

## Labour Migration from Nepal

# FACTSHEET: UNITED ARAB EMIRATES

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### INTRODUCTION

Established on 2 December 1971, the United Arab Emirates (UAE), is a federation of seven emirates – Abu Dhabi, Dubai, Sharjah, Ras Al Khaimah, Ajman, Umm Al Quwain and Fujairah. The total land area of the UAE is 71,024 square kilometres (i.e., slightly less than half the size of Nepal).<sup>1</sup> It is one of the six members of the Gulf Cooperation Council (GCC). Abu Dhabi is the capital of the UAE.

Islam is the official religion and Arabic the official language of the UAE, but other religions are also practiced widely and languages such as Bengali, English, Hindi, and Nepali spoken by a considerable proportion of the population.<sup>2</sup> Emiratis have a life expectancy of 77.4 years, with women (78.9 years) living about two years longer than men (76.7 years).<sup>3</sup>

The Emirati Dirham (AED) is the local currency (USD 1= AED 3.7<sup>4</sup>). The UAE ranked 29th globally in terms of the size of the economy with a gross domestic product (GDP) of USD 382.6 billion in 2017.<sup>5</sup> The UAE is rich in oil and natural gas. It ranks fifth and sixth respectively in terms of global reserves of natural gas and oil.<sup>6</sup> Its major economic sectors are crude oil and natural gas extraction, real estate, business services, construction and manufacturing.<sup>7</sup>

Table 1: UAE's Population and Share of Migrants

| Year | Total Population* | Migrant Population† |                       |
|------|-------------------|---------------------|-----------------------|
|      |                   | Number              | % of Total Population |
| 1960 | 92,634            | 2,194               | 2.4                   |
| 1965 | 150,362           | 25,981              | 17.3                  |
| 1970 | 235,499           | 65,827              | 27.9                  |
| 1975 | 554,324           | 312,400             | 56.4                  |
| 1980 | 1,042,384         | 718,479             | 68.9                  |
| 1985 | 1,391,052         | 1,007,837           | 72.5                  |
| 1990 | 1,860,174         | 1,306,574           | 70.2                  |
| 1995 | 2,448,820         | 1,824,118           | 74.5                  |
| 2000 | 3,154,925         | 2,446,675           | 77.6                  |
| 2005 | 4,579,562         | 3,281,036           | 71.7                  |
| 2010 | 8,270,684         | 7,316,611           | 88.5                  |
| 2015 | 9,154,302         | 8,095,126           | 88.4                  |
| 2017 | 9,400,145         | 8,312,524           | 88.4                  |

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>).

The UAE depends on a large pool of migrant workers for its various economic sectors. The migrant population has consistently increased in the UAE in the last six decades, from just over 2,000 migrants in 1960 to 1 million in 1985 and over 8 million in 2017. Migrants comprised over 88 per cent of the UAE's population of 9.4 million in 2017 (Table 1).

### REGULATION OF MIGRANT WORKERS IN THE UAE

Consistent with the other Gulf countries, foreign workers in the UAE are recruited and regulated through the *kafala*<sup>8</sup> system, a sponsorship system that gives sponsors complete control over the mobility of migrant workers.<sup>9</sup> 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.<sup>10</sup>

The migrant workers are regulated by the Labour Law of 1980<sup>11</sup> and relevant ministerial orders. While the Labour Law applies to both UAE nationals and expatriates, it does not cover foreign workers in the domestic sector. Domestic workers are regulated by the Federal Law (No. 10 of 2017) on Domestic Workers issued in September 2017.<sup>12</sup> The UAE has made some reforms on labour issues lately, including implementation of the Wage Protection System (WPS) to control the non-payment of wages,<sup>13</sup> mid-day (12:30 to 3:00 pm) break for labourers working outdoors directly under the sun,<sup>14</sup> and provision of accommodation for workers in establishments with 50 or more workers.<sup>15</sup> Migrant workers who have completed two years of service with an employer are also allowed to change jobs without the employer's consent.<sup>16</sup> Nonetheless, the sponsorship system of labour recruitment and regulation, known commonly as *kafala*, remains in place<sup>17</sup> and workplace abuses, such as confiscation of passports, false imprisonment and non-payment of wages, continue to prevail.<sup>18</sup>

