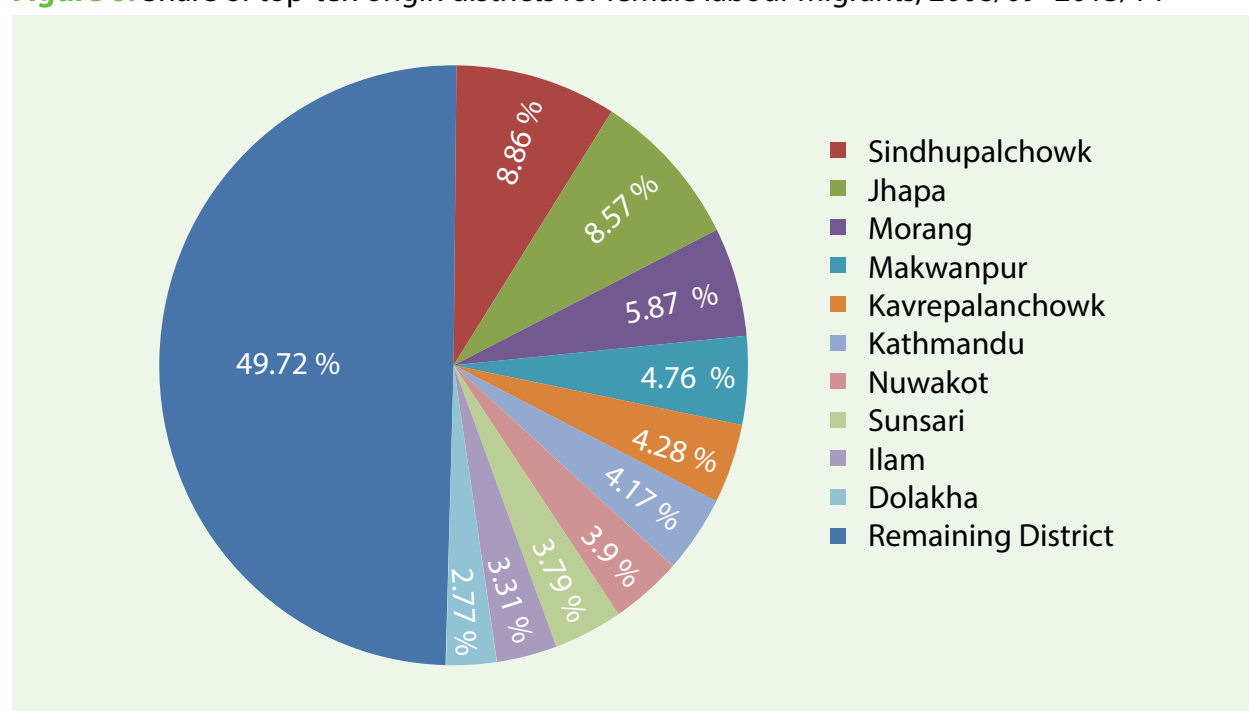
In terms of trend, although the top-ten districts remain the geographical source for most of the labour migrants in foreign employment, their share of the total labour migrants has been slightly decreasing as more people from other districts take up foreign employment. For instance, a considerable increase is evident in the acquisition of permits of workers from Dang, Kailali, Rautahat and Bara districts, which are located along the border with India in the western and southern areas of the country (table 3).

**Table 3.** Yearly pattern of labour migrants in top-ten districts, 2008/09–2013/14

Percentage share of total migrants in the top ten districts							
District/Year	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	Total share in six years
<b>Dhanusa</b>	6.7	5.3	4.9	4.5	4.8	4.8	5.0
<b>Mahottari</b>	3.7	11.2	5.7	3.6	3.2	3.5	4.8
<b>Jhapa</b>	5.8	4.7	4.6	4.5	4.5	4.2	4.6
<b>Morang</b>	4.3	4.2	4.3	4.2	4.2	4.0	4.2
<b>Siraha</b>	4.6	4.2	4.3	3.5	3.5	4.0	3.9
<b>Nawalparasi</b>	3.1	2.9	3.3	3.3	3.1	3.0	3.1
<b>Saptari</b>	2.5	3.2	3.1	2.8	2.8	3.1	2.9
<b>Sunsari</b>	2.7	2.6	2.7	2.9	2.9	3.0	2.8
<b>Sarlahi</b>	2.1	2.3	2.4	2.2	2.6	3.0	2.5
<b>Rupandehi</b>	2.1	1.8	2.3	2.3	2.7	2.7	2.4

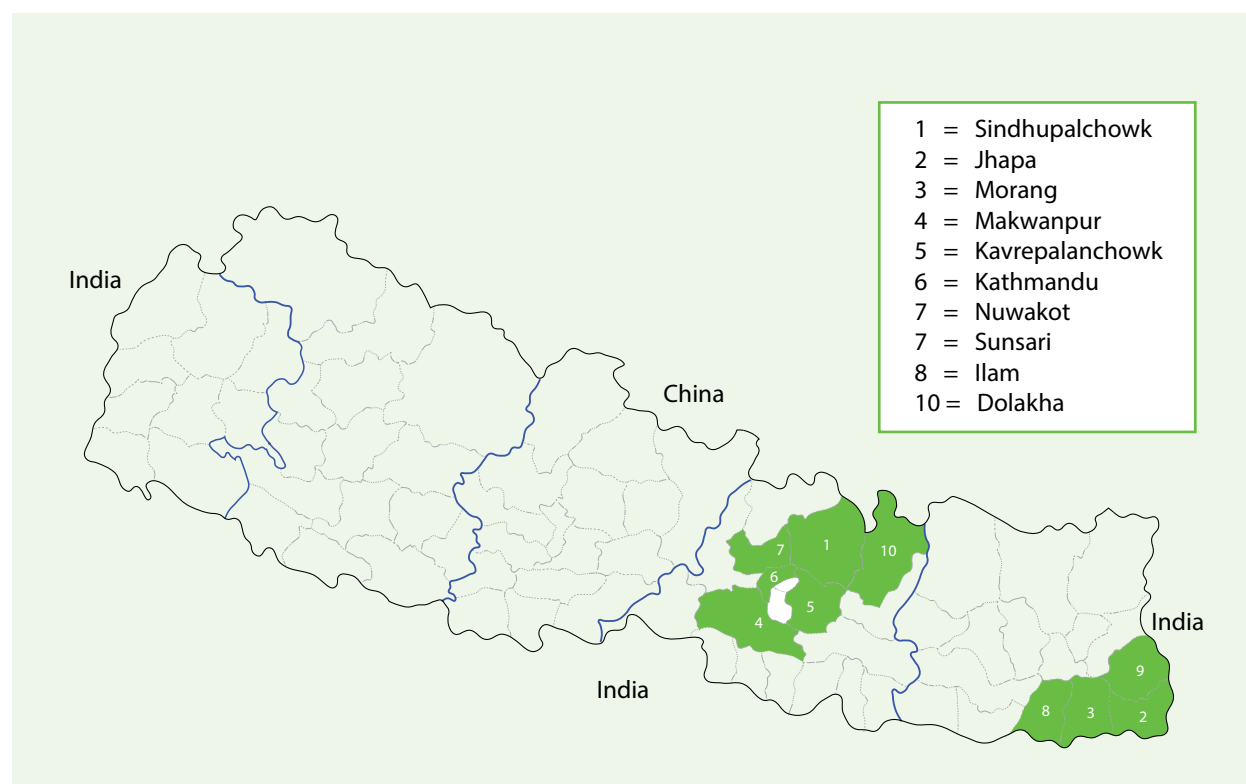
Source: DOFE.

**Figure 6.** Share of top-ten origin districts for female labour migrants, 2008/09–2013/14



Source: Department of Foreign Employment.

**Figure 7.** Top-ten origin districts for female labour migrants (excluding individual applicants), 2008/09–2013/14



Source for Base Map: Survey Department, Ministry of Land Reform and Management

Further disaggregating the data according to sex, most of the male labour migrants are from the same top-ten districts as the total share. Yet, the district with the largest proportion of women migrants, Sindhupalchowk, is not in the top-ten for all migrants (figures 6 and 7).

Half (50.3 per cent) of all female labour migrants who obtained labour permits over the six year period were from Sindhupalchowk, Jhapa, Morang, Makwanpur, Kavrepalanchowk, Kathmandu, Nuwakot, Sunsari, Ilam and Dolakha districts (figure 7). Only three of these districts are in top-ten for all migrants.

When the origin of the labour migrants is disaggregated according to the ecological regions of Nepal (Mountains, Hills and Terai, which stretches along the Nepal–India border), most of the labour migrants receiving permits over the six-year period were from the Terai Region, with a significantly smaller proportion from the Mountain Region (table 4). Although only 20 districts comprise the Terai Region, half of all labour migrants with permits acquired through a recruitment agency over the past six years were from this area.

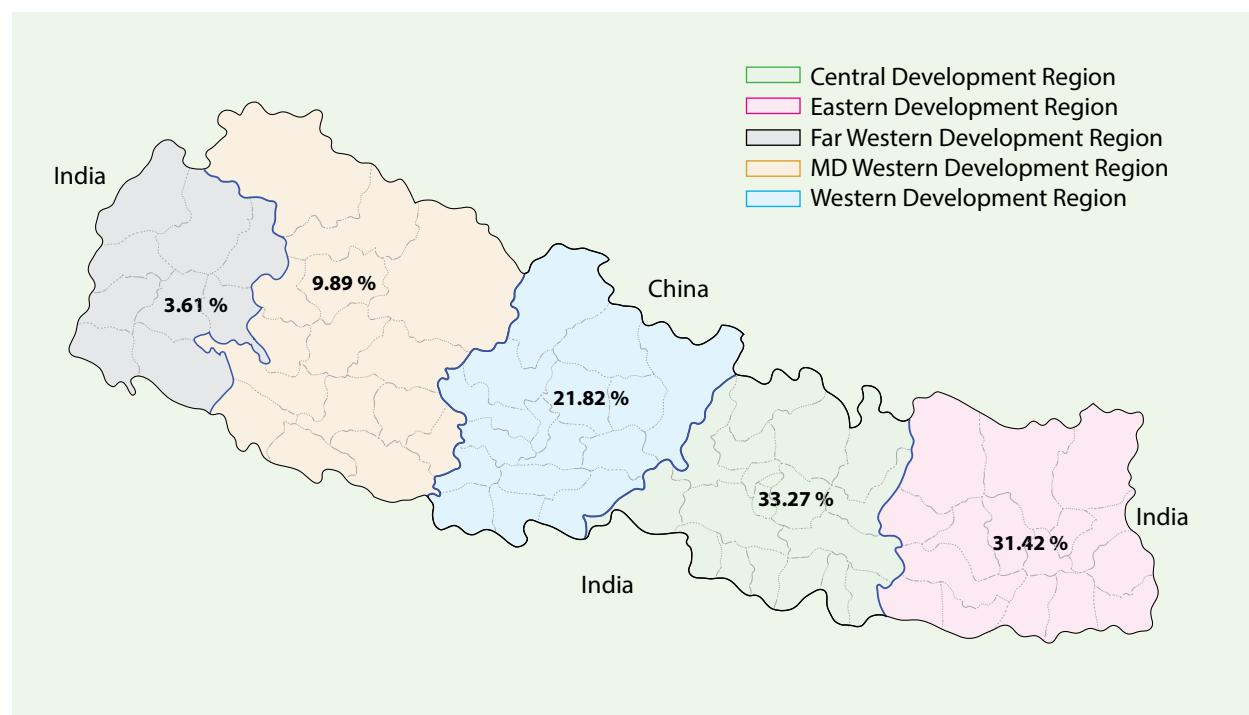
**Table 4.** Ecological distribution of labour migrants, 2008/09–2013/14

Ecological region	Total labour migrant	Percentage
Mountain	97,747	5.7
Hill	759,573	43.9
Terai	871,932	50.4
Total		100

Source: Department of Foreign Employment.

