

Labour Migration from Nepal

FACTSHEET: OMAN

June 2019

INTRODUCTION

The Sultanate of Oman is a sovereign and independent state situated in the southeastern part of the Arabian Peninsula, with a land area of 309,500 square kilometres¹ (i.e. just over twice the size of Nepal). Oman is surrounded by the Sea of Oman to the northeast and the Indian Ocean to the southeast, and shares borders with Saudi Arabia, Yemen, and the United Arab Emirates. The main religion of Oman is Islam, and the official language is Arabic although English is also widely spoken.² Omanis have a life expectancy of 76, with women (78 years) living four years longer than men (74 years).³

The Omani Riyal (OMR) is the currency of the country (USD 1 = 0.384 OMR⁴). Oman's economy is dependent on oil and gas resources, generating over two thirds of the government revenue.⁵ Oman ranked 71st globally in terms of size of economy with a gross domestic product (GDP) of USD 72.6 billion in 2017.⁶

Oman is highly dependent on foreign workers for its various economic sectors. It has witnessed a steady growth in the migrant population in the last six decades, from below 50,000 migrants in 1960 to over half a million in 1995 and more than two million in 2017 (Table 1). Migrants accounted for nearly half of Oman's population of 4.6 million in 2017 (Table 1).

Table 1: Oman's Population and Share of Migrants

| Year | Total Population* | Migrant Population† | |
|------|-------------------|---------------------|-----------------------|
| | | Number | % of Total Population |
| 1960 | 551,740 | 43,656 | 7.9 |
| 1965 | 625,009 | 52,362 | 8.4 |
| 1970 | 723,852 | 62,804 | 8.7 |
| 1975 | 882,044 | 75,328 | 8.5 |
| 1980 | 1,154,379 | 146,043 | 12.7 |
| 1985 | 1,498,417 | 282,251 | 18.8 |
| 1990 | 1,812,160 | 304,000 | 16.8 |
| 1995 | 2,204,283 | 539,643 | 24.5 |
| 2000 | 2,267,991 | 623,608 | 27.5 |
| 2005 | 2,511,269 | 666,160 | 26.5 |
| 2010 | 3,041,460 | 816,221 | 26.8 |
| 2015 | 4,199,810 | 1,844,978 | 43.9 |
| 2017 | 4,636,262 | 2,073,292 | 44.7 |

Note: The figures for migrants are as of the middle of the respective years. It should be noted that there are variations in the number of migrants mentioned in different sources.

* 'Data: Population, Total', the World Bank, Data, accessed 24 May 2019, <https://data.worldbank.org/indicator/SP.POP.TOTL>.

† The international migrant stock data for 1960-2015 was retrieved from the World Bank ('Data: International Migrant Stock', the World Bank, accessed 24 May 2019, <https://data.worldbank.org/indicator/SM.POP.TOTL>). The data for the year 2017 was taken from the United Nations, Department of Economic and Social Affairs, Population Division ('International Migrant Stock: The 2017 Revision', the United Nations, accessed 24 May 2019, <http://www.un.org/en/development/desa/population/migration/data/estimates2/estimates17.shtml>).

Kafala System in Oman

Consistent with the labour recruitment policy in the other Gulf countries, Oman practises the *kafala*⁷ system, a sponsorship system that gives sponsors complete control over the mobility of migrant workers.⁸ The main objective of the *kafala* system is to monitor migrant labourers employed in the country, with the prerequisite that all workers have a citizen sponsor, known locally as the *kafeel*, who assumes the responsibility for maintaining the migrant workers' legal status and visa requirements.⁹

Oman's Labour Law of 2003, which was issued through Royal Decree No. 35/2003, is an important legal instrument regulating foreign workers in the country. The Law requires an employer to obtain a permit from the Ministry of Manpower in order to import foreign workers. The Law also defines the terms and conditions to be included in contracts, including the rights and responsibilities of both employers and migrant workers. In addition, the Law prohibits migrant workers from working for another employer. If migrant workers wish to change employers, they need to receive a No-Objection Certificate (NOC) from the latter.¹⁰

In 2011, Oman informed the United Nations Human Rights Council that alternatives to the *kafala* system were being considered.¹¹ Legislative amendments to Omani labour laws were also under consideration in late 2016, including a plan by the Ministry of Manpower to remove the requirement of an NOC¹² to change employers. However, the *kafala* system remains in place, and the NOC is still mandatory according to a Ministerial Decision (Number 270/2018) issued in 2018.¹³

NEPALIS IN OMAN

It is difficult to determine the exact date of Nepali workers' first migration to Oman. It can be assumed from available data that Nepali workers had started migrating to Oman since the early 1990s.¹⁴ The number of Nepalis in Oman was a little over 17,000 in 2018 (Table 2). The share of Nepali migrants in the migrant population in Oman is very small, constituting less than 1 per cent of the total migrant population in Oman.

