



International Organization for Migration (IOM)
Organisation internationale pour les migrations (OIM)
Organización Internacional para las Migraciones (OIM)

Research on the Labour Recruitment Industry between United Arab Emirates, Kerala (India) and Nepal

Geographical coverage:	United Arab Emirates (UAE), India (province of Kerala), and Nepal
Executing agency:	IOM
Beneficiaries:	Governments of Nepal, India, and UAE as well as governments of other Abu Dhabi Dialogue Member States
Partner(s):	Indian Institute of Management – Ahmedabad; Kathmandu University School of Management; Zayed University Business College
Duration:	12 months

Summary

The vast array of players, layers of formal and informal coordination and networks, and the international scope of the labour recruitment industry make the sector notoriously difficult to understand and to regulate. The unfortunate result is that too often both foreign workers and employers are exploited during the process; prospective workers are often charged illegal and excessive fees for services or given false information about the conditions of their future employment, while employers may receive workers who do not meet the requested skill level or may develop negative relationships with new workers based on misunderstandings regarding the conditions of employment.

The proposed research project aims to build on previous initiatives that have served to shed some light on the international labour recruitment industry. The project's novelty and value is in taking a structural, systems-analysis approach to the topic in order to provide practical recommendations that governments and other stakeholders may implement. Working with local academic institutions in the three countries of study with experts in supply chain management and inter-institutional relationships, the research will focus on understanding how the operations of the industry are structured across their different layers, where value is created and costs are incurred, and how the structure motivates actors to act in certain ways; the research will further seek to identify the key structural flaws within the sector that allow for unethical activities and exploitation to take place.

Six months of in-depth field research in UAE, India, and Nepal will culminate in a report that provides a comprehensive analysis of the international labour recruitment industry's structural features and the inter-relations between its various stakeholders from prospective workers, to sub-agents, to agents, to recruiters, to employers. The study will also develop a set of recommendations to address the structural flaws within the industry.

The findings of the research will be disseminated in a two-day workshop with technical-level representatives from Abu Dhabi Dialogue (ADD) Member States in order to agree on key recommendations to be brought forward for further bilateral and multilateral cooperation or unilateral action.

I. Rationale

The international labour recruitment industry is a highly complex sector involving multiple large-scale and small-scale actors engaging in both formal and informal transactions across international borders, thus making it a particularly challenging sector to understand and to regulate. The unfortunate result of this complexity is that unethical operators and practices are able to thrive within the industry.

A number of reports on labour migration in the South Asia-GCC corridor have been produced in recent years focusing on a variety of issues such as recruitment, housing, working conditions, and impacts on communities of origin. While some reports have focused on the issue of exorbitant costs and fraud within the recruitment industry, no reports to-date have provided a thorough analysis of the recruitment industry itself to identify in detail its profits, where and why costs are incurred and the structural elements that contribute to unethical practices within the industry. Without a clear and common understanding of the structural flaws within the international recruitment industry that allow fraudulent and exploitative recruitment practices to occur, it is difficult for authorities of countries of origin and destination to effectively collaborate to address the issues in a systematic and practical manner. It is IOM's contention that, in order to understand and correct the flaws within the recruitment system on a practical level, an understanding of the system from an industrial and operations management perspective, rather than simply from a migration perspective is required; and in order to do this, it is critical to engage with experts in supply chain management and inter-institutional relations coming from the leading management schools in the region.

The proposed research project intends to develop a comprehensive and detailed picture of the international recruitment network between UAE and two countries of origin, namely India (state of Kerala) and Nepal. The research will include an analysis of both the formal and informal aspects of the network, looking at how employers in UAE engage with recruitment agencies either in the country of origin or destination, the relationships between agencies in countries of origin and destination, and the relationships between agencies in countries of origin and their sub-agents and prospective labour migrants. Through analysis of existing data, but especially surveys, focus groups and in-depth interviews with stakeholders at all levels of the process (including employers, agents, sub-agents, prospective workers and former labour migrants) the project aims to take in a variety of perspectives in order to understand the formal and informal structural underpinnings of the industry and provide feasible, practical recommendations to address the industry's structural flaws and reduce opportunities for unethical recruitment practices to occur. Research will also emphasize the impact of key variables on the outcomes of the recruitment process; such variables could include the size of the recruitment agency, the location of recruitment (ie. size of community of origin, rural vs. urban), the occupation and gender of the prospective worker, the size of the employing company, as well as the inter-linkages between these elements.