In terms of administrative regions, the districts in the Central Region had the largest proportion of labour migrants in foreign employment (with a permit acquired through a recruitment agency), followed closely by the Eastern Region (figure 8). The smallest numbers of foreign labour migrants in the six-year period were from the Far-Western Region. This could be a reflection that this study, due to lack of data, does not reflect the Nepali migrant workers going to India. There is anecdotal indication that many people from the Far-Western migrate to India for work.

**Figure 8.** Regional distribution of obtaining labour permits (excluding individual applicants), 2008/09–2013/14



Source for Base Map: Survey Department, Ministry of Land Reform and Management

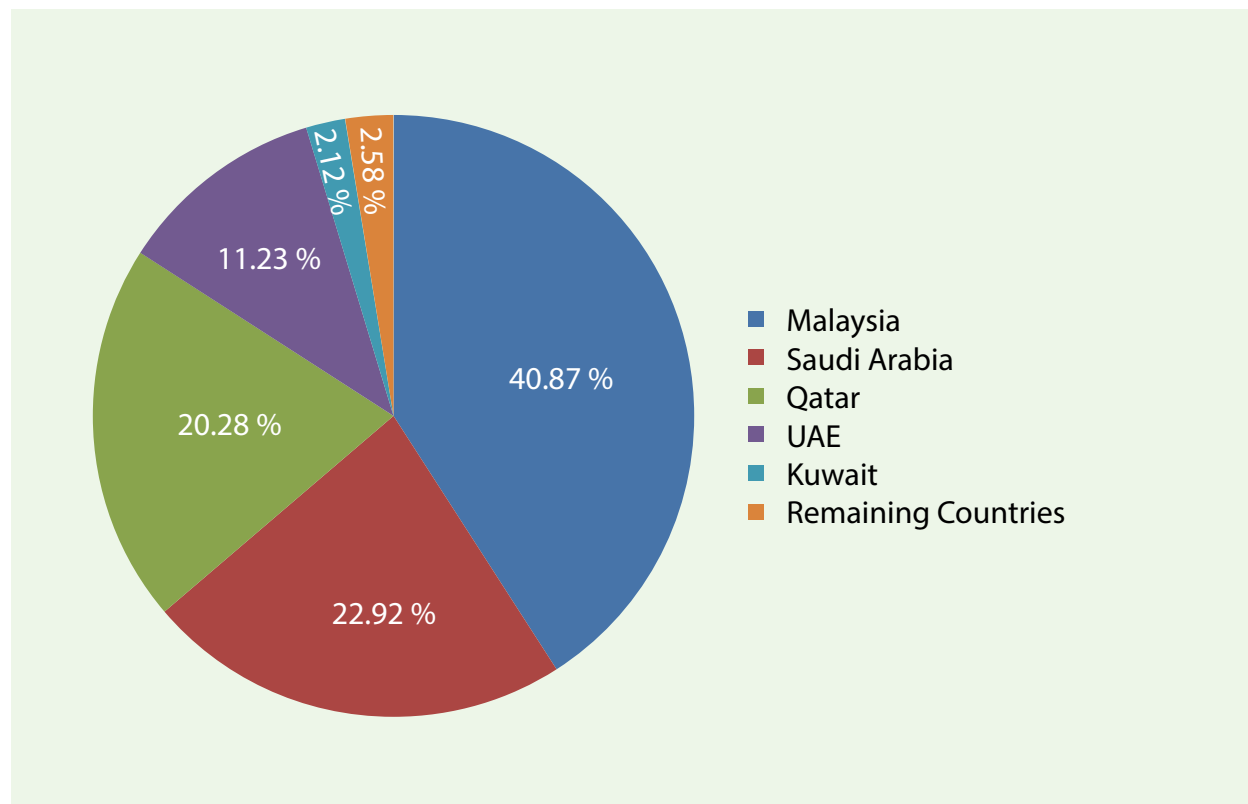
## 4.4 Destination countries for labour migrants

The Government published a list of 109 countries for foreign employment in the Gazette that can be managed for employment through the recruitment agencies. Any country that is a member of the United Nations, unless banned by the Government, is on the list.

Prior to 2000, Middle East countries initially and eventually Malaysia as well were among the most preferred destinations for labour migrants going abroad. That trend continued over the past six years, even with many new destinations emerging. Recruitment agencies sent labour migrants to a total of 31 countries between 1993 and 2000. Although this disaggregated data does not include individuals who have sought foreign employment on their own, there are other indications that labour migrants from Nepal have worked in as many as 131 countries in the past six years.

As shown in figure 9, among the destination countries in which labour migrants were sent by recruitment agencies, Malaysia received the most labour migrants, at 40.9 per cent of all male and female labour migrants, followed by Saudi Arabia (at 22.9 per cent), Qatar (at 20.3 per cent), UAE (at 11.2 per cent) and Kuwait (at 2.1 per cent).

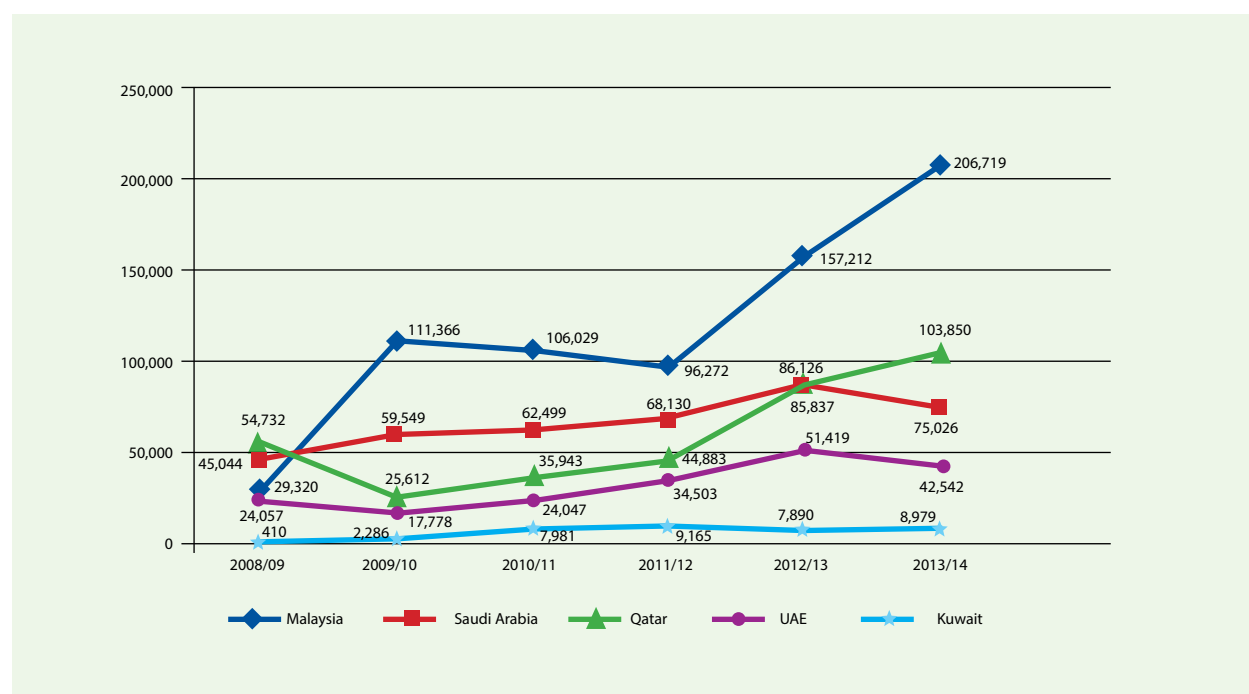
**Figure 9.** Top-five destinations for labour migrants, 2008/09 –2013/14



Source: Department of Foreign Employment.

As shown in figure 10, there was a huge surge in migrants obtaining labour permits for Malaysia, with more than 600 per cent increase between 2008/09 and 2013/14. Such a meteoric increase occurred in four other countries as well: Saudi Arabia, Qatar, UAE and Kuwait. The pattern for male migrants followed the same trend to those five destinations.

**Figure 10.** Trend in the top-five destination countries for all labour migrants (excluding individual applicants), 2008/09–2013/14



Source: Department of Foreign Employment.

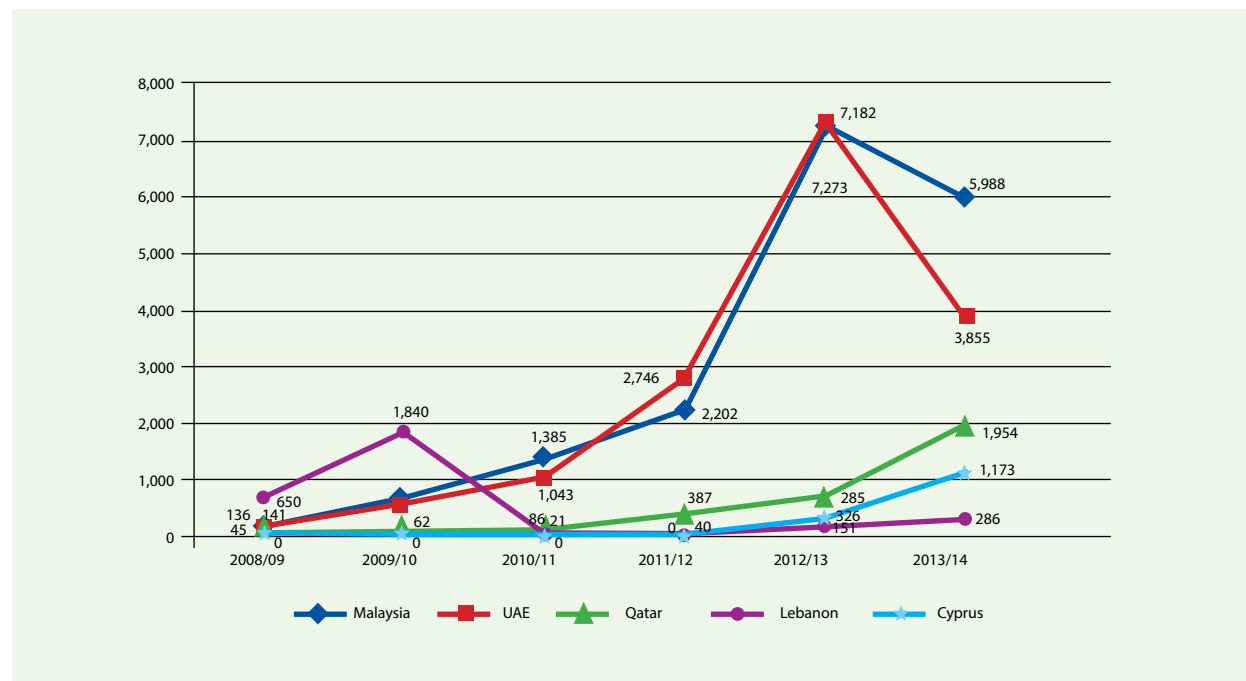
The pattern for women differed slightly (figure 11). The top-five destinations for female labour migrants via recruitment agencies were Malaysia (at 38 per cent of the women), UAE (33.8 per cent), Qatar (7 per cent), Lebanon (6.4) and Cyprus (3.3).