### NEPALIS IN THE UAE

Nepal and the UAE formally established diplomatic relations in 1977. However, it is difficult to identify the exact date of Nepali workers' arrival in the UAE. Available data indicate that their numbers had reached close to 2,000 by 1990 (Table 2). The number of Nepali workers has sharply increased since then with over 25,000 Nepali workers estimated to have been living in the UAE in the year 2015 (Table 2). These figures are

**Table 2: Migrant Population in UAE and Share of Nepali Migrants**

| Year* | Migrant Population | Nepali Migrant Population |                         |
|-------|--------------------|---------------------------|-------------------------|
|       |                    | Number                    | % of Migrant Population |
| 1990  | 1,306,574          | 1,730                     | 0.13                    |
| 1995  | 1,824,118          | 2,217                     | 0.12                    |
| 2000  | 2,446,675          | 2,832                     | 0.12                    |
| 2005  | 3,281,036          | 8,818                     | 0.27                    |
| 2010  | 7,316,611          | 23,410                    | 0.32                    |
| 2015  | 8,095,126          | 25,580                    | 0.32                    |
| 2017  | 8,312,524          | 26,595                    | 0.32                    |

Note: The UN data on international migrants 'refer to the international migrant stock defined as a mid-year estimate of the number of people living in a country or area other than the one in which they were born or, in the absence of such data, the number of people of foreign citizenship. Most statistics used to estimate the international migrant stock were obtained from population censuses, population registers and nationally representative household surveys.' United Nations, Department of Economic and Social Affairs, Population Division, 'International Migration Report 2017' (New York: the United Nations, 2017), (ST/ESA/SER.A/403), accessed 22 March 2019, <https://www.un.org/en/development/desa/population/migration/publications/migrationreport/docs/MigrationReport2017.pdf>.

Source: 'Trends in International Migrant Stock: Migrants by Destination and Origin', the United Nations, Department of Economic and Social Affairs, Population Division (United Nations database, POP/DB/MIG/Stock/Rev.2017), accessed 4 July 2018, [http://www.un.org/en/development/desa/population/migration/data/estimates2/data/UN\\_MigrantStockByOriginAndDestination\\_2017.xlsx](http://www.un.org/en/development/desa/population/migration/data/estimates2/data/UN_MigrantStockByOriginAndDestination_2017.xlsx).

\*Data on Nepali migrant stocks in the UAE is available only from 1990 onwards.

misleading though. Given that more than 50,000 Nepalis have been receiving labour permits to work in the UAE annually since 2011/12 (see Table 3), and that contracts are generally for two-year periods<sup>19</sup> it can be safely assumed that there have been more than 100,000 Nepalis working in the UAE at any given time for the past several years. Some of the important sectors of Nepali workers' employment are security, driving, sales, hospitality, construction, and cleaning.<sup>20</sup>

### NUMBER OF LABOUR PERMITS ISSUED FOR MIGRATION TO THE UAE

According to the data from the Department of Foreign Employment (DoFE), over 760,000 labour permits were issued for UAE-bound Nepali workers in the last two and a half decades (Table 3). The number of labour permits issued for 'new entry' to the UAE surged from a little over 100 in 1993/94 to over 12,000 in 2002/03, and increased almost five-folds since then to reach a record 60,000 in 2017/18. The proportion of women receiving labour permits for the UAE is a small 8 per cent of the total.