Table 2: Migrant Population in Oman and Share of Nepali Migrants

| Year | Migrant Population | Nepali Migrant Population | |
|-------------------|--------------------|---------------------------|-------------------------|
| | | Number | % of Migrant Population |
| 2013* | 1,471,136 | 12,149 | 0.83 |
| 2014 [†] | 1,510,393 | 12,145 | 0.80 |
| 2015 [†] | 1,636,038 | 12,628 | 0.77 |
| 2016 [†] | 2,021,848 | 14,510 | 0.72 |
| 2017 [§] | 1,854,880 | 17,194 | 0.93 |
| 2018 [§] | 1,787,447 | 17,057 | 0.95 |

Sources: * 'Statistical Year Book, October 2015,' National Centre for Statistics and Information, Sultanate of Oman, accessed 13 June 2019, https://www.ncsi.gov.om/Elibrary/LibraryContentDoc/ben_Statistical_Year_Book_2015_740d0da1-01d2-4f42-a159-6102a49ecf59.pdf.

[†] 'Statistical Year Book, August 2016,' National Centre for Statistics and Information, Sultanate of Oman, accessed 13 June 2019, https://www.ncsi.gov.om/Elibrary/LibraryContentDoc/bar_Statistical%20Year%20Book%202016%20_6f43e0e6-592a-43a1-b1b6-82c32c046aa9.pdf.

[‡] 'Statistical Year Book, August 2017,' National Centre for Statistics and Information, Sultanate of Oman, 'Statistical Year Book, October 2015,' National Centre for Statistics and Information, Sultanate of Oman, accessed 13 June 2019, https://www.ncsi.gov.om/Elibrary/LibraryContentDoc/ben_Statistical_Year_Book_2015_740d0da1-01d2-4f42-a159-6102a49ecf59.pdf.

[§] 'Monthly Statistical Bulletin, January 2019,' National Centre for Statistics and Information, Sultanate of Oman, accessed 13 June 2019, https://www.ncsi.gov.om/Elibrary/LibraryContentDoc/bar_MSB%20January_9b52b4a8-2163-4060-9000-3f521023556e.pdf

NUMBER OF LABOUR PERMITS ISSUED FOR MIGRATION TO OMAN

According to the data from the Department of Foreign Employment (DoFE), nearly 41,000 labour permits were issued to Oman-bound Nepali workers from 1993/94¹⁵ through 2017/18. The number of labour permits issued for new entry to Oman reached its peak in 2008/09, with over 4,000 Nepalis leaving for Oman that year. Although the number of labour permits for new entry has declined by about a quarter since then, the number of total permits (including the renewed labour permits) issued for Oman-bound Nepali workers was close to 6,000 in 2017/18 (Table 3). Women's share in the total labour permits issued for Oman is relatively small, about 9 per cent in 2017/2018, although their share was as high as 33 per cent in 2013/14 (Table 3).