The proportion of male labour migrants compared with female is very high in Malaysia (male: 97.5 per cent and female: 2.5 per cent), Qatar (male: 99.1 per cent and female: 0.9 per cent) and Kuwait (male: 97.3 per cent and female: 2.7 per cent). However, the proportion of female labour migrants is very high in such countries as Lebanon (male: 44.5 per cent and female 55.5 per cent) and Cyprus (male: 5 per cent and female: 95 per cent).

In addition to the top-five destination countries, the Republic of Korea sticks out as noteworthy. Since a ministerial agreement in 2007, Nepal facilitates labour migration to the Republic of Korea at the government-to-government level through the EPS Korea Section under the Department of Foreign Employment. The Nepali Government issued a directive in 2008 for the smooth implementation of



**Figure 11.** Trend in top-five destinations for female labour migrants (excluding individual applicants), 2008/09–2013/14



Source: Department of Foreign Employment.

the Employment Permit System. The Republic of Korea introduced the Employment Permit System in 2004 and has made bilateral agreements with several countries to receive labour migrants. Of the 15 sending countries, Nepal received the Best Practice Outstanding Award from EPS Korea in 2009, 2011 and 2013. According to the EPS Korea Section records, a total of 25,216 labour migrants (male: 23,645 and female: 1,531) have participated in the programme since 2008.

## 4.5 Magnitude of irregular migrants

Due to the open border with India, it is not possible to assess the magnitude of unregistered foreign labour migrants. Nonetheless, the Department of Foreign Employment database now makes data available that includes previously unregistered migrants who went abroad for employment. They are migrants who had left Nepal as unregistered but who may have registered upon their return or registered before leaving a subsequent time. It is of course not comprehensive but as a proxy it offers an indication of the minimal level of irregular migration and possible trend. Table 5 shows the number of individuals who had not acquired labour permits in their previous foreign labour endeavour but had done so in order to migrate abroad again

**Table 5.** Number of previously unregistered migrants who applied for and received labour permits

Year	Registered migrants		Total
	Male	Female	
From mid-2011/12	28	3	31
2012/13	34,867	3,209	38,076
2013/14	54,408	6,472	60,880
Total	89,303	9,684	98,987

Source: Department of Foreign Employment.

## 4.6 Recruitment agencies


Recruitment agencies are private businesses established under the prevailing Company Act and are licensed to conduct services that facilitate foreign employment. The recruitment agencies are mandated to explore opportunities for foreign employment and arrange the recruitment process for prospective migrants. The recruitment agencies are organized through the Nepal Association of Foreign Employment Agencies, which has representation in the Foreign Employment Promotion Board as an employers' organization. Agents hired by recruitment agencies to recruit potential migrants are also organized in the Association of Agents of Foreign Employment Agencies. The agents work on behalf of the recruitment agencies in facilitating foreign employment at the local level.

The Department of Foreign Employment records show that 934 agencies have obtained a license to conduct a business for foreign employment. In 2013/14, only 744 recruitment agencies were operating in the country. The Department also has the authority to suspend or revoke the licenses of agencies that do not conduct foreign employment facilitation in the spirit of the law and policy (ensuring decent and safe processes and employment). A few recruitment agencies have lost their licence due to non-compliance with the Foreign Employment Act although data on the numbers of such recruitment agencies was not available at the time of writing this report.

## 4.7 Grievances and distress

Since the enactment of the Foreign Employment Act, 2007 and accompanying Regulations in 2008, the Government has introduced many procedural measures to address grievances and distress among labour migrant workers, including fraud and other abuse in the process of migration. A considerable number of cases, particularly in relation to female labour migrants, have been frequently reported in the media. Both female and male migrants have been victims of exploitation, including workplace accidents, trafficking and situations equal to forced labour.

The victims and survivors of such distress at destination countries, and sometimes before the departure, register complaints to the Department of Foreign Employment, a Nepali embassy, an NGO and police. According to the Foreign Employment Promotion Board annual report, the reported cases of



major grievances and distresses related to differences in the nature of the work, salary and facilities than what was stated in the contract they signed before departing for foreign employment. There have also been a few cases of torture, exploitation and physical abuse; more of such cases involved female labour migrants in Middle East countries. There are cases of chronic sickness and workers imprisoned as well.

Cases of workplace accidents that caused disabilities have been reported to the Foreign Employment Promotion Board. The number of stranded migrant workers due to various reasons (overstay, resigning from the contracted job, sickness, etc.) are large in proportion to the total migrant workers. Embassies and consular offices are required to furnish data to the Department of Foreign Employment regarding the nature and magnitude of grievances and distress, including reasons that workers have been stranded. This reporting, however, is rarely done; and the Department of Foreign Employment actually had no data from any embassy or consular office.

Cases are recorded in the database as either filed by individuals or by an “institution” (the term used by the Department for dispute cases in which an agency or organization filed on behalf of an individual or a group of them). These cases typically are filed with the Department before a migrant departs the country of employment and it is followed up once the migrant returns to Nepal.

According to the procedures cited in the Foreign Employment Act and its Regulations, the Department can act as a mediator between disputing parties to reach agreement on resolution and compensation. If the cases cannot be resolved at the Department, then it is forwarded to Foreign Employment Tribunal.

The records of the Department’s Investigation and Inquiry Section indicate that a significant number of complaints regarding fraud and malpractice have been registered individually as well as institutionally. The complaint-handling process is difficult to understand because the Investigation and Inquiry Section scrutinizes both types of complaints (based on the evidence and nature of each complaint) and decides the merit of the complaint and whether it should proceed, but it is not a transparent process; many cases are kept pending with no disclosed reason. Table 6 reflects the total number of cases received and cleared for investigation after scrutiny, cases settled by the Department and cases sent to the Foreign Employment Tribunal over the past two years.

A total of 899 complaints were filed with the Investigation and Inquiry Section in 2012/13, which increased to 1,406 complaints in 2013/14. Of the total for the two years, the Investigation and Inquiry Section accepted 145 individual cases and 272 institutional cases for investigation and hearing. The others were rejected as having no merit for further action or just held as pending. Of the institutional cases, the DOFE settled 45 cases and forwarded only five cases to the Foreign Employment Tribunal. Thus, 222 institutional cases have yet to be resolved. Regarding the individual cases, the Department of Foreign Employment cannot make any decisions on a case and must refer individually filed cases to the Foreign Employment Tribunal (hence the zero in table 6 for cases settled by the Department).

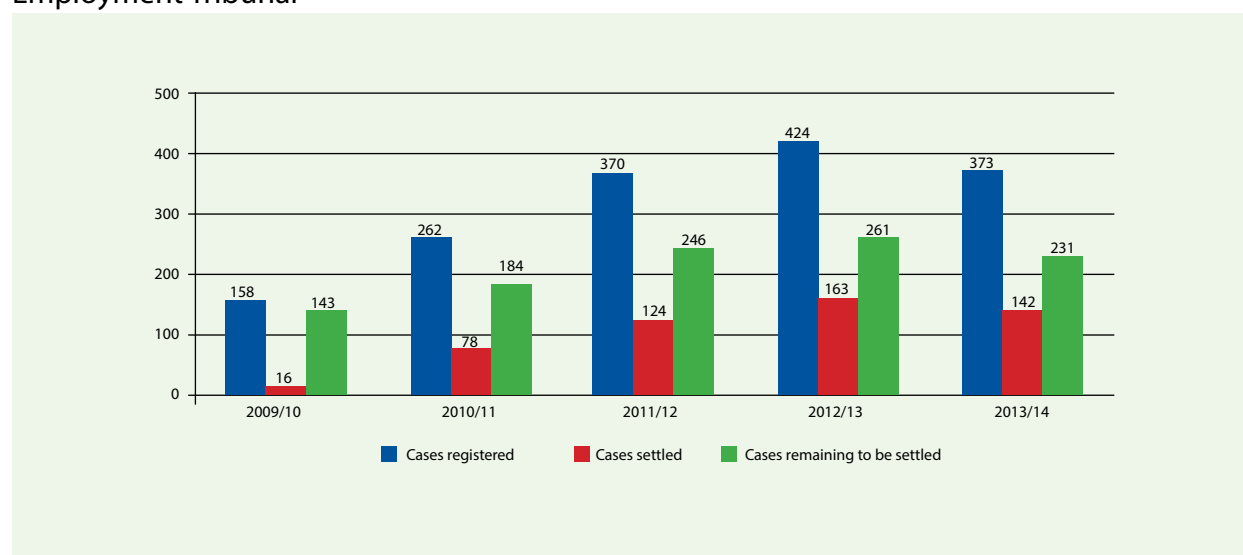
**Table 6.** Status of migrant workers' complaints reported over the past two years

Year	2012/13		2013/14	
	Individual	Institutional	Individual	Institutional
Total complaints received	1,245	1,060	899	1,406
Complaints cleared for investigation	202	350	145	272
Cases settled by DOFE	0	39	0	45
Cases forwarded to the Foreign Employment Tribunal	164	14	107	5

Source: Department of Foreign Employment.

The cases forwarded by the Department of Foreign Employment are registered at the Foreign Employment Tribunal, which initiates its own judicial process. The three members of the Tribunal have settled many cases, but with its limited human resources, many cases remain unsettled (figure 12). The unsettled cases are carried over to the next fiscal year and registered accordingly.

**Figure 12.** Number of cases registered, settled and remaining to be settled at the Foreign Employment Tribunal



Source: Foreign Employment Tribunal.

Although the Foreign Employment Promotion Board is mandated to rescue stranded migrants from destination countries, its annual reports note that only a few such cases have occurred. However, key informants suggest that these records most likely do not reflect the magnitude of such cases.

The incidence of death among migrant workers is also significant in some destination countries. For the past six years, a total of 3,272 deaths were recorded with the Foreign Employment Promotion Board: 3,129 of them men and 79 women (table 7). These numbers, however, may not reflect the inci-

dence of death at destination countries; they are simply all that is recorded in the government system. As table 7 reveals, the number of reported deaths increased each year (as shown in figure 1, the number of registered labour migrants also increased each year).

**Table 7.** Migrant worker deaths reported to Foreign Employment Promotion Board, by sex and mode of labour permit, 2008/09–2013/14

Year*	Sex		Total	Mode of labour permit	
	Male	Female		Self-acquired	Through recruiting agency
2008/09	87	3	<b>90</b>	13	77
2009/10	399	19	<b>418</b>	69	349
2010/11	541	8	<b>549</b>	106	443
2011/12	632	14	<b>646</b>	179	467
2012/13	716	11	<b>727</b>	230	497
2013/14	818	24	<b>842</b>	264	578
Total	<b>3,193</b>	<b>79</b>	<b>3,272</b>	<b>861</b>	<b>2,411</b>

Note: \* = The data on incidence of death were collected for the period 16 July 2008 to 1 July 2014. Source: Foreign Employment Promotion Board.