Table 3: Labour Permits Issued for UAE

| Fiscal Year  | New Entry      |               |                | Re-Entry <sup>†</sup> |               |                | Total          |               |                | Women as % of total    |
|--------------|----------------|---------------|----------------|-----------------------|---------------|----------------|----------------|---------------|----------------|------------------------|
|              | Men            | Women         | Total          | Men                   | Women         | Total          | Men            | Women         | Total          |                        |
| 1993/94      | -              | -             | 132            | -                     | -             | -              | -              | -             | 132            | -                      |
| 1994/95      | -              | -             | -              | -                     | -             | -              | -              | -             | -              | -                      |
| 1995/96      | -              | -             | 23             | -                     | -             | -              | -              | -             | 23             | -                      |
| 1996/97      | -              | -             | 95             | -                     | -             | -              | -              | -             | 95             | -                      |
| 1997/98      | -              | -             | 284            | -                     | -             | -              | -              | -             | 284            | -                      |
| 1998/99      | -              | -             | 1,417          | -                     | -             | -              | -              | -             | 1,417          | -                      |
| 1999/2000    | -              | -             | 6,360          | -                     | -             | -              | -              | -             | 6,360          | -                      |
| 200-0/01     | -              | -             | 8,950          | -                     | -             | -              | -              | -             | 8,950          | -                      |
| 2001/02      | -              | -             | 8,411          | -                     | -             | -              | -              | -             | 8,411          | -                      |
| 2002/03      | -              | -             | 12,650         | -                     | -             | -              | -              | -             | 12,650         | -                      |
| 2003/04      | -              | -             | 12,760         | -                     | -             | -              | -              | -             | 12,760         | -                      |
| 2004/05      | -              | -             | 12,726         | -                     | -             | -              | -              | -             | 12,726         | -                      |
| 2005/06      | -              | -             | 15,317         | -                     | -             | -              | -              | -             | 15,317         | -                      |
| 2006/07*     | 25,152         | 20            | 25,172         | -                     | -             | -              | 25,152         | 20            | 25,172         | 0.1                    |
| 2007/08      | 44,881         | 461           | 45,342         | -                     | -             | -              | 44,881         | 461           | 45,342         | 1.0                    |
| 2008/09      | 30,911         | 777           | 31,688         | -                     | -             | -              | 30,911         | 777           | 31,688         | 2.5                    |
| 2009/10      | 31,506         | 1,682         | 33,188         | -                     | -             | -              | 31,506         | 1,682         | 33,188         | 5.1                    |
| 2010/11      | 42,553         | 1,911         | 44,464         | -                     | -             | -              | 42,553         | 1,911         | 44,464         | 4.3                    |
| 2011/12      | 49,959         | 4,523         | 54,482         | -                     | -             | -              | 49,959         | 4,523         | 54,482         | 8.3                    |
| 2012/13      | 50,235         | 8,212         | 58,447         | -                     | -             | -              | 50,235         | 8,212         | 58,447         | 14.1                   |
| 2013/14      | 49,886         | 5,079         | 54,965         | -                     | -             | -              | 49,886         | 5,079         | 54,965         | 9.2                    |
| 2014/15      | 46,105         | 7,594         | 53,669         | -                     | -             | -              | 46,105         | 7,594         | 53,669         | 14.2                   |
| 2015/16      | 44,641         | 8,152         | 52,793         | -                     | -             | -              | 44,641         | 8,152         | 52,793         | 15.4                   |
| 2016/17      | 50,445         | 7,545         | 57,990         | 48,698                | 5,456         | 54,154         | 99,143         | 13,001        | 112,144        | 11.6                   |
| 2017/18      | 53,680         | 6564          | 60,244         | 49,135                | 5,562         | 54,697         | 10,2815        | 12,126        | 114,941        | 10.5                   |
| <b>Total</b> | <b>104,125</b> | <b>14,109</b> | <b>118,234</b> | <b>97,833</b>         | <b>11,018</b> | <b>108,851</b> | <b>617,787</b> | <b>63,538</b> | <b>760,420</b> | <b>9.3<sup>‡</sup></b> |

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.

## REMITTANCES: OUTFLOW FROM THE UAE AND RECEIPTS IN NEPAL

In the last three years, the annual outflow of remittance from the UAE has consistently remained over USD 30 billion. Nepal's share of this remittance outflow has also remained consistent at just under 3 per cent. That figure, however, translates to 12 per cent of the total remittances received in Nepal from around the world (Table 4). The amounts remitted are, of course, only calculated estimates as there is no accounting of the true volume of remittances because migrant workers make use of various forms of informal networks to send money home and also because a considerable proportion of workers' earnings also comes into Nepal as consumer items such as TV sets and mobile phones.

**Table 4: Total Remittance Outflow from UAE and Remittance Received in Nepal**

| Year* | Remittance Outflow from UAE (in billion USD) | Remittance Received by Nepal from UAE (in billion USD) | Remittance to Nepal as a percentage of Total Outflow from UAE | Total Remittances Received by Nepal (in billion USD) | Remittances from UAE as a percentage of Total Remittances received by Nepal |
|-------|--|--|---|--|---|
| 2013  | 18.0   | 0.63   | 3.5   | 5.6  | 11.3  |
| 2014  | 29.5   | 0.68   | 2.3   | 5.9  | 11.5  |
| 2015  | 32.4   | 0.80   | 2.5   | 6.7  | 11.9  |
| 2016  | 31.1   | 0.80   | 2.6   | 6.6  | 12.1  |
| 2017  | 33.0   | 0.84   | 2.6   | 7.0  | 12.0  |