Regarding the selection of migration corridors to study, IOM has selected Kerala and Nepal to UAE for several reasons: (i) both have sizeable recruitment industries with large numbers of workers going to Gulf states; (ii) both have well capacitated management studies institutions capable of taking on the research; (iii) migration to the Gulf is more established in Kerala while it has only more recently emerged in Nepal. Thus the study will allow us to look at potential differences that exist based on the maturity of the recruitment sector in different locations; (iv) selecting two corridors will allow for comparisons of similarities and differences that can then shed light more broadly on the likelihoods of similarities and differences between other migration corridors across ADD countries (which can also be studied at a later date); (v) from a management and financial perspective, selecting two corridors fit within the proposed budget and timeframe for the project.

Upon completion of the research, a two-day workshop involving technical-level representatives of Abu Dhabi Dialogue Member States as well as other stakeholders will be held to disseminate findings

and recommendations of the study. This approach aims to develop a common understanding of the key challenges (and their causes) by both countries of origin and destination, and will serve to identify potential next steps to be carried out by relevant stakeholders. As an outcome of this meeting, the technical-level representatives should develop consensus around a set of recommendations for activities to improve efficiencies and protections in the recruitment system, to be delivered to higher-level officials within the Abu Dhabi Dialogue.

With a global network of labour migration specialists, a strong presence in all major countries of origin of labour migrants to Gulf Cooperation Council (GCC) countries, and an extensive history of conducting research and implementing projects related to international labour recruitment, IOM is well-positioned to implement this project. IOM will work closely with government counterparts in the countries of study, with respected local institutions with expertise in business network analysis (the Indian Institute of Management – Ahmedabad in India, the Kathmandu University School of Management in Nepal, and the Zayed University Business College in UAE), as well as with relevant CSO stakeholders working in rural regions with high labour migration outflows.

The project falls within the objectives of the Abu Dhabi Dialogue which aims to enhance the effective management of labour mobility between countries of origin and destination among its member states as well as, specifically, to commission studies and reports to serve as inputs to ADD. It also connects to work IOM is conducting on ethical recruitment among Colombo Process Member States and, at a global level, through the International Recruitment Integrity System (IRIS) initiative.

2. Partnerships and Coordination

IOM's Project Manager will establish a team of consultants and researchers to carry out research activities in UAE, Kerala (India), and Nepal. The Project Manager will ensure that the lead research consultants have the appropriate expertise to successfully complete the report, including experience in research relating to labour migration, labour recruitment, supply chain management, and inter-organizational relationships. The research consultant team will submit for approval a project outline and research framework to be shared with IOM's Labour Migration Specialists in Cairo and Bangkok as well as ADD focal points, in order to ensure the research approach being proposed meets the appropriate specifications and objectives.

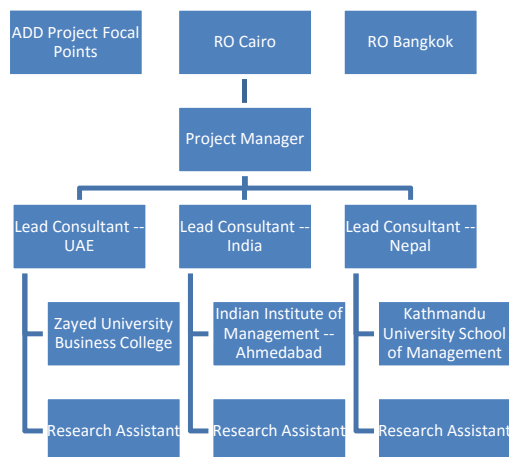
The Project Manager will also liaise with IOM offices in India and Nepal through identified project focal points based in these offices and with government officials in these countries to ensure the coordination of research activities and to facilitate the research consultants' access to relevant stakeholders.

The Project Manager will report on the progress of the project to the IOM Labour Migration Specialists in the regional offices in Bangkok and Cairo on a monthly basis. IOM will ensure that a draft version of the report is shared with project partners and ample time is provided for comment in order to ensure that the final version of the report meets expectations and objectives.

Throughout the project, the Project Manager and project consultants will work closely with their teams at the Indian Institute of Management – Ahmedabad (IIMA), the Kathmandu University School of Management (KUSOM) and the Zayed University Business College to develop project research and analysis. IIMA is one of the preeminent management schools in the world, with an international reputation for excellence; KUSOM is Nepal's largest and most respected school for management with a qualified faculty with international credentials; Zayed University Business College is one of the largest and most established business colleges in the Gulf region, with a qualified, diverse, and international faculty. Each of the proposed partner institutions has expertise in supply chain management as well as an understanding of the local context that will add significant value to the research.