The records of reported deaths in the destination countries over the past six years reveal that most incidents occurred in Malaysia, followed by Saudi Arabia, Qatar, UAE and Kuwait (table 8). The incidence of death in these countries must also be analysed alongside the increasing number of labour migrants in the past six years. Because these five countries received nearly 98 percent of all labour migrants over the past six years and the rate of yearly increase is high, it is not surprising that the most reported deaths occurred in those countries.

**Table 8.** Incident of death, by country, 2008/09–2013/14

Country/Year	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	Total
Malaysia	15	105	219	237	253	292	<b>1,121</b>
Saudi Arabia	27	124	133	179	206	211	<b>880</b>
Qatar	26	114	125	130	151	193	<b>739</b>
UAE	13	53	37	50	47	64	<b>264</b>
Kuwait		3	10	22	22	39	<b>96</b>
Bahrain	2	5	12	8	14	7	<b>48</b>
Rep. of Korea	1	1	6	6	14	13	<b>41</b>
Oman	4	4	1	6	7	14	<b>36</b>
Lebanon	2	6	4	3	3	2	<b>20</b>
Israel		1		3	3		<b>7</b>
Japan				2	2	2	<b>6</b>
Afghanistan			2		1	1	<b>4</b>
Sri Lanka		1			1		<b>2</b>
Russia					2		<b>2</b>

Germany						1	1
Maldives						1	1
Papua New Guinea						1	1
USA						1	1
Libya		1					1
Italy					1		1
<b>Total</b>	<b>90</b>	<b>418</b>	<b>549</b>	<b>646</b>	<b>727</b>	<b>842</b>	<b>3,272</b>

Source: Foreign Employment Promotion Board.

The analysis of reported death by district of origin of the deceased migrant worker during the six-year period of the study indicates that the largest number of deaths occurred among migrants from Jhapa (166), followed by Morang (134), Dhanusa (132), Nawalparasi (112) and Siraha (100). These districts were also the top-five origin districts of migrant workers as well.

The Foreign Employment Promotion Board maintains data on the cause of death (table 9), which it needs to make insurance payments and provide other services (repatriating a body and covering the education costs for the children of a migrant who dies while working abroad). The categories for causes of death depend upon the post-mortem report prepared in the destination countries.

**Table 9.** Cause of death among labour migrants while abroad, 2008/09–2013/14

Year	Cause of Death														Total		Grand Total
	Heart failure		Murder		Natural cause <sup>29</sup>		Suicide		Traffic accident		Work-place accident		Other or unidentified cause				
	M	F	M	F	M	F	M	F	M	F	M	F	M	F	M	F	
2008/09	27	1	1	-	24	-	8	1	8	-	6	-	13	1	87	3	90
2009/10	114	2	1	-	110	8	21	4	65	2	41	3	47	-	399	19	418
2010/11	148	-	40	-	114	4	60	2	60	-	59	2	60	-	541	8	549
2011/12	171	-	2	-	102	-	61	5	97	4	39	2	160	3	632	14	646
2012/13	146	2	2	-	105	1	76	5	104	-	27	-	256	3	716	11	727
2013/14	241	6	1	-	131	1	80	9	102	2	75	1	188	5	818	24	842
Total	847	11	47	0	586	14	306	26	436	8	247	8	724	12	3,193	79	3,272

Source: Foreign Employment Promotion Board.

The data reveal that heart failure was the most common cause of death among migrants working abroad in the six-year period analysed (at 858 cases), followed by other or unidentified causes (736), natural cause (600), traffic accident (444), suicide (332), workplace accident (255) and murder (47). As shown in table 10, the number of suicide cases among migrant workers was largest in Malaysia

<sup>29</sup> The natural cause category does not indicate the disease and it is just categorized as “natural death” in the Foreign Employment Promotion Board database; thus the category does not actually reflect the cause of death. According to the Census data for the absent population, the age group majority is young. It is assumed that the majority of labour migrants are youth, although no data is available to confirm. Still, the declaration of “natural death” in the records is seemingly questionable.



(144), followed by Saudi Arabia (60), Qatar (54), UAE (26) and Kuwait (18). The suicide cases indicate the distress and psychosocial problems among migrant workers. In particular, as table 9 reveals, suicide is the major cause of death among the female labour migrants – more than 30 per cent of all deaths were suicide over the six-year period.

**Table 10.** Suicide in destination countries, 2008/09–2013/14

Country	Suicide cases												
	2008/09		2009/10		2010/11		2011/12		2012/13		2013/14		Total
	M	F	M	F	M	F	M	F	M	F	M	F	M+F
Lebanon	-	1	1	1	1	-		2	-	1		1	8
Malaysia	2	-	4	-	37	-	25	2	34	-	40	-	144
Qatar	2	-	11	-	8	-	7	-	15	-	11	-	54
Saudi Arabia	1	-	3	1	8	-	14	-	17	-	16	-	60
UAE	3	-	1	2	-	1	8	-	3	-	5	3	26
Oman	-	-	1	-	-	-	2	-	1	-	-	-	4
Bahrain	-	-	-	-	1	-		-	1	-	1	-	3
Kuwait	-	-	-	-	2	1	2	1	-	3	4	5	18
Rep. of Korea	-	-	-	-	3	-	3	-	3	-	2	-	11
Israel	-	-	-	-	-	-	-	-	-	1	-	-	1
Japan	-	-	-	-	-	-	-	-	1	-	-	-	1
Russia	-	-	-	-	-	-	-	-	1	-	-	-	1
Papua New Guinea	-	-	-	-	-	-	-	-	-	-	1	-	1
Total	8	1	21	4	60	2	61	5	76	5	80	9	332

Source: Foreign Employment Promotion Board.

Despite the various measures (appointment of labour attachés, working with migrant-welfare NGOs, such as Non-Resident Nepali Association, Pravashi Nepali Coordination Committee, POURAKHI) adopted by the Government to prevent or, at best, minimize grievances and distress, many cases occur in destination countries due to various issues during the cycle of labour migration.

In addition to the services provided by the Nepal embassy or consular office in the destination countries, the Nepal-based organizations of Non-Resident Nepali Association, POURAKHI, GEFONT and Pravashi Nepali Coordination Committee provide legal support to Nepali migrant workers in destination countries. They also facilitate rescues, rehabilitation and reintegration for migrants who experience a grievance or distress. Development organizations, such as the International Organization for Migration, The Asia Foundation, UN Women and the International Labour Organization, work closely with government agencies to promote safe migration among prospective migrants. The number of cases handled by the NGOs is significant, but their figures are not reflected or tallied with the Government's information system. Hence, the actual number of grievances and distress is likely higher than what the government records indicate (the NGO cases may have been reported in the government system but without certainty they were excluded so as to guard against double-counting). The data used for this report, however, is a good indication of the trends.

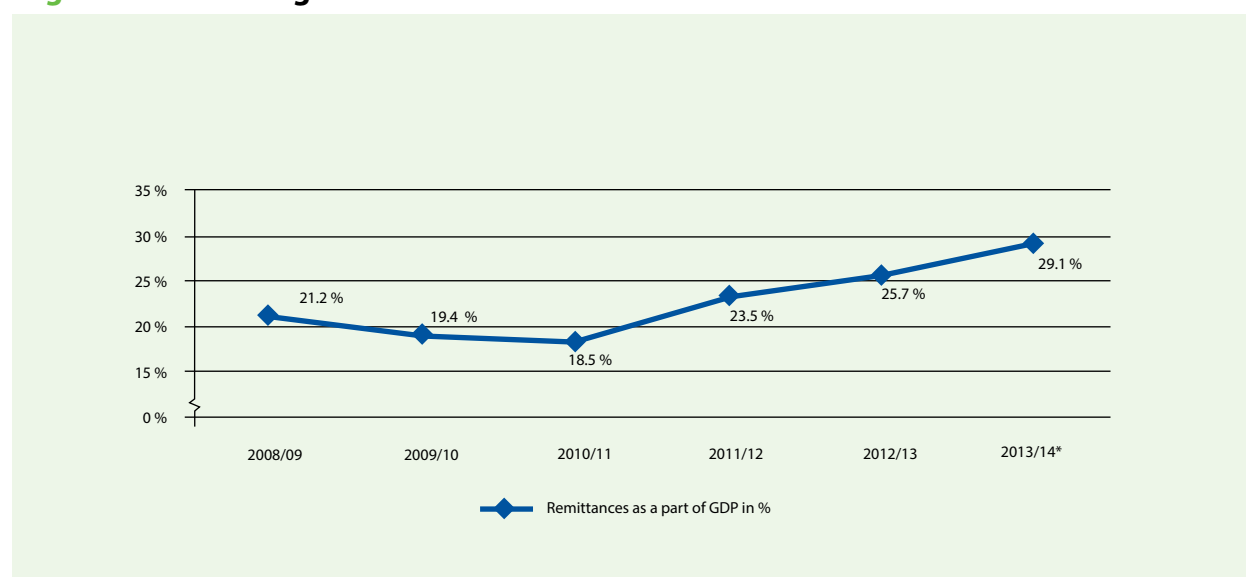
## 4.8 Remittances

With the increasing number of Nepali citizens migrating every year for work, it is no surprise that the amount of remittances is substantial, in line with the heavy increase in workers going abroad for employment. Remittances have become a major contributing factor to increasing household income as well as to the country's gross domestic product (GDP).<sup>30</sup> According to government estimates, the incidence of poverty would jump from 19.3 per cent to 35.3 per cent if remittances stopped.<sup>31</sup> According to the South Asian Network of Economic Institutes, migration for foreign employment has generated financial and human capital that has supported the reduction of poverty in Nepal,<sup>32</sup> particularly among the rural population.

In the group discussions for this study (which were quite small in sample size), the male returned migrants noted that one of the major reasons for opting to migrate for foreign employment was to better cope with income poverty. Some of the female returned migrants said they opted for foreign employment to escape gender-based violence. Other reasons cited were lack of employment opportunity, family pressure and a low-level of education that precluded qualification for other work.

As shown in figure 13, the annual remittance contribution to GDP has been increasing since 2011. It represented a 25.7 per cent share in 2012/013 and a 29.1 per cent share during the first eight months of 2013/014. However, the data on remittances is not disaggregated in terms of migrant workers and

**Figure 13. Percentage contribution of remittances to GDP**




\*Based on data for the first eight months of the FY2013/14.  
Source: Economic Survey 2014.

<sup>30</sup> MOF, 2014.

<sup>31</sup> NPC, 2013.

<sup>32</sup> Sanei, 2011.



other inflow of remittances (such as from students abroad who work part-time or emigrants who send money home to their parents). Hence, it is difficult to determine the direct remittance from labour migrants in all destination countries.

According to the nature of jobs and skilled required, the wage range of migrant workers varies from 20,000 to 100,000 rupees (NR).<sup>33</sup> According to the government data, NR 40,600 are remitted per household per year on average.<sup>34</sup> The highest salary and benefits is reported from the Republic of Korea, where Nepali migrant workers go through the government channel under the Employment Promotion System. More than 25,000 Nepali migrant workers are engaged in agriculture and manufacturing through the Employment Promotion System.

