



SDG 10.7.1: Reducing Recruitment Costs

Sixteenth Coordination Meeting on International Migration, Feb 15-16th 2018

Sustainable Development Goal 10.7

- SDG 10.7: Facilitate safe, orderly and responsible migration through planned and well-managed migration policies
- **SDG indicator 10.7.1: Recruitment cost borne by employees as a % of yearly income earned in the destination country**

Reduce recruitment costs



What are worker's paid recruitment costs?

- Definition: Monetary costs involved in each step of securing regular employment by a migrant worker
- Components:
 - Recruitment service fees paid to recruitment agent/agency/broker
 - Document cost: Passport, visa, medical certificate, security clearance, language test
 - Transportation cost
 - Informal payments

Recruitment cost indicator (RCI)

- Bilateral RCI for each origin-destination (*OD*) country corridor is a function of recruitment costs paid as a multiple of monthly foreign earnings received (on arrival)

- Bilateral RCI:
$$RCI_{OD} = f\left(\frac{c_i}{y_i}\right)$$

c_i : the total recruitment costs paid by worker i

y_i : monthly foreign wage, including overtime, after deducting taxes and social-security contributions

- Various functional forms, f : mean, median, 4th quintile
- Could be calculated for sub-categories such employment sector or year of arrival

Survey waves and migration corridors

KNOMAD/ILO

2015

- Ethiopia-KSA
- India-Qatar
- Nepal-Qatar
- Philippines-Qatar
- Vietnam-Malaysia
- Pakistan
 - To Saudi Arabia, UAE

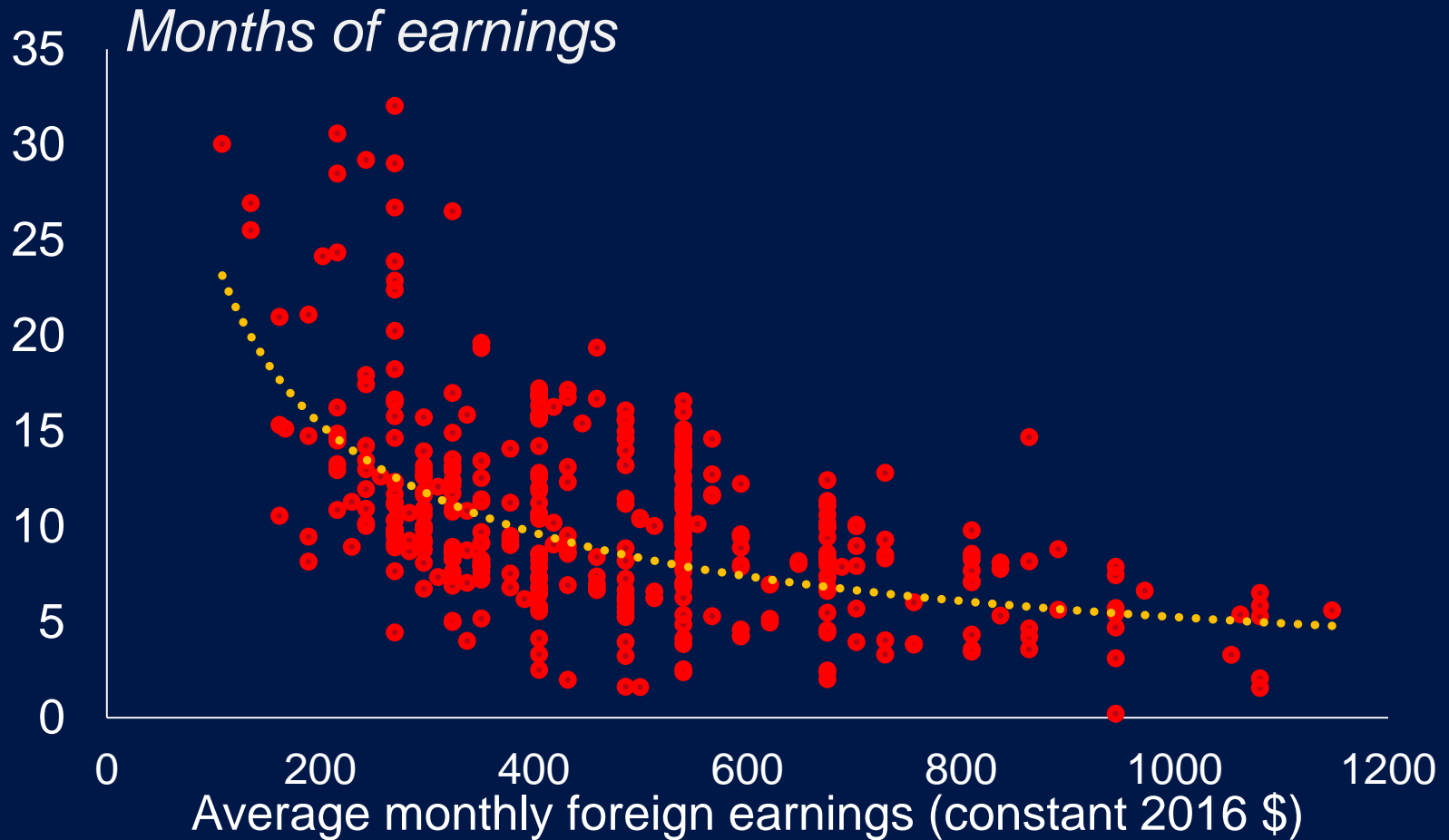
2016

- India-Saudi Arabia
- Philippines-Saudi Arabia
- Nepal
 - To Saudi Arabia, Malaysia, Qatar