Table 3: Labour Permits Issued for Oman

| Fiscal Year | New Entry | | | Re-Entry [†] | | | Total | | | Women as % of total |
|--------------|---------------|--------------|---------------|-----------------------|------------|--------------|---------------|--------------|---------------|-------------------------|
| | Men | Women | Total | Men | Women | Total | Men | Women | Total | |
| 1993/94 | - | - | 43 | - | - | - | - | - | 43 | - |
| 1994/95 | - | - | - | - | - | - | - | - | - | - |
| 1995/96 | - | - | - | - | - | - | - | - | - | - |
| 1996/97 | - | - | - | - | - | - | - | - | - | - |
| 1997/98 | - | - | 7 | - | - | - | - | - | 7 | - |
| 1998/99 | - | - | 90 | - | - | - | - | - | 90 | - |
| 1999/2000 | - | - | 32 | - | - | - | - | - | 32 | - |
| 2000/01 | - | - | 68 | - | - | - | - | - | 68 | - |
| 2001/02 | - | - | 96 | - | - | - | - | - | 96 | - |
| 2002/03 | - | - | 44 | - | - | - | - | - | 44 | - |
| 2003/04 | - | - | 73 | - | - | - | - | - | 73 | - |
| 2004/05 | - | - | 330 | - | - | - | - | - | 330 | - |
| 2005/06 | - | - | 28 | - | - | - | - | - | 28 | - |
| 2006/07* | 509 | - | 509 | - | - | - | 509 | - | 509 | - |
| 2007/08 | 2,503 | 123 | 2,626 | - | - | - | 2,503 | 123 | 2,626 | 4.7 |
| 2008/09 | 4,105 | 142 | 4,247 | - | - | - | 4,105 | 142 | 4,247 | 3.3 |
| 2009/10 | 2,678 | 607 | 3,285 | - | - | - | 2,678 | 607 | 3,285 | 18.5 |
| 2010/11 | 2,385 | 57 | 2,442 | - | - | - | 2,385 | 57 | 2,442 | 2.3 |
| 2011/12 | 2,868 | 295 | 3,163 | - | - | - | 2,868 | 295 | 3,163 | 9.3 |
| 2012/13 | 2,467 | 647 | 3,114 | - | - | - | 2,467 | 647 | 3,114 | 20.8 |
| 2013/14 | 2,292 | 1,143 | 3,435 | - | - | - | 2,292 | 1,143 | 3,435 | 33.3 |
| 2014/15 | 1,873 | 427 | 2,300 | - | - | - | 1,873 | 427 | 2,300 | 18.6 |
| 2015/16 | 2,243 | 816 | 3,059 | - | - | - | 2,243 | 816 | 3,059 | 26.7 |
| 2016/17 | 2,548 | 525 | 3,073 | 2,756 | 421 | 3,177 | 5,304 | 946 | 6,250 | 15.1 |
| 2017/18 | 2,692 | 367 | 3,059 | 2,494 | 160 | 2,654 | 5,186 | 527 | 5,713 | 9.2 |
| Total | 29,163 | 5,149 | 35,123 | 5,250 | 581 | 5,831 | 34,413 | 5,730 | 40,954 | 14.0[‡] |

Source: Department of Foreign Employment, 'Yearly Reports, 2070/71 and 2072/73 BS' (Kathmandu: DoFE, 2015/2016); Department of Foreign Employment, 'Labour Approval Record, 2073/74 and 2074/75 BS' (Kathmandu: DoFE, 2017/18).

* The Department of Foreign Employment has gender-disaggregated data only from 2006/07 onwards.

† The data on re-entry labour permits – issued to migrant workers returning to the same job on a renewed contract – is available only from 2016/17 onwards. Although not clearly stated in the publications of the Department of Foreign Employment, our reading of these documents suggests that the preceding years' data on labour permits do not include the labour permits for re-entry.

‡ This figure represents the proportion of labour permits issued to women in the years 2006/07-2017/18.

MINIMUM WAGES/SALARY FOR NEPALI WORKERS IN OMAN

Although Omani nationals working in the private sector are entitled to a minimum wage of OMR 325, there is no lower limit set for expatriate workers.¹⁶ The Government of Nepal has fixed minimum wages for its workers in Oman, and labour demand letters that do not meet the minimum wage requirement are not approved.¹⁷ The Nepali government's minimum salary for Nepali workers in Oman ranges from OMR 100 to 1,100 (USD 259-2,853),¹⁸ depending on the nature of work—unskilled, semi-skilled, skilled or professional (Table 4). Omani employers are also required to offer a certain amount of food allowance to Nepali workers. The amount varies according to job category (Table 4).