From a household budget survey it conducted in 2008, the Nepal Rastra Bank found that remittances were used largely to buy land and a house (at 49 per cent of respondents), followed by repayment of the debt (25 per cent), savings in a bank (11 per cent), education, health and other (9 per cent), social work (3 per cent) and other investment (2 per cent).<sup>35</sup> The survey also explored the medium of transfer of remittances and found that 43.8 per cent of remittances were sent through money transfer, followed by Hundi<sup>36</sup> (28.9 per cent), a bank (21.7 per cent) and other (5.6 per cent). The survey findings also indicated that the inflow of remittances through official channels is smaller than through informal channels. Based on the findings, the Nepal Rastra Bank initiated a campaign to encourage all labour migrants to send remittances through normal channels.

<sup>33</sup> According to published advertisement in Kantipur Daily for foreign employment by various recruiting agencies.

<sup>34</sup> World Bank, 2011.

<sup>35</sup> NRB, 2008.

<sup>36</sup> Informal channel of money transfer without any recording mechanism.





*Community level orientation on safe labour migration ©ILO/B. Sharma Pokharel*



# Achievements, gaps, challenges and way forward

## 5.1 Major achievements

Labour migration from Nepal is increasing every year and so does the number of recruitment agencies and agents. Migration is also becoming more complex, with new destination and occupations. Given this, it is important to ensure that the labour migration processes is well governed with effective regulations and systems in place. While a lot has been achieved already, some gaps remains. The following highlights some of the achievements that have resulted in better regulated labour migration processes and increased protection of the rights of migrant workers:

- The enforcement of the Foreign Employment Act, 2007 and its Regulations and the establishment of the Foreign Employment Promotion Board and Foreign Employment Tribunal have contributed towards promoting governance for labour migration and in regulating the processes effectively. The review process of the Foreign Employment Act that started in December 2013 will likely result in amendments and reforms in the law and procedures that will ensure more effective implementation of the Act and its regulation and ultimately increase the protection for migrant workers.
- In 2014, the Government inaugurated its “labour village”,<sup>37</sup> in Kathmandu which is expected to contribute towards a smoother and more transparent migration process by consolidating the range of services under one roof. As of writing this report, some services have already migrated to the labour village and made more efficient compared to before. This includes the establishment of separate sections for migrant workers, including the Malaysia Section, Saudi Section, Qatar Section and the EPS Korea Section.
- The establishment of a Labour Desk at the Tribhuvan International Airport in Kathmandu has helped promote safe migration among prospective migrants and labour permit owners.
- The Government has recruited labour attachés for embassies and consular offices to provide assistance and services as needed. In 2014, the government designed and implemented a two weeks training programme for newly appointed labour attachés.
- Although not yet operational, the Labour Bank announced by the Government in 2014 is a significant move towards creating a favourable environment for utilizing earned capital, acquired skills and experiences for contributing to economic growth in Nepal.

<sup>37</sup> The labour village will be a complex that houses under one roof all the foreign-employment related services, including all the various country-specific offices that advertise jobs, NGOs and other social welfare organizations, government agencies like the Foreign Employment Promotion Board, recruiting agencies, pre-departure orientation and skills training providers, a health centre and a guest house. The intent is to eliminate the extensive traveling prospective migrants endure when going through the formal channel of the migration process and would improve transparency in the services. It is expected to speed-up the process for overseas employment. The services to be offered range from work approval, counselling, training and legal and financial assistance from the Government: see [www.staffingindustry.com/row/Research-Publications/Daily-News/Nepal-Labour-village-set-up-in-Kathmandu-29703#sthash.H5RKUvuJ.dpuf](http://www.staffingindustry.com/row/Research-Publications/Daily-News/Nepal-Labour-village-set-up-in-Kathmandu-29703#sthash.H5RKUvuJ.dpuf)

- The skills training and pre-departure orientation training of the Foreign Employment Promotion Board are achievements in raising awareness on labour migration and encouraging skilled migrants for migration. In 2014, the Government started a process to review the curricula of the pre-departure orientation training programme and some of its skills training programme with the aim of increasing their effectiveness.
- In 2014, the Department of Foreign Employment initiated a process to ensure better and more effective handling of complaints. The first step in this process included the development of a computerised system and database for complaints. As of writing this report, the computerised system is in place and new as well as old cases are being entered.
- Initiation of the Government-to-Government Learn and Earn Programme between Nepal and Israel is a model arrangement, in which returned migrants, with priority for women, can access soft loan and other services for initiating their own business upon their return to Nepal.

## 5.2 Remaining gaps and challenges

### 5.2.1 Gaps in the structural mechanism

Although the Government established structural mechanisms to protect the rights of migrant workers, there are definite gaps, according to key informants and returned migrants.

The Department of Foreign Employment is described as not migrant friendly. Due the large numbers of workers applying to go abroad, the building is congested and short-staffed. This has, however, improved significantly with the shift of certain functions of the Department to the new Labour Village (see 5.1) and will be improved further as more and more services will be linked and introduced to the Labour Village. Prospective migrants find the formal process to receive the labour permit cumbersome, with many hidden costs. The inquiry and investigation process for complaints are typically conducted without any standard operating procedure. This has led to inconsistencies in handling individual and institutional complaints. There are long gaps in the processing of requests from abroad for migrant workers and issuing the labour permit. The information regarding the details of available jobs that are advertised in Nepal does not match the information provided for the labour permit – such as the name of the employer and the terms and conditions of employment. In such a context, fraud or deception is possible because often the institution mentioned in the initial approval notification is not the same as what is stated in the final appointment letter. The job description, wage rate and the name of the recruiting agency often do not match what is in the contract signed before applying for the labour permit. These gaps in the Department of Foreign Employment processes increase the chance of fraud and malpractice and allow recruiting agencies freedom to operate as they like.

Due to the large number of members in the Foreign Employment Promotion Board, regular meetings are not taking place because of the difficulty in agreeing upon the same time. At the same time the secretariat lacks the human resources to oversee all of its activities.



The Foreign Employment Promotion Board and Department of Foreign Employment are located in Kathmandu and do not have offices at the district level; it is difficult to implement activities (promotional and orientation, including skills training) outside of Kathmandu and closer to where prospective and returned migrants live. The responsibility of exploring safe and decent destinations and being informed on the nature of grievances and distress that migrant workers experience is still a challenge due to lack of institutional capacity and lack of human resources.

The Foreign Employment Promotion Board has a big challenge to prevent fraud, deception and abuse (physical, sexual and psychological violence) in relation to foreign employment and to ensure that migration is safe, dignified and decent. The Board has representation from foreign employment institutions, but it has not successfully promoted good practices among the recruiting agencies in promoting fair, transparent and systematic recruitment.

The Foreign Employment Regulations requires the appointment of labour attachés to countries where more than 5,000 Nepali migrants are working, and emphasizes the recruitment of women labour attachés, particularly in countries where more than 1,000 women migrant workers work. Based on the data on destination countries, there are eight countries where more than 5,000 migrant workers are working and two destinations where more than 1,000 of them are female. Hence, there is need for ten labour attachés, but only six have been posted. Additionally, the labour attachés are only based in countries where there already is a Nepal embassy. The fact that labour attachés do not have their own staff restricts them from providing services to migrant workers who are scattered across big countries, such as in Saudi Arabia and the Republic of Korea. Due to the lack of resources, they cannot make field visits to observe the living and working conditions of migrant workers.

These are major gaps that need to be narrowed to better promote safe migration and make foreign employment dignified.

## **5.2.2 Challenges in promoting safe labour migration and its good governance**

Although the Government of Nepal has been proactive with an array of stakeholders in promoting safe migration and its good governance, there are many challenges in closing the gaps in the structural mechanisms, building capacity of service providers and regulators and better coordinating among all parties working on behalf of migrants. During the research for this report, the following challenges were cited.

### *Origin country*

- Most of the services for foreign labour migrants are centralized in Kathmandu and not available at the district or even regional level. In addition the labour village, the Government has made efforts to open a Labour Bank,<sup>38</sup> but it is not yet operating. The decentralization of services is one of the major challenges in promoting safe labour migration with informed choices.
- There is a lack of knowledge on destinations, the nature of jobs, the required processes and terms and conditions of jobs among prospective migrants. The challenge is to reach them with critical information to reduce their vulnerability to the exploiters and abusers.

<sup>38</sup> The concept of a Labour Bank was included in the recent budget.

- There is lack of a contributory social protection scheme in collaboration with employers in destination countries that should be resolved in the origin country, such as when a bilateral MOU is drafted.
- Social protection schemes tend to still take a workers' welfare approach rather than recognizing that migrants have rights as workers as well as their other human rights.
- The social cost of labour migration is troubling, particularly the family breakdown, the increasing number of divorces and the parenting void for the children left behind. The increasing trend in suicide among migrants and those who have returned is troubling as well.
- The economic cost of labour migration, such as the charges, commissions and fees, including unseen expenses for foreign employment and labour permission, is high. Many labour migrants need to use their remittances to repay the debt incurred for the foreign employment.
- A uniform and compatible database system across all institutions is needed, particularly consisting of required fields as mandated in the Foreign Employment Act. Currently, the database does not have fields for details on the parents, spouses or children of migrant workers, which hampers the provision of services in an emergency (such as a permanent disability due to work-related injuries or death); the household information needs to be kept current.
- The process for labour migration is not yet systematic or transparent, from the advertising for jobs available to the contract signing and permit approval and through the journey in the destination country, particularly in relation to governance and human security.
- There are contradictions between the Foreign Employment Act, 2007 (and its Regulations) and the 2012 Foreign Employment Policy, particularly in promoting good governance in relation to labour migration with a strong mechanism for monitoring and evaluation. The law does not have provision for monitoring and evaluation while the policy does; law seems to offer more protection to recruitment agencies while policy is more protective of workers. These – and other limitations – should be addressed under the ongoing review of the Foreign Employment Act.
- The Ministry of Labour and Employment has yet to establish an interministerial coordination committee as a proactive mechanism in addressing all the issues of labour migration in line with the international and national labour and other human rights standards.
- The formal processes for labour migration are cumbersome and frustrating due to the many requirements of the documents, the time required, the medical examination certificate need and the costs, beyond the official fee, are high. The Department of Foreign Employment needs to bring all processes together in one place to better discourage migrants from leaving the country without a labour permit.
- Unhealthy competition and unfair practices among recruiting agencies and institutions are common.
- There is no policy environment for the utilization of earned capital and acquiring skills once migrants have returned to Nepal.

### *Destination country*

- Competent human resources with information on occupational safety and health issues in destination countries who also monitor grievances and distress is lacking.
- Embassies and consulates are not always victim-friendly with labour migrants in distress or with grievances. The Ministry of Labour and Employment needs to work with the Ministry of Foreign Affairs to adopt more pro-migrant policies.

- Better links between the justice system in the destination countries and embassies of Nepal, particularly in building easy access to justice system, are needed.
- Risk assessments of destination countries in relation to labour migration, particularly on safety and protection mechanisms, salaries and benefits, are needed (conducted by the Ministry of Labour and Employment, the Department of Foreign Employment and the Foreign Employment Promotion Board).
- Rapid assistance to needy migrant workers in destination countries is not possible due to the lack of any mechanism.