IOM CO Kuwait, in collaboration with RO Cairo, will organize the two-day workshop to disseminate the findings of the report at the end of the project and will coordinate with ADD representatives to identify an appropriate time and venue for the event.

Figure 1: Project Coordination Structure



3. Evaluation

An internal evaluation of the project's performance towards its objectives will be conducted using standard IOM reporting templates; this evaluation will include feedback collected from participants at the workshop as well as inputs from the partnering institutions.

4. Results Matrix

	<i>Indicators</i>	<i>Baseline/Target</i>	<i>Assumptions</i>
<p><i>Objective</i></p> <p>To enhance cooperation between ADD Member States on the effective development and management of ethical international recruitment systems between countries of origin and destination</p>	<ul style="list-style-type: none"> Number of collaborative initiatives developed by ADD Member States over the two years following completion of the project that respond to issues and recommendations outlined in the research report 	<p><i>Baseline: N/A</i> <i>Target: Two</i></p>	
<p><i>Outcome</i></p> <p>ADD Member States generate ideas for individual and collaborative initiatives to address/correct structural shortcomings within the international labour recruitment industry</p>	<ul style="list-style-type: none"> Recommendations from the report are brought forward to inform discussion and collaboration at ADD Senior Officials and Ministerial meetings Number of recommendations from the report followed up on by workshop participants for implementation either individually or collaboratively 	<p><i>Baseline: No</i> <i>Target: Yes</i></p> <p><i>Baseline: N/A</i> <i>Target: Five</i></p>	<ul style="list-style-type: none"> ADD members come to a consensus understanding of the structural flaws within the recruitment industry, based on the research report; Political will exists among ADD members (or bilaterally between select ADD members) to act on the report's recommendations and develop pilot initiatives.

	<i>Indicators</i>	<i>Baseline/Target</i>	<i>Assumptions</i>
<i>Outputs</i>			
<p>1.1: Research report published outlining the structural framework and inter-relations between actors within the international labour recruitment industry between UAE and two countries of origin (Nepal and India)</p>	<ul style="list-style-type: none"> • Research report published • Research report endorsed by relevant IOM offices and UAE Ministry of Labour officials 	<p><i>Baseline:</i> No <i>Target:</i> Yes</p> <p><i>Baseline:</i> No <i>Target:</i> Yes</p>	<ul style="list-style-type: none"> • Researchers are able to get sufficient access to key players within the recruitment industry to develop a comprehensive analysis of the industry structure; • ADD Member State representatives able to agree with the main findings and recommendations of the report.
<p>1.2: Comprehensive and shared understanding among ADD Member States of the structural weaknesses within the international labour recruitment system that generate unethical activity in the industry</p>	<ul style="list-style-type: none"> • Workshop held among ADD Member States to disseminate research report • Number of ADD representatives and per cent of ADD Member States represented at the workshop • Percent of ADD Member States that sign off on the report's main findings and recommendations 	<p><i>Baseline:</i> No <i>Target:</i> Yes</p> <p><i>Baseline:</i> N/A <i>Target:</i> 36 government representatives present and 100% of Member States represented</p> <p><i>Baseline:</i> N/A <i>Target:</i> 100%</p>	

	<i>Indicators</i>	<i>Baseline/Target</i>	<i>Assumptions</i>
<p><i>Activities</i></p> <ol style="list-style-type: none"> (1) Consultants hired and logistics of coordination with partner organizations confirmed; (2) Two-day meeting held between project consultants and Project Manager to finalize research methodology, confirm logistics and develop detailed timeline for activities; (3) RO Cairo, RO Bangkok and UAE Focal Point sign off on methodology and timeline; (4) Lead Consultants for each country conduct field research (in collaboration with researchers and project partner institutions) and, in coordination with Project Manager, deliver a first draft of report to RO Cairo, RO Bangkok, and UAE Focal Point; (5) Lead Consultants, in coordination with Project Manager, submit revised version of report, taking into account feedback received from RO Cairo, RO Bangkok, UAE Focal Point, and project partners; (6) RO Cairo, RO Bangkok, and UAE Focal Point sign off on final version of report; (7) Two-day workshop coordinated, bringing together technical-level representatives from ADD Member States as well as representatives of partner institutions in order to disseminate findings and recommendations of the report and discuss potential next steps in collaboration; (8) Recommendations for collaboration finalized by workshop participants and delivered at ADD SOM meeting. 			<ul style="list-style-type: none"> • Researchers are able to get sufficient access to key players within the recruitment industry to develop a comprehensive analysis of the industry structure.