Table 4: Basic Salary for Nepali Workers*

| Types of Workers | Basic Salary | | | Food Allowance | | |
|--|--------------|-------------|-----------------|----------------|-------|-------------|
| | OMR | USD | NPR | OMR | USD | NPR |
| Unskilled (labourer, cleaner, helper, sweeper, etc.) | 100 | 259 | 28,782 | 20 | 52 | 5,756 |
| Semi-skilled (mason, carpenter, cashier, waiter, etc.) | 120-140 | 311-363 | 34,539-40,295 | 20-30 | 52-78 | 5,756-8,635 |
| Skilled (cook, security guard, clerk, accountant, etc.) | 150-360 | 389-934 | 43,174-103,617 | 30 | 78 | 8,635 |
| Professional (nurse, civil engineer, manager, surgeon, etc.) | 420-1,100 | 1,089-2,853 | 120,886-316,606 | 50 | 130 | 14,391 |

Source: 'Minimum Wages for Nepalis in Oman,' Embassy of Nepal, Oman, accessed 18 October 2017, <https://om.nepalembassy.gov.np/wp-content/uploads/2017/03/Minimum-Wages-for-Nepalese-in-Oman.pdf>.

* The conversion of OMR to USD and NPR is approximate as of 27 August 2018, accessed 27 August 2018, <https://www.oanda.com/currency/converter>.

TOTAL REMITTANCE OUTFLOW FROM OMAN AND REMITTANCES SENT TO NEPAL

A little over USD 4 billion has been remitted out of Oman every year since 2012.¹⁹ Unfortunately, the World Bank estimates on bilateral remittance flows do not show the volume of remittances received in Nepal from Oman. However, it can be assumed that there has been a steady remittance flow from Oman to Nepal in the past several years given the number of Nepali migrants in Oman (Table 2) and the number of labour permits issued to Oman-bound Nepali migrant workers.

DEATHS AND INJURIES OF NEPALI WORKERS IN OMAN

According to figures from Nepal's Foreign Employment Board (FEB), a total of 52 Nepali workers have lost their lives in Oman in the last one decade, from 2008/09²⁰ to 2017/18 (Table 5). A further five fell seriously ill or were badly injured in Oman during the same period. The major cause of death was 'natural causes,' which took the lives of 17 Nepali migrants.

The figures on deaths and injuries above include only those who received compensation from the FEB. A more complete picture of the actual number of deaths in destination countries is available from the Ministry of Foreign Affairs (MoFA), which collects data on all deaths from Nepali diplomatic missions in the respective countries, irrespective of whether the families of the deceased collected compensation from the FEB or not. This is especially pertinent since anyone who went as an 'irregular' migrant, i.e., without acquiring a labour permit from the DoFE, is not entitled to compensation from the FEB. Accordingly, the data from MoFA shows that a total of 87 Nepalis had died in Oman from 2008 to 2017 (Table 6). The major causes of death were 'natural death' and suicides, which jointly accounted for about two-thirds of the total deaths.

Table 5: Number and Causes of Deaths (FEB)

| Fiscal Year | 2008/09 | | | 2009/10 | | | 2010/11 | | | 2011/12 | | | 2012/13 | | | | |
|------------------------------|-----------|----------|-----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|-----------|--------------|
| Gender | M | F | Total | M | F | Total | M | F | Total | M | F | Total | M | F | Total | | |
| Cause of death | | | | | | | | | | | | | | | | | |
| Natural causes | 3 | - | 3 | 1 | - | 1 | 1 | - | 1 | 1 | - | 1 | 4 | - | 4 | | |
| Suicide | - | - | - | 1 | - | 1 | - | - | - | 2 | - | 2 | 1 | - | 1 | | |
| Other or unidentified causes | - | - | - | - | - | - | - | - | - | - | - | - | 1 | - | 1 | | |
| Traffic accidents | 1 | - | 1 | - | - | - | - | - | - | 2 | - | 2 | 1 | - | 1 | | |
| Cardiac arrest | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | | |
| Workplace accidents | - | - | - | 1 | - | 1 | - | - | - | 1 | - | 1 | - | - | - | | |
| Heart attack | - | - | - | 1 | - | 1 | - | - | - | - | - | - | - | - | - | | |
| Total | 4 | - | 4 | 4 | - | 4 | 1 | - | 1 | 6 | - | 6 | 7 | - | 7 | | |
| Fiscal Year | 2013/14 | | | 2014/15 | | | 2015/16* | | | 2016/17* | | | 2017/18* | | | Total M+F | % |
| Gender | M | F | Total | M | F | Total | M | F | Total | M | F | Total | M | F | Total | | |
| Cause of death | | | | | | | | | | | | | | | | | |
| Natural causes | 2 | - | 2 | - | - | - | 2 | - | 2 | 2 | - | 2 | 1 | - | 1 | 17 | 32.7 |
| Suicide | - | - | - | - | - | - | 1 | 1 | 2 | 1 | - | 1 | 2 | - | 2 | 9 | 17.3 |
| Other or unidentified causes | 5 | - | 5 | 1 | - | 1 | - | - | - | - | - | - | - | 1 | 1 | 8 | 15.4 |
| Traffic accidents | 2 | 1 | 3 | - | - | - | - | - | - | - | - | - | - | 1 | 1 | 8 | 15.4 |
| Cardiac arrest | 2 | - | 2 | 2 | - | 2 | - | - | - | 1 | - | 1 | - | - | - | 5 | 9.6 |
| Workplace accidents | 1 | - | 1 | - | - | - | - | - | - | - | - | - | - | - | - | 3 | 5.8 |
| Heart attack | 1 | - | 1 | - | - | - | - | - | - | - | - | - | - | - | - | 2 | 3.8 |
| Total | 13 | 1 | 14 | 3 | - | 3 | 3 | 1 | 4 | 4 | - | 4 | 3 | 2 | 5 | 52 | 100.0 |