### 5.3 A way forward

Based on the issues cited during the conversations with key informants and the analysis of the prevailing policies and laws, the following points are suggested as a way forward to better promote labour migration as safe and dignified for both men and women:

- Revise the Department of Foreign Employment procedures and services towards making them more migrant friendly and make the physical facilities more accessible and useful to potential migrants wanting to fully understand their options.
- Develop a standard operating procedure on handling complaints and grievances of prospective migrants as well as returned migrants, particularly to address them in an effective way and to assist in promoting justice.
- Review the process for approving the appointment letter and awarding a labour permit, in consultation with returned migrants, recruiting agencies and other parties, to minimize the opportunity for fraud or misinterpretations by requiring a letter or certificate of affiliation with a principal company.
- Extend the Department of Foreign Employment offices and thus services to at least the regional level to better reach prospective and returned migrants with vital information and training opportunities.
- Launch an information campaign on procedures, costs, terms and conditions across the districts where migrants who have reported cases of fraud and grievances are located to better inform prospective migrants.
- Review the age threshold for women migrants as well as the ban on certain countries to discourage undocumented migration and thus decrease the vulnerability of such migrants.
- Develop (the Department of Foreign Employment and the Foreign Employment Promotion Board) a modality for the medium term for extending the contributory social protection scheme for all labour migrants.
- Conduct ethnographic research to better identify the types of grievances, the needed protection and the occupational and safety health issues in the destination countries with the higher incidence of grievance and distress cases. This research will be helpful in better informing the choices made by migrant workers and for designing measures that deal with such issues.

- Strengthen the capacities of human resources at the Department of Foreign Employment, the Foreign Employment Promotion Board and the Foreign Employment Tribunal and at embassies and consular offices to promote safe and dignified labour migration as duty bearers.
- Develop a common database system (disaggregated) that is compatible and accessible for agencies to contribute. Link with the database of the immigration office at Tribhuvan International Airport to triangulate the departure and return information of migrant workers.
- Conduct a rapid assessment on the economic and social costs of migration at the household level, looking at short-, medium- and long term perspectives.
- Develop a systematic and transparent process for labour migration, from prior approval to reporting in destination countries, particularly in relation to governance and human security and involve embassies, consular offices and organizations of non-resident Nepalese.
- Develop bilateral or multilateral memoranda of understanding in line with the ILO multilateral framework on labour migration to better protect migrant workers and promote decent work.
- Create an environment conducive for investing or utilizing earned capital, skills and knowledge in Nepal in productive sectors through business promotion services and offering attractive packages to returned migrants.
- Ensure a better match between occupations in demand in countries of destination, and those of the potential migrants from Nepal. This will include regular assessments of occupations in demand, as well as revised training curricula. The capacity of skills training institutions needs to be enhanced accordingly so that prospective migrants can seek out higher-paying employment and thus discourage migration of unskilled migrant workers; create more opportunities for employment and self-employment for youth and adults seeking labour migration within the country.







*Domestic worker ©ILO/S. Gavane*



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# Research framework

Objectives	Research questions	Probe questions	Source of data	Data collection method
<b>a. To assess and delineate the magnitude of labour migration for foreign employment in Nepal in all its dimensions by collecting and collating information available with relevant government agencies in the migration cycle</b>	What are the trends in migration outflow of Nepali foreign labour migrants?	<ul style="list-style-type: none"> <li>What is the annual outflow of Nepali foreign labour migrant from 2009–14 as documented in the official books of the Government? <ul style="list-style-type: none"> <li>Probe for data on re-migration</li> </ul> </li> </ul>	DOFE, FEPB	Secondary data collection
		<ul style="list-style-type: none"> <li>What is the demographic profile (age group; sex; ethnic group; marital status; geographic and administrative region; education attained) of the Nepali foreign labour migrant?</li> </ul>	DOFE; relevant NGOs	Secondary data collection
		<ul style="list-style-type: none"> <li>Is there a gender dimension, especially female, in the pattern of foreign labour migration? <ul style="list-style-type: none"> <li>Probe if there is any trend specific for female migrants</li> </ul> </li> </ul>	DOFE; FEPB, returned migrants; relevant NGOs	Secondary data collection; focus group discussion with returned migrants; interviews with NGO staff
		<ul style="list-style-type: none"> <li>What is the nature of the job and type of occupation pursued by the Nepali FE migrants?</li> </ul>	DOFE; FEPB	Secondary data collection
		<ul style="list-style-type: none"> <li>What is the skill level of Nepali foreign labour migrants?</li> </ul>	DOFE; FEPB; returned migrants	Secondary data collection; focus group discussion with returned migrants
		<ul style="list-style-type: none"> <li>What are the different types of visas issued to the FE migrants?</li> </ul>	Recruiting agencies; NAFEA	Secondary data collection
		<ul style="list-style-type: none"> <li>Which countries are the major destinations for Nepali foreign labour migrants?</li> </ul>	DOFE	Secondary data collection
		<ul style="list-style-type: none"> <li>What is the average cost for foreign labour migrants to reach destination countries? How do the prospective migrants manage the cost?</li> </ul>	DOFE; NAFEA; prospective and returned migrants	Secondary data collection; focus group discussion with returned migrants; interviews
		<ul style="list-style-type: none"> <li>Are there records of returned migrants? If yes, what is annual inflow of returned migrants since 2008?</li> </ul>	Relevant NGOs; Foreign Employment Tribunal	Secondary data collection
		<ul style="list-style-type: none"> <li>What is the mortality rate of Nepali foreign labour migrants in the destination countries during their period of stay?</li> </ul>	FEPB; embassies; consular offices; relevant NGOs	Secondary data collection
		<ul style="list-style-type: none"> <li>Is it possible to assess the magnitude of foreign labour migration through irregular channels? If yes, what sources can be indicative of this phenomenon? What do the available numbers suggest? <ul style="list-style-type: none"> <li>If available probe for disaggregated data</li> </ul> </li> </ul>	DOFE; MOLE; DOL; FEPB; Foreign Employment Tribunal; relevant NGOs; consular office; NRN contact office destination countries	Secondary data collection
		<ul style="list-style-type: none"> <li>What are the total numbers of stranded migrants in the destination countries? What are the reasons for being marooned?</li> </ul>	Relevant NGOs; consular office/embassy; NRN contact office destination countries	Secondary data collection
		<ul style="list-style-type: none"> <li>What are the total number recruiting agencies in the country?</li> </ul>	NAFEA; DOFE	Secondary data collection
		<ul style="list-style-type: none"> <li>Which are the key recruiting agencies in the country in terms of sending foreign labour migrants? What are their operational modality and focus countries?</li> </ul>	NAFEA; DOFE; trade union	Secondary data collection

<b>b) To fully understand the quantitative and qualitative implication of labour migration in the economic and social context</b>	What has the phenomena of labour migration meant for the Nepali economy and society?	<ul style="list-style-type: none"> <li>What is the annual remittance received foreign labour migrants? What percentage of the GDP does it constitute?</li> </ul>	NRB; IME; other relevant financial institutions	Secondary data collection
		<ul style="list-style-type: none"> <li>What is the average range of monthly wage/ annual wage of Nepali FE migrants? What are the most common benefits provided by the recruiting agencies to the foreign labour migrants? <ul style="list-style-type: none"> <li>If available probe for gender disaggregated data on benefits provided</li> </ul> </li> </ul>	DOFE; NAFA; FEPB, prospective and returned migrants	Secondary data collection; focus group discussion with returned migrants; interviews
		<ul style="list-style-type: none"> <li>What are the pre and post migration economic conditions of the migrant's households?</li> </ul>	Prospective and returned migrants; sociologist/ economist	FGD; interviews
		<ul style="list-style-type: none"> <li>What are the investment and expenditure pattern of returned foreign labour migrant?</li> </ul>	Returned migrants; NRB; economist	Secondary data; focus group discussion with returned migrants; interviews
		<ul style="list-style-type: none"> <li>What are the major socio-cultural impacts of foreign labour migration?</li> </ul>	Returned migrants; economist/ sociologist	Focus group discussion with returned migrants; interviews
		<ul style="list-style-type: none"> <li>Is there any effect of foreign employment on empowerment of women?</li> </ul>	DOFE; relevant NGOs; returned migrants; economist/ sociologist	Focus group discussion with returned migrants; interviews
<b>c. To identify various government-led initiatives to promote safe migration and the rights and welfare of migrant workers in the country of origin and destination</b>	What has the Government's response been to the phenomena of foreign labour migration?	<ul style="list-style-type: none"> <li>What are the key legislative and policy measures adopted by the Government to regulate foreign labour migration? Are there special measures to address the need of female labour migrants?</li> </ul>	DOFE; MOLE; DOL; relevant NGOs; UN agencies; MWSCW	Secondary data collection; interviews
		<ul style="list-style-type: none"> <li>What institutional mechanisms are in place in the countries of origin and destination to protect and extend welfare services to foreign labour migrant?</li> </ul>	DOFE; MOLE; DOL; relevant NGOs; UN agencies; MWSCW	Secondary data collection; interviews
		<ul style="list-style-type: none"> <li>How has the Government coordinated and collaborated with other safe migration promoting agencies?</li> </ul>	DOFE; MOLE; DOL; MWSCW; external development partners relevant NGOs; returned migrants	Secondary data collection; interviews; focus group discussion with returned migrants
		<ul style="list-style-type: none"> <li>Are there policies and programs that look at translating the skills and knowledge brought back to Nepal by returned migrants? Probe if any employment policies are catered towards returned migrants</li> <li>Are there any projects/programmes initiated by the Government targeting the prospective and returned labour migrants?</li> </ul>	NRB; DOFE; MOLE; DOL; NRB; external development partners and relevant NGOs	Interviews
		<ul style="list-style-type: none"> <li>What are the support mechanisms and services provided to the returned migrants and currently working migrant's family for their social development?</li> </ul>	DOFE; MOLE; DOL; returned migrants	Interviews; focus group discussion with returned migrants
		<ul style="list-style-type: none"> <li>Have any activities been initiated to increase the access of those with limited resources to seek justice?</li> </ul>	Foreign Employment Tribunal	Interviews