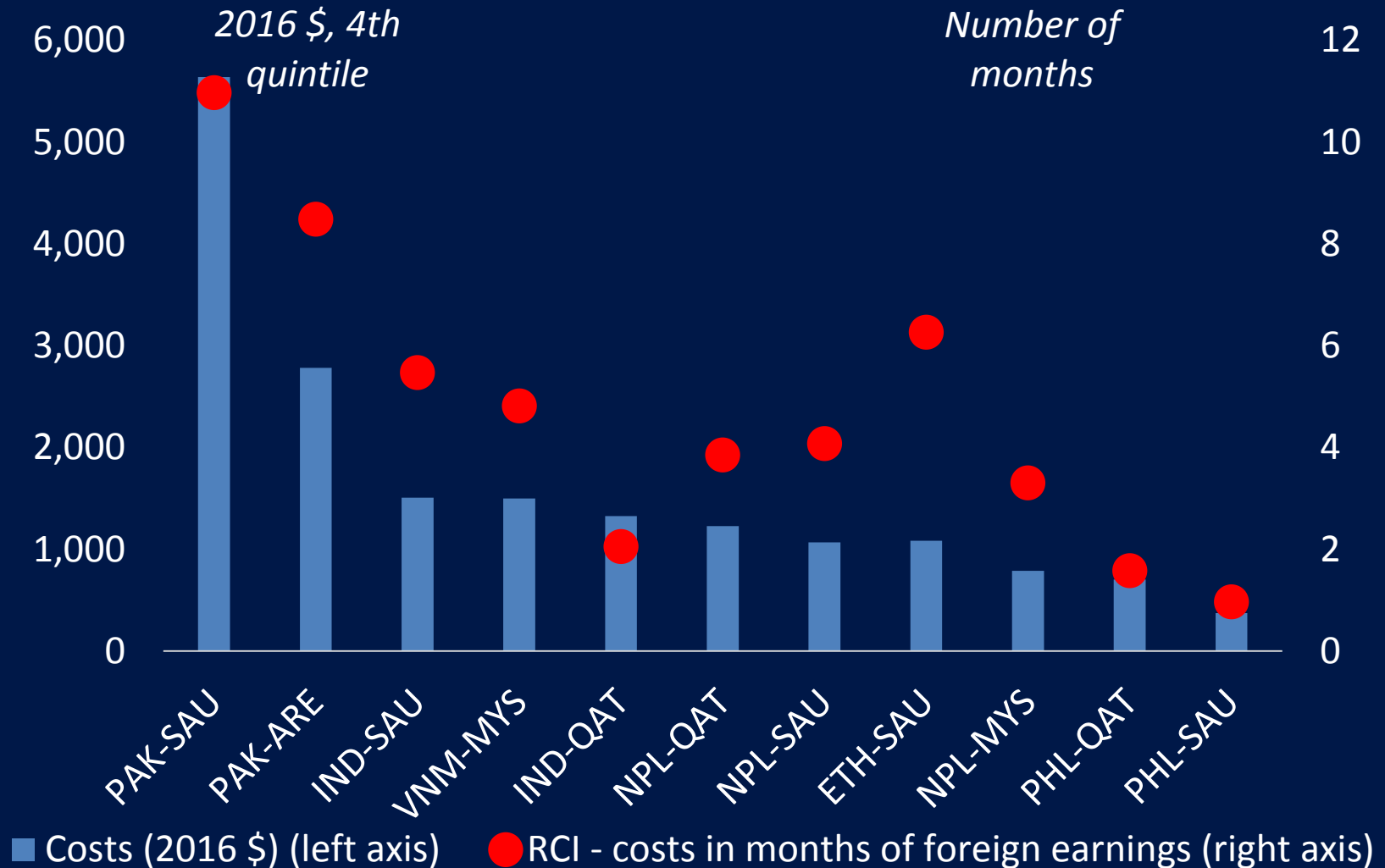
Non-contractual

- Italy
 - From Egypt, Senegal, West Africa CFA, West Africa
- Mexico
 - From El Salvador, Guatemala, Honduras
- Russia
 - From Kyrgyzstan, Tajikistan, Uzbekistan

Recruitment costs can be exorbitant, highly regressive



Recruitment costs in various corridors



Source: KNOMAD/ILO

Measuring recruitment costs: SDG Indicator 10.7.1

Guidelines for NSOs

- Ad-hoc surveys tailored specifically to migrant workers
 - General guidelines to be tailored to country contexts
 - Building on existing KNOMAD work: rich experience of previous KNOMAD-ILO costs surveys
- Findings should be comparable across countries
 - Balancing pros and cons of conducting surveys in both CoOs and CoDs.
- Within countries, findings should be representative of...
 - Corridors?
 - Sectors?

Measuring recruitment costs

Next steps

- Guidelines for NSO's currently being developed
- Validation workshop with experts and NSO's foreseen in April
 - Capitalizing on ILO recruitment cost surveys already foreseen in Asia
- Validated guidelines to be discussed at October ICLS
- Indicator 10.7.1 still at Tier III



THANK YOU

**Dilip Ratha (Head of KNOMAD/WB),
TWG Chairs KNOMAD: Manolo Abela, Manuela Tomei (ILO)
Shabarinath Nair (Labour Migration Branch, ILO), Ganesh
Seshan (KNOMAD/focal point)**

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Fair Recruitment Guidelines