Note: The FEB data on deaths is based on the financial support provided by FEB to the deceased worker's family in Nepal, and the year in this data indicates when the financial support was provided, not the year of actual death. As the compensation can be claimed within a year of receiving the dead body in Nepal, some deaths reported for a particular year could have occurred in the preceding year.

Source: Ministry of Labour and Employment, 'Labour Migration for Employment – A Status Report for Nepal: 2014/2015' (Kathmandu: Ministry of Labour and Employment, 2016/17); Ministry of Labour and Employment, 'Labour Migration for Employment – A Status Report for Nepal: 2015/16-2016/17' (Kathmandu: Ministry of Labour and Employment, 2016/17).

* Data made available by the Foreign Employment Board (FEB).

LABOUR RECRUITMENT IN NEPAL

Recruitment Procedures

Labour migration is either arranged independently (personal basis) or by seeking the help of recruitment agencies (institutional basis). When foreign employment is organised through recruitment agencies, these agencies are required to obtain prior approval from the DoFE following an agreement or understanding with an employing institution in Oman. On receiving the approval from the DoFE, recruitment agencies publish an advertisement seeking applications in a Nepali-language daily newspaper with nation-wide circulation.

Age criteria for Recruitment

According to the Foreign Employment Act 2007, minors under the age of 18 are not permitted to go for foreign employment. Currently, the Government of Nepal also has a directive in place prohibiting women who have not completed 24 years of age from migrating to Oman as domestic workers.²¹

Table 6: Number and Causes of Death (MoFA)

| Cause of death | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | Total | Percentage |
|--------------------|----------|-----------|----------|-----------|----------|-----------|----------|----------|----------|----------|-----------|--------------|
| Natural death | 3 | 5 | 3 | 2 | 2 | 5 | 1 | 4 | 5 | 2 | 32 | 36.8 |
| Suicide | 4 | - | 2 | 7 | 3 | 3 | 1 | 2 | 1 | 2 | 25 | 28.7 |
| Traffic accident | 1 | 4 | - | 4 | - | 3 | 1 | - | 1 | 2 | 16 | 18.4 |
| Work accident | - | 1 | - | 2 | - | 1 | - | - | - | - | 4 | 4.6 |
| Cardiac arrest | - | - | - | - | - | - | 3 | - | - | - | 3 | 3.4 |
| Other accident | - | 1 | - | - | - | 1 | - | - | - | 1 | 3 | 3.4 |
| Unknown | - | - | - | 1 | - | 2 | - | - | - | - | 3 | 3.4 |
| Brain haemorrhage* | - | - | - | - | - | - | 1 | - | - | - | 1 | 1.1 |
| Total | 8 | 11 | 5 | 16 | 5 | 15 | 7 | 6 | 7 | 7 | 87 | 100.0 |

Source: Data made available by the Department of Consular Services, Ministry of Foreign Affairs, Nepal.

* 'Haemorrhage' includes intracerebral haemorrhage, haemorrhage due to cutthroat, acute haemorrhage due to abdominal vena cava, severe haemorrhage due to laceration of the lungs and aorta, intracranial haemorrhage, haemorrhage due to multiple injuries, subarachnoid haemorrhage.