<b>d. To identify gaps and challenges in the existing policies and structural mechanisms that support safe labour migration and the social development of migrants and their families left behind</b>	What are the major legislative, policy and structural gaps in the existing system of labour migration?	<ul style="list-style-type: none"> <li>What are the major procedural problems faced by the prospective migrants? <ul style="list-style-type: none"> <li>Probe for specific problems faced by female migrants</li> </ul> </li> </ul>	Prospective migrants; relevant NGOs; trade Unions	Focus group discussion with returned migrants; interviews
		<ul style="list-style-type: none"> <li>What are the problems returned migrants?</li> </ul>	Returned migrants; relevant NGOs;	Focus group discussion with returned migrants; interviews
		<ul style="list-style-type: none"> <li>Are there differences in problems faced by the male and female migrant workers?</li> </ul>	Prospective and returned migrants; relevant NGOs	Focus group discussion with returned migrants; interviews
	What are the major challenges affecting the promoting and practice of safe labour migration in the current structure and system?	<ul style="list-style-type: none"> <li>What protection mechanisms are required at country of destination for the safety and welfare of migrant workers?</li> </ul>	Trade unions; returned migrants; DOFE; labour attachés	Focus group discussion with returned migrants; interviews
		<ul style="list-style-type: none"> <li>Are the current measures relevant and adequate for safe migration and decent work for migrants?</li> </ul>	Trade unions; returned migrants; DOFE; labour attaché	Focus group discussion with returned migrants; interviews
		<ul style="list-style-type: none"> <li>Are the current financial policies and programs conducive for investment by returned migrant workers?</li> </ul>	Policy analysis; DOFE; NPC	Secondary data collection; interviews
	What are the barriers in providing opportunities of social development of migrants and their households?	<ul style="list-style-type: none"> <li>How has the socio-economic and political situation of the country affected the patterns of foreign labour migration?</li> </ul>	DOFE; sociologist/ economist	Secondary data collection; interviews
		<ul style="list-style-type: none"> <li>What are the structural challenges for promoting safe migration?</li> </ul>	Literature review; DOFE; MOLE; NPC; external development partners and relevant NGOs	Secondary data collection; interviews
		<ul style="list-style-type: none"> <li>What opportunities exists for the social development of migrants households? Do such households have easy access to such opportunities?</li> </ul>	Returned migrants; NPC; NRB and financial institutions; MOLE	Focus group discussion with returned migrants; Secondary data collection; interview
		<ul style="list-style-type: none"> <li>What social protection mechanism is extended to migrant household?</li> </ul>	NPC; MFALD; MWCSW	Interview; secondary data collection
<b>e. To define the appropriate strategies and recommendations to promote and practice safe migration for prospective and returned migrants</b>		<ul style="list-style-type: none"> <li>What are the challenges faced by the Tribunal in prosecuting the cases under the Foreign Employment Act?</li> </ul>	Foreign Employment Tribunal	Interviews
	What are the changes required to facilitate safe migration and in the current structure and system?	<ul style="list-style-type: none"> <li>Is there any strategy and mechanism to tackle grievances and distress of male and female migrant worker in country of destination?</li> </ul>	Trade unions; relevant NGOs; DOFE; consular office; embassies; returned migrants	Interviews; focus group discussion with returned migrants
		<ul style="list-style-type: none"> <li>What support systems are required to for social empowerment of foreign labour migrants and their families left behind?</li> </ul>	Returned migrants; DOFE; MOLE; DOL; NPC	Interview; focus group discussion with returned migrants
	Who are key actors for implementing and monitoring changes?	<ul style="list-style-type: none"> <li>Are any specific strategies and approach required to facilitate safe migration of female foreign employment workers?</li> </ul>	Prospective and returnee migrants; DOFE; external development partners; Foreign Employment Tribunal	Interview; focus group discussion with returned migrants

## Annex II:

# Key informants

**Ministry of Labour and Employment**, Buddhi Bahadur Khadka, Joint Secretary

**Foreign Employment Promotion Board**, Raghu Raj Kaphle, Executive Director

**Department of Foreign Employment**, Badri Bahadur Karki, Under Secretary

**Ministry of Women, Children and Social Welfare**, Sunita Nepal, Under Secretary

**Foreign Employment Tribunal**, Bhim Kumar Shrestha, Registrar

**Ministry of Foreign Affairs**, Dhana Joshi, Section Officer, West Asia Section

**Nepal Rastra Bank**, Narayan Prasad Poudel, Chief of Micro Finance Section

**Nepal Association for Foreign Employment Agencies**, Hansa Raj Wagle, Chairperson

**International Labor Organization**, Anna Engblom, Chief Technical Advisor, Niyama Rai, National Project Coordinator and Bina Kunwar Thapa, Programme Officer

**International Organization for Migration**, Dr. Meena Poudel, Policy and Programme Advisor and Pravina Gurung, Programme Manager

**The Asia Foundation**, Nandita Baruah, Chief of Party and Shareen Tuladhar, Programme Officer

**Pourakhi Nepal**, Bijaya Rai Shrestha, Director

**Pravasi Nepali Coordination Committee**, Kul Prasad Karki, President and Som Prasad Lamichhane, General Secretary

**Nepal Labor Academy**, Dr. Shiva Sharma, President

**ICIMOD**, Nepal, Soumyadeep Banerjee, Migration and Population Specialist



### Annex III:

## Coordination Committee Members

Steering Committee for facilitating writing of status report for Nepal 2013/14 on labour migration for employment.

**Department of Labour and Employment.** Jagan Nath Devkota, Director General - Coordinator

**Ministry of Labour and Employment,** Girija Sharma, Under Secretary - Member

**Foreign Employment Promotion Board,** Tika Bhandari, Director - Member

**EPS Korea Branch,** Dilli Ram Bastola, Under Secretary - Member

**Ministry of Labour and Employment,** Liladhar Awasthi, Section Officer - Member

**Department of Labour and Employment.** Bijay Kumar Khatri, Computer Engineer - Member

**EPS Korea Branch.** Tek Bahdur Khadka, Computer Engineer – Member

## Annex IV:

# Data set of 75 districts (excluding individual applicants)

District	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	Total
Taplejung total	2,081	2,272	2,103	2,114	3,007	3,326	14,903
Panchthar total	3,266	4,093	4,073	4,003	5,902	5,800	27,137
Ilam total	3,371	4,466	4,381	5,035	6,600	6,633	30,486
Jhapa total	9,535	10,618	11,004	11,778	17,974	18,762	79,671
Sankhuwasabha total	1,989	2,678	2,716	2,291	3,544	4,122	17,340
Tehrathum total	1,461	1,767	1,886	1,983	2,948	3,058	13,103
Bhojpur total	2,480	2,657	2,788	3,307	5,195	5,966	22,393
Dhankuta total	2,172	2,968	2,514	2,691	4,187	4,573	19,105
Morang total	6,983	9,566	10,399	10,794	16,793	17,931	72,466
Sunsari total	4,410	5,923	6,620	7,623	11,597	12,858	49,031
Solukhumbu total	778	921	972	1,211	1,870	2,030	7,782
Khotang total	2,885	3,243	3,648	4,183	6,474	7,273	27,706
Okhaldhunga total	1,525	1,668	1,904	1,991	3,262	3,849	14,199
Udaypur total	2,989	3,981	3,772	4,271	6,360	7,665	29,038
Saptari total	4,072	7,286	7,480	7,332	11,274	13,533	50,977
Siraha total	7,508	9,543	10,290	9,223	13,944	17,277	67,785
Dolakha total	1,530	1,707	1,754	2,361	4,146	4,657	16,155
Ramechhap total	1,616	1,907	2,241	3,242	4,690	5,491	19,187
Sindhuli total	2,416	3,332	3,828	5,091	6,698	7,514	28,879
Dhanusha total	10,950	11,942	11,923	11,643	18,895	21,446	86,799
Mahottari total	6,136	25,223	13,687	9,476	12,606	15,701	82,829
Sarlahi total	3,478	5,200	5,719	5,723	10,335	13,405	43,860
Rasuwa total	451	555	391	646	1,065	946	4,054
Dhading total	2,396	3,777	5,015	5,479	7,334	7,774	31,775
Nuwakot total	2,370	2,479	2,774	3,831	6,736	7,260	25,450
Kathmandu total	2,215	1,546	2,325	3,346	5,952	5,804	21,188
Bhaktapur total	805	642	988	1,254	1,495	1,609	6,793
Lalitpur total	1,123	945	1,060	1,791	2,580	2,793	10,292
Kavrepalanchowk total	2,564	2,754	2,843	4,372	8,013	8,394	28,940
Sindhupalchowk total	2,680	2,814	2,497	3,782	7,695	8,339	27,807
Makwanpur total	2,865	3,447	3,635	4,832	8,527	9,609	32,915
Rautahat total	1,552	2,134	2,873	3,298	6,606	8,913	25,376
Bara total	1,774	2,527	3,639	4,158	7,200	8,979	28,277
Parsa total	885	1,194	1,743	2,244	3,804	6,535	16,405
Chitwan total	4,320	4,266	4,841	5,834	9,407	9,594	38,262
Gorkha total	3,100	3,348	3,717	4,415	5,908	6,411	26,899
Manang total	99	110	40	29	21	69	368

Lamjung total	2,314	2,450	2,948	3,100	4,485	4,561	19,858
Kaski total	3,824	3,151	4,008	4,365	6,628	5,962	27,938
Tanahu total	4,411	4,886	5,382	6,270	8,376	8,397	37,722
Syangja total	3311	3,292	4,327	4,686	7,778	6,999	30,393
Gulmi total	1,735	2,005	2,790	2,961	5,370	5,107	19,968
Palpa total	2,491	2,822	3,360	4,185	5,520	5,758	24,136
Argakhanchi total	1,276	1,621	1,984	2,183	3,425	3,617	14,106
Nawalparasi total	5,161	6,461	8,067	8,505	12,310	13,059	53,563
Rupandehi total	3,419	4,163	5,428	5,986	10,850	11,765	41,611
Kapilvastu, total	1,224	2,192	2,994	3,152	6,438	7,152	23,152
Mustang total	74	36	31	22	48	59	270
Myagdi, total	1,542	1,715	2,306	2,400	3,376	3,266	14,605
Baglung total	2,538	3,081	4,166	4,850	5,892	5,885	26,412
Parbat total	1,730	1,716	2,431	2,921	3,829	3,743	16,370
Rukum total	1,264	1,622	1,993	2,394	3,400	4,001	14,674
Rolpa total	2,642	3,164	3,249	3,686	5,654	6,200	24,595
Pyuthan total	935	1,108	1,598	1,571	2,645	3,417	11,274
Salyan total	1,962	3,152	3,699	4,950	5,256	6,312	25,331
Dang total	3,707	5,000	5,169	5,080	8,198	10,063	37,217
Dolpa total	24	12	11	9	14	23	93
Mugu total	100	37	51	51	80	144	463
Jumla total	29	37	46	69	178	300	659
Kalikot total	59	95	89	151	492	732	1,618
Humla total	17	52	60	113	45	86	373
Jajarkot total	252	468	892	820	1,342	1,920	5,694
Dailekh total	265	447	553	672	1,375	2,056	5,368
Surkhet total	586	1,079	1,586	1,356	2,898	3,613	11,118
Banke total	993	1,859	2416	2,538	4,815	5,634	18,255
Bardiya total	737	1,356	1,995	1961	3,854	4,416	14,319
Bajura total	100	114	80	179	363	534	1,370
Acham total	45	189	309	451	556	777	2,327
Bajhang total	55	124	158	192	470	678	1,677
Doti total	76	81	105	207	457	614	1,540
Kailali total	584	7,385	9,372	7,302	2,573	3,402	30,618
Darchula total	198	334	295	366	676	946	2,815
Baitadi total	422	423	463	555	1,361	1,771	4,995
Dadeldhuda total	284	793	778	1,612	1,049	1,148	5,664
Kanchanpur total	670	1179	1,705	1,482	2,956	3,467	11,459
Total	163,886	225,200	240,977	260,030	395,676	443,483	1,729,252

