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Nepal: Government must deliver on promises on migrant worker abuse

The Nepal government must turn a series of recent commitments to migrant workers into concrete action to protect workers from debt bondage and exploitation abroad, Amnesty International said today.

Unless the newly-elected government follows up its words with deeds and acts decisively against the criminal profiteering of recruitment agents and agencies, it will -- like its predecessors -- fail to provide effective protection against fraud, human trafficking, and forced labour to hundreds of thousands of citizens each year, the organization said.

In June, Amnesty International published *Turning People into Profits: Abusive Recruitment, Trafficking and Forced Labour of Nepali Migrant Workers*, a major report which found that recruitment agents and agencies routinely deceive and exploit migrants without fear of being caught.

Since the launch of the report in Kathmandu, a series of statements by senior government representatives have indicated a desire by the new government to demonstrate its commitment to migrant worker protection.

Law Enforcement Responses to the Criminal Conduct of Recruitment Agencies

On 27 July 2017, Home Minister Janardan Sharma announced to the International Relations and Labour Committee of the Legislature Parliament that he planned to establish a foreign employment unit inside the Nepal police.¹ Minister Sharma said there was a need to combat widespread fraud and “irregularities” within recruitment processes and to provide support to victims stranded abroad.

One of the key obstacles to holding recruitment agencies accountable has been that the authorities do not use the full extent of the law to investigate and punish agencies involved in criminal activity. An independent and dedicated police unit to investigate the criminal activity of recruitment agents and agencies would constitute significant progress. Amnesty International urges the government to prioritise resources for the immediate establishment of such a unit.

Recruitment Fees and the “Free Visa, Free Ticket” Policy

Last month marked two years since the announcement of Nepal’s flagship “Free Visa, Free Ticket” policy, which drastically reduces fees that recruitment agencies can charge to migrant workers.

In July and August 2017, both the Prime Minister Sher Bahadur Deuba and Minister for Labour and Employment, Farmullah Mansoor have admitted that current implementation of the “Free Visa, Free Ticket” policy is weak and does not serve the interests of migrant workers.²

On 1 August 2017, Minister Mansoor publically committed to the implementation of the “Free Visa, Free Ticket” policy during his visit to Saptari district.³ The Minister promised that a new plan would be released in mid-August, and that it would protect young people from recruitment fraud.

¹ Manpower agencies, legal provisions major hurdles for government says home minister, Republica, 28 July 2017, <http://www.myrepublica.com/news/24603/>

² PM worries about safety of Migrant Workers, Kathmandu Post, 14 July 2017, <http://kathmandupost.ekantipur.com/news/2017-07-14/pm-worries-about-safety-of-nepali-migrant-workers.html>

³ Labour Minister says free visa and free ticket scheme will come into effect, Online Khabar, 2 August 2017, <http://english.onlinekhabar.com/2017/08/02/404372.html>

Research both by Amnesty International and Nepali civil society organizations has demonstrated that few migrant workers have in fact benefitted from the policy because of the lack of government enforcement. In addition to extortionate fees charged by recruiters, Amnesty International has documented that migrant workers may pay up to NPR 100,000 in medical, insurance, and pre-departure travel costs that must be paid upfront before they leave Nepal.

Concern over increased government fees

These recent statements, however, are at odds with recent government actions. Instead of reducing costs for migrant workers and protecting them from abuse, the government has added to the debt burden of migrants by facilitating an increase in a series of pre-departure costs.

On 31 July, the Foreign Employment Promotion Board (FEPB) raised the amount migrant workers are required to contribute to the government-administered welfare fund, from NPR 1,000 (US \$ 9.79) to between NPR 1,500 (US \$ 14.69) and NPR 2,500 (US \$ 24.5).⁴ While the government says the increase contributions will allow it to support workers and their families more effectively, the reality is that the welfare fund already has a surplus of approximately NPR 3.85 billion (US \$37.2 million), and many migrant workers experiencing human rights abuse, including victims of deceptive recruitment and labour trafficking, are unable to access it.

The government's readiness to raise fees for migrants demonstrates an incoherent and contradictory approach toward recruitment reform. Raising the overall cost of recruitment while maintaining a theoretical limit on what recruitment agencies can charge workers sends a strong, negative message to Nepal's recruitment industry that the government has no real commitment to the principle of zero-cost recruitment and alleviating the debt burden of migrant workers.

The government should strive to reduce costs for migrant workers and roll-back government provisions that lead to increased pre-departure costs for migrants.

Influence of recruitment industry

Amnesty International also remains concerned that recruitment agencies continue to exert pressure on government policy-makers, and that ongoing dialogue between the government and recruitment agencies will jeopardise effective implementation of the "Free Visa, Free Ticket" Policy.

At a Nepal Association for Foreign Employment Agencies (NAFEA) conference in July, the Prime Minister stated that he would review recruitment agency demands related to implementation of the "Free Visa, Free Ticket" policy, and that he would be willing to discuss an "agreement" addressing their concerns.⁵ Since 2015, recruitment agencies have called for the end of the "Free Visa, Free Ticket" policy and protested its implementation through legal action and industry-wide strikes that have shut down recruitment services. A previous agreement on the implementation of the policy, signed in July 2015 by recruitment agencies and the Ministry of Labour and Employment, resulted in several government concessions to the recruitment industry on key areas.

The Prime Minister's conciliatory message to recruitment agencies contradicts statements in August by Labour Minister Mansoor, who publically committed to full implementation of the policy and stricter oversight of recruitment businesses.⁶

Time to fully commit to "Free Visa, Free Ticket" Policy

⁴ Migrant workers will now pay up to Rs 2,500 into welfare fund, My Republica, 1 August 2017, <http://www.myrepublica.com/news/24837/>.

⁵ PM worries about safety of Migrant Workers, Kathmandu Post, 14 July 2017, <http://kathmandupost.ekantipur.com/news/2017-07-14/pm-worries-about-safety-of-nepali-migrant-workers.html>

⁶ Labour Minister says free visa and free ticket scheme will come into effect, Online Khabar, 2 August 2017, <http://english.onlinekhabar.com/2017/08/02/404372.html>

Amnesty International calls upon the Nepal government to fully commit to the implementation of the “Free Visa, Free Ticket” policy, as it currently stands, and to work toward a zero-cost recruitment system for migrant workers. The government must mobilise sufficient resources for policy implementation, including independent and effective monitoring of recruitment agencies, and enforcing penalties against recruitment agencies that violate foreign employment laws and criminal legislation. Ultimately, the government must ensure that this policy works toward its intended goals: to alleviate the debt burden of migrant workers and to protect them against recruitment abuse and exploitation.

Background

In its June 2017 report, *Turning People into Profits: Abusive Recruitment, Trafficking and Forced Labour of Nepali Migrant Workers*, Amnesty International found that on average, migrants paid recruiters US \$1,346 (NPR 137,000) for their jobs abroad, which amounted to US \$549 more than the legal limit prior to 2015.

Although the government’s “Free Visa, Free Ticket,” policy drastically reduces the legal limit on recruitment fees to NPR 10,000 (US \$96), Nepali recruiters have openly flaunted the policy, in part because the government has not adequately allocated resources for enforcing it. Recruitment agencies are rarely monitored or punished for violations of foreign employment laws. At the same time, the Nepal police are discouraged or restricted from proactively investigating recruitment agencies for their involvement in criminal activity. Amnesty International found evidence of direct recruiter involvement in labour trafficking of Nepali migrant workers in at least 20% of the cases of it documented in 2016, illustrating a highly risky situation for male and female migrants that will persist until the authorities take measures to end the culture of impunity for criminal and unlawful recruitment practices.