Recruitment Costs

Prior to the introduction of the 'free-visa, free-ticket' policy by Nepal in June 2015, the recruitment cost to Oman was fixed at a maximum of NPR 20,000. With the introduction of the new policy, the maximum fee to be paid by Nepali migrant workers going to Oman (and other GCC countries) was reduced to NPR 10,000, and employers were required to bear the costs of the visa and air ticket, which previously was typically borne by the migrant workers themselves.²² In practice, however, Nepali workers have generally always paid a much larger amount for their migration to Oman, a practice that has continued even after the 'free-visa, free-ticket' policy.²³

Other Requirements

Orientation Training

The Foreign Employment Rules, 2008 requires a worker going for foreign employment to receive orientation training on the following:

- Foreign employment laws of Nepal;
- Geography, culture, lifestyle, and the economic, social and political situation of the destination country;
- Language of the destination country;
- Labour, immigration laws and traffic rules of the destination country;
- HIV/AIDS, communicable diseases, sexual and reproductive health;
- Occupational safety and health;
- Easy and safe travel;
- Conduct, treatment and security of workers; and
- Repatriation of earnings to Nepal.

Domestic Worker Orientation Skill Development Training

Women migrants migrating to Oman as domestic workers are required to complete a 30-day skill development training.²⁴

Contribution to the Foreign Employment Welfare Fund

Every worker going for foreign employment is required to contribute to the Foreign Employment Welfare Fund managed by the FEB, prior to departure. The contribution amount is currently specified as NPR 1500²⁵ for a three-year work contract, while workers with contracts for a duration exceeding three years are required to

contribute NPR 2500.²⁶ If a migrant worker dies within the contract period, the FEB provides compensation of NPR 700,000 to his/her family up to one year of receiving the dead body in Nepal. Workers who fall seriously ill may receive up to NPR 700,000 upon the evaluation of their illnesses by a team of experts.²⁷

Insurance

The Foreign Employment Act 2007 and Foreign Employment Rules 2008 have made insurance mandatory for workers going for foreign employment. The cost of insurance varies according to the age of the worker and the duration of the contract (Table 7). The current insurance plans comply with the Foreign Employment Life Insurance Directives issued in April 2016.²⁸

As shown in Table 8, the family of the deceased worker may receive a maximum amount of NPR 1,500,000 as insurance, while a worker or their family may receive up to NPR 1,000,000 in case of injuries sustained abroad.

Further, a migrant worker who suffers 'critical illness'²⁹ is provided with an additional amount of NPR 500,000. However, to be entitled to this benefit, the migrant worker must have also procured an insurance policy against 'critical illness', paying a premium of an additional NPR 400.

Table 7: Insurance for Migrant Workers³⁰

| Insurance period (year) | Insurance premium by age group (in NPR) | | | | Premium for insurance of NPR 500,000 against critical illness (all age groups) |
|-------------------------|---|----------|----------|--|--|
| | 18 to 35 | 36 to 50 | 51 to 64 | 64+ | |
| 2 | 2,646 | 3,625 | 7,250 | For those aged 64 and above the amount of insurance will be as per the insurance company's policies, but not exceeding the premium fixed for the age group 51-64 by more than 50 per cent. | NPR 400 |
| 3 | 3,524 | 4,930 | 9,570 | | |
| 4 | 4,423 | 6,090 | 12,035 | | |
| 5 | 5,148 | 7,105 | 14,500 | | |
| 6 | 5,728 | 8,411 | 16,820 | | |

Source: 'Foreign Employment (ad-hoc) Life Insurance Directives 2073' (Kathmandu: Insurance Board, 2016), accessed 18 October 2017, <https://www.bsib.org.np/documents/baideshikbeema.pdf>.

Process for Compensation for Death and Injuries

In case of death of migrant workers in destination countries during the contract period, members of their immediate family can claim for compensation from the Foreign Employment Welfare Fund through the FEB within a year of receiving the dead body in Nepal. Similar provisions apply to migrant workers who suffer from serious illness or face mutilation of a body part during the contract period.³¹ The following documents are required to claim compensation from the FEB:³²

- Migrant worker's passport;
- Labour permit;
- Contract;
- Death certificate from destination country (in case of death in destination);
- Death certificate from Nepal (in case of death after arriving in Nepal);
- Prescription of medical treatment abroad (in case of injury); and
- Recommendation letter from the Nepali Embassy in the destination country.