<b>District,wise,male,(excluding,individual,applicants),</b>							
<b>District</b>	<b>2008/09</b>	<b>2009/10</b>	<b>2010/11</b>	<b>2011/12</b>	<b>2012/13</b>	<b>2013/14</b>	<b>Total</b>
Taplejung total	2,075	2,234	2,072	2,036	2,861	3,191	14,469
Panchthar total	3,232	4,039	4,015	3,882	5,591	5,594	26,353
Ilam total	3,344	4,356	4,282	4,770	6,035	6,163	28,950
Jhapa total	9,412	10,337	10,655	11,131	16,561	17,609	75,705
Sankhuwasabha total	1,976	2,639	2,685	2,247	3,381	3,990	16,918
Tehrathum total	1,451	1,752	1,868	1,949	2,864	2,964	12,848
Bhojpur total	2,464	2,619	2,736	3,218	4,926	5,740	21,703
Dhankuta total	2,162	2,923	2,473	2,635	3,995	4,401	18,589
Morang total	6,884	9,379	10,148	10,354	15,791	17,192	69,748
Sunsari total	4,346	5,776	6,463	7,325	10,986	12,379	47,275
Solukhumbu total	765	868	940	1,093	1,608	1,779	7,053
Khotang total	2,869	3,199	3,606	4,067	6,219	7,000	26,960
Okhaldhunga total	1,506	1,633	1,869	1,905	3,062	3,691	13,666
Udaypur total	2,946	3,887	3,690	4,144	6,013	7,327	28,007
Saptari total	4,068	7,276	7,466	7,314	11,245	13,508	50,877
Siraha total	7,506	9,532	10,283	9,212	13,917	17,259	67,709
Dolakha total	1,500	1,599	1,695	2,207	3,710	4,161	14,872
Ramechhap total	1,589	1,834	2,183	3,100	4,255	5,090	18,051
Sindhuli total	2,395	3,235	3,770	4,918	6,292	7,183	27,793
Dhanusha total	10,947	11,933	11,911	11,622	18,848	21,393	86,654
Mahottari total	6,136	25,168	13,679	9,452	12,560	15,656	82,651
Sarlahi total	3,454	5,130	5,688	5,655	10,064	13,219	43,210
Rasuwa total	438	517	377	561	875	810	3,578
Dhading total	2,376	3,719	4,964	5,340	6,972	7,380	30,751
Nuwakot total	2,324	2,346	2,697	3,645	6,044	6,585	23,641
Kathmandu, total	2,140	1,425	2,182	3,099	5,267	5,144	19,257
Bhaktapur total	787	623	966	1,205	1,399	1,517	6,497
Lalitpur total	1,097	898	1,013	1,718	2,365	2,537	9,628
Kavrepalanchowk total	2,507	2,599	2,763	4,171	7,281	7,635	26,956
Sindhupalchowk total	2,523	2,470	2,356	3,284	5,970	7,101	23,704
Makwanpur total	2,806	3,283	3,514	4,592	7,734	8,779	30,708
Rautahat total	1,548	2,120	2,867	3,277	6,524	8,849	25,185
Bara total	1,767	2,493	3,621	4,120	7,034	8,834	27,869
Parsa total	881	1,183	1,730	2,225	3,717	6,480	16,216
Chitwan total	4,279	4,205	4,769	5,662	8,939	9,188	37,042
Gorkha total	3,080	3,293	3,664	4,284	5,622	6,162	26,105
Manang total	99	109	39	25	17	63	352
Lamjung total	2,293	2,407	2,911	3,034	4,335	4,436	19,416
Kaski total	3,781	3,079	3,945	4,249	6,354	5,740	27,148
Tanahu total	4,395	4,853	5,353	6,208	8,211	8,247	37,267

Syangja total	3,294	3,267	4,286	4,604	7,615	6,884	29,950
Gulmi total	1,724	1,994	2,755	2,917	5,233	5,024	19,647
Palpa total	2,481	2,795	3,336	4,131	5,392	5,682	23,817
Argakhanchi total	1,272	1,601	1,967	2,156	3,346	3,566	13,908
Nawalparasi total	5,125	6,397	7,988	8,343	11,940	12,788	52,581
Rupandehi total	3,403	4,122	5,375	5,867	10,557	11,603	40,927
Kapilvastu total	1,220	2,172	2,978	3,117	6,358	7,097	22,942
Mustang total	73	34	31	18	38	49	243
Myagdi total	1,534	1,699	2,268	2,364	3,270	3,150	14,285
Baglung total	2,528	3,068	4,150	4,803	5,798	5,797	26,144
Parbat total	1,719	1,698	2,411	2,890	3,746	3,687	16,151
Rukum total	1,260	1,615	1,982	2,356	3,345	3,935	14,493
Rolpa total	2,641	3,153	3,243	3,665	5,586	6,120	24,408
Pyuthan total	930	1,104	1,591	1,561	2,610	3,387	11,183
Salyan total	1,962	3,134	3,690	4,896	5,168	6,234	25,084
Dang total	3,697	4,965	5,134	5,028	8,002	9,898	36,724
Dolpa total	24	12	11	9	13	22	91
Mugu total	100	36	51	47	77	139	450
Jumla total	29	37	46	69	173	300	654
Kalikot total	59	95	89	146	489	729	1,607
Humla total	16	50	59	109	43	84	361
Jajarkot total	252	464	888	814	1,335	1,909	5,662
Dailekh total	264	441	550	667	1,352	2,029	5,303
Surkhet total	584	1,073	1,578	1,349	2,825	3,573	10,982
Banke total	984	1,839	2,401	2,513	4,714	5,571	18,022
Bardiya total	736	1,344	1,973	1,927	3,748	4,329	14,057
Bajura total	100	114	80	176	359	529	1,358
Acham total	45	189	304	449	549	777	2,313
Bajhang total	55	124	158	192	469	677	1,675
Doti total	76	81	105	206	453	613	1,534
Kailali total	578	7,362	9,340	7,231	2,484	3,309	30,304
Darchula total	198	330	294	365	672	939	2,798
Baitadi total	420	423	463	554	1,358	1,768	4,986
Dadeldhuda total	284	790	775	1,596	1,036	1,145	5,626
Kanchanpur total	669	1,168	1,693	1,464	2,904	3,429	11,327
Total	162,484	22,1760	237,951	253,534	378,501	428,748	1,682,978

<b>District-wise,female,(excluding,individual,applicants)</b>							
<b>District</b>	<b>2008/09</b>	<b>2009/10</b>	<b>2010/11</b>	<b>2011/12</b>	<b>2012/13</b>	<b>2013/14</b>	<b>Total</b>
Taplejung total	6	38	31	78	146	135	434
Panchthar total	34	54	58	121	311	206	784
Ilam total	27	110	99	265	565	470	1,536
Jhapa total	123	281	349	647	1,413	1,153	3,966
Sankhuwasabha total	13	39	31	44	163	132	422
Tehrathum total	10	15	18	34	84	94	255
Bhojpur total	16	38	52	89	269	226	690
Dhankuta total	10	45	41	56	192	172	516
Morang total	99	187	251	440	1,002	739	2,718
Sunsari total	64	147	157	298	611	479	1,756
Solukhumbu total	13	53	32	118	262	251	729
Khotang total	16	44	42	116	255	273	746
Okhaldhunga total	19	35	35	86	200	158	533
Udaypur total	43	94	82	127	347	338	1,031
Saptari total	4	10	14	18	29	25	100
Siraha total	2	11	7	11	27	18	76
Dolakha total	30	108	59	154	436	496	1,283
Ramechap total	27	73	58	142	435	401	1,136
Sindhuli total	21	97	58	173	406	331	1,086
Dhanusha total	3	9	12	21	47	53	145
Mahottari total	0	55	8	24	46	45	178
Sarlahi total	24	70	31	68	271	186	650
Rasuwa total	13	38	14	85	190	136	476
Dhading total	20	58	51	139	362	394	1,024
Nuwakot total	46	133	77	186	692	675	1,809
Kathmandu total	75	121	143	247	685	660	1,931
Bhaktapur total	18	19	22	49	96	92	296
Lalitpur total	26	47	47	73	215	256	664
Kavrepalanchowk total	57	155	80	201	732	759	1,984
Sindhupalchowk total	157	344	141	498	1,725	1,238	4,103
Makwanpur total	59	164	121	240	793	830	2,207
Rautahat total	4	14	6	21	82	64	191
Bara total	7	34	18	38	166	145	408
Parsa total	4	11	13	19	87	55	189
Chitwan total	41	61	72	172	468	406	1,220
Gorkha total	20	55	53	131	286	249	794
Manang total	0	1	1	4	4	6	16
Lamjung total	21	43	37	66	150	125	442
Kaski total	43	72	63	116	274	222	790
Tanahu total	16	33	29	62	165	150	455



Syangja total	17	25	41	82	163	115	443
Gulmi total	11	11	35	44	137	83	321
Palpa total	10	27	24	54	128	76	319
Argakhanchi total	4	20	17	27	79	51	198
Nawalparasi total	36	64	79	162	370	271	982
Rupandehi total	16	41	53	119	293	162	684
Kapilvastu total	4	20	16	35	80	55	210
Mustang total	1	2	0	4	10	10	27
Myagdi total	8	16	38	36	106	116	320
Baglung total	10	13	16	47	94	88	268
Parbat total	11	18	20	31	83	56	219
Rukum total	4	7	11	38	55	66	181
Rolpa total	1	11	6	21	68	80	187
Pyuthan total	5	4	7	10	35	30	91
Salyan total	0	18	9	54	88	78	247
Dang total	10	35	35	52	196	165	493
Dolpa total	0	0	0	0	1	1	2
Mugu total	0	1	0	4	3	5	13
Jumla total	0	0	0	0	5	0	5
Kalikot total	0	0	0	5	3	3	11
Humla total	1	2	1	4	2	2	12
Jajarkot total	0	4	4	6	7	11	32
Dailekh total	1	6	3	5	23	27	65
Surkhet total	2	6	8	7	73	40	136
Banke total	9	20	15	25	101	63	233
Bardiya total	1	12	22	34	106	87	262
Bajura total	0	0	0	3	4	5	12
Acham total	0	0	5	2	7	0	14
Bajhang total	0	0	0	0	1	1	2
Doti total	0	0	0	1	4	1	6
Kailali total	6	23	32	71	89	93	314
Darchula total	0	4	1	1	4	7	17
Baitadi total	2	0	0	1	3	3	9
Dadeldhuda total	0	3	3	16	13	3	38
Kanchanpur total	1	11	12	18	52	38	132
<b>Total</b>	<b>1,402</b>	<b>3,440</b>	<b>3,026</b>	<b>6,496</b>	<b>17,175</b>	<b>14,735</b>	<b>46,274</b>

## Annex V:

# Modality of acquiring labour permit

Modality of application	2008/09		2009/10		2010/11		2011/12		2012/13		2013/14		Total
	M	F	M	F	M	F	M	F	M	F	M	F	
Via recruiting agency	162,484	1,402	221,760	3,440	237,951	3,026	253,534	6,496	378,501	17,175	428,748	14,735	1,729,252
Individually	48,887	7,192	62,278	6,616	106,349	7,390	108,173	16,462	44,591	10,567	63,976	14,419	496,900
<b>Total</b>	<b>211,371</b>	<b>8,594</b>	<b>284,038</b>	<b>10,056</b>	<b>344,300</b>	<b>10,416</b>	<b>361,707</b>	<b>22,958</b>	<b>423,092</b>	<b>27,742</b>	<b>492,724</b>	<b>29,154</b>	<b>2,226,152</b>





Government of Nepal  
**Ministry of Labour and Employment**  
Department of Foreign Employment  
Kathmandu, Nepal  
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