Table 8: Insurance Benefits

| Section | Incidence | Benefits (in NPR) |
|---------|---|--|
| A | Death | 1,000,000* + 100,000 (to bring the dead body to Nepal) + 100,000 (to perform death rituals) + 200,000 (to maintain the loss of income due to the death of the person) + 100,000 (towards treatment, in case death occurs during treatment) Maximum Total: 1,500,000 |
| B | a. Total permanent disability; b. Incurable damage of sight on both eyes; c. Complete damage of parts of the body above the ankles of both legs or wrists of both hands; or d. Complete damage of one of the legs, hands or eyes. | 1,000,000 |
| C | a. Complete speech-impairment; or b. Completely hearing- impairment. | 500,000 |
| D | a. Complete damage of the hearing capacity of an ear; or b. Complete damage of a thumb. c. Complete damage of an index finger. d. Complete damage of any other finger. e. Complete damage of a big toe. f. Complete damage of any other toe. g. Damage/loss of any other body part. | 200,000 150,000 70,000 50,000 40,000 As determined by an expert [†] |

Source: 'Foreign Employment (ad-hoc) Life Insurance Directives 2073' (Kathmandu: Insurance Board, 2016), accessed 18 October 2017, <https://www.bsib.org.np/documents/baideshikbeema.pdf>.

* Section 26 (1) of Foreign Employment Act, 2007 states: 'The licensee shall, prior to sending a worker for foreign employment, procure insurance of at least five hundred thousand rupees with validity for the term of contract so that such worker can claim damages for death or mutilation, if such a worker who has gone for foreign employment pursuant to this Act dies from any cause at any time or gets mutilated.' The insurance benefit was increased from NPR 500,000 to 1,000,000 following the issuance of the Foreign Employment (ad-hoc) Life Insurance Directives 2073 in January 2017.

† An 'expert' is a medical doctor registered under the Nepal Medical Council (NMC). Additionally, the insurance companies also give validity to claims approved by certified medical practitioners in destination countries.

INSTITUTIONAL AND LEGAL ARRANGEMENTS

Foreign Employment Act, 2007 and Foreign Employment Rules, 2008

Foreign employment from Nepal is governed by the Foreign Employment Act, 2007 and the Foreign Employment Rules, 2008.

Bilateral Agreement between Nepal and Oman

Nepal and the Sultanate of Oman established diplomatic relations on the 21st of January 1977. Nepal and Oman have not signed a bilateral agreement yet,³³ although there has been some discussion recently about a possible labour pact.³⁴

Table 9: Nepali Organisations in Oman

| SN | Name of Organisation | Services | Address | Contact |
|----|---------------------------------|--|---|--|
| 1. | Embassy of Nepal | <ul style="list-style-type: none"> • Resolve labour-related issues • Attest Demand Letters, Powers of Attorney, Visa Documents, etc, for foreign employment • Issuance of No-Objection Certificate to send dead bodies to Nepal | Embassy of Nepal, Muscat, Oman P.O.Box 517, PC 116 Shatti Al-Qurum Villa 2563, Road 2834, Muscat, Sultanate of Oman | Email: eonmuscat@mofa.gov.np ; eonmuscat@gmail.com Website: https://om.nepalem-bassy.gov.np/ Tel: +968 24696177; +968 24696883 Fax: +96824696772 |
| 2. | Non-Resident Nepali Association | <ul style="list-style-type: none"> • Financial support to stranded migrants • Financial support to the family of the deceased • Discussion programmes on safe migration | Al khuwair, Muscat- Oman | Email: oman@nrna.org Website: https://om.nrna.org/ Tel: +968 96053468, +968 93134026 |

Notes

- 1 'Basic information about Sultanate of Oman', Ministry of Foreign Affairs, Sultanate of Oman, accessed 11 June 2018, https://www.mofa.gov.om/?page_id=9299&lang=en.
- 2 Ibid.
- 3 'The World Factbook: Oman', Central Intelligence Agency, accessed 27 November 2018, <https://www.cia.gov/library/publications/the-world-factbook/geos/mu.html>.
- 4 'Currency Converter', OANDA, accessed 5 December 2018, <https://www.oanda.com/currency/converter>.
- 5 'The World Factbook: Oman', Central Intelligence Agency, accessed 27 November 2018, <https://www.cia.gov/library/publications/the-world-factbook/geos/mu.html>.
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