Note: According to the World Bank, the remittance data is 'disaggregated using host country and origin country incomes, and estimated migrant stocks' from the given year. 'These are analytical estimates based on logical assumptions and derived from a global estimation of bilateral remittance flows worldwide. They are not actual officially reported data. The caveats attached to these estimates are: (a) the data on migrants in various destination countries are incomplete; (b) the incomes of migrants abroad and the costs of living are both proxied by per capita incomes in PPP terms, which is only a rough proxy; and (c) there is no way to capture remittances flowing through informal, unrecorded channels.'

Source: 'Migration and Remittances Data: Bilateral Remittances Matrices, 2010-2017', the World Bank, accessed 27 December 2018, <https://www.worldbank.org/en/topic/migrationremittancesdiasporaissues/brief/migration-remittances-data>.

\* Data on bilateral remittance outflow is available only from 2010 onwards.

## DEATHS AND INJURIES OF NEPALI WORKERS IN THE UAE

According to data available from the Foreign Employment Board (FEB), a total of 517 migrant workers lost their lives in the UAE in the last one decade, 2008/09<sup>22</sup> to 2017/18 (Table 5). Cardiac arrest was the main cause of death, accounting for over a quarter of total deaths. 'Natural causes', suicides, traffic accidents, heart attacks, other or unidentified causes, and workplace accidents were other important causes of deaths of Nepali workers in the UAE. A further 140 migrant workers were seriously ill or injured during the same period.<sup>23</sup> 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) of Nepal, which collects data on all deaths of Nepalis from 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 those who go as 'irregular' migrants, i.e., without acquiring a labour permit from the DoFE, are not entitled to compensation from the FEB. Accordingly, the data from MoFA shows a total of 240 Nepali deaths in the UAE between 2,012 and 2016 (Table 6). The major causes of death mentioned are similar to the information available from the DoFE.

## LABOUR RECRUITMENT IN NEPAL

### Recruitment Procedure

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 the UAE. On receiving the approval from the DoFE, recruitment agencies publish an advertisement seeking applications in a Nepali-language daily newspaper with nation-wide circulation.

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     |            |              |
| <b>Cause of death</b>        |           |          |           |           |          |           |           |          |           |           |          |           |           |          |           |            |              |
| Cardiac arrest               | 2         | -        | 2         | 18        | 1        | 19        | 9         | -        | 9         | 16        | -        | 16        | 12        | 1        | 13        |            |              |
| Natural causes               | 3         | -        | 3         | 14        | -        | 14        | 10        | -        | 10        | 5         | -        | 5         | 7         | -        | 7         |            |              |
| Suicide                      | 3         | -        | 3         | 1         | 2        | 3         | -         | 1        | 1         | 8         | -        | 8         | 3         | -        | 3         |            |              |
| Traffic accidents            | 2         | -        | 2         | 7         | -        | 7         | 6         | -        | 6         | 4         | 2        | 6         | 6         | -        | 6         |            |              |
| Heart attack                 | -         | -        | -         | 3         | -        | 3         | 4         | -        | 4         | 5         | -        | 5         | 4         | -        | 4         |            |              |
| Other or unidentified causes | 1         | -        | 1         | 3         | -        | 3         | 2         | -        | 2         | 8         | -        | 8         | 12        | -        | 12        |            |              |
| Workplace accidents          | 1         | -        | 1         | 3         | 1        | 4         | 3         | -        | 3         | 2         | -        | 2         | 2         | -        | 2         |            |              |
| Murder                       | 1         | -        | 1         | -         | -        | -         | 2         | -        | 2         | -         | -        | -         | -         | -        | -         |            |              |
| Disease                      | -         | -        | -         | -         | -        | -         | -         | -        | -         | -         | -        | -         | -         | -        | -         |            |              |
| <b>Total</b>                 | <b>13</b> | <b>-</b> | <b>13</b> | <b>49</b> | <b>4</b> | <b>53</b> | <b>36</b> | <b>1</b> | <b>37</b> | <b>48</b> | <b>2</b> | <b>50</b> | <b>46</b> | <b>1</b> | <b>47</b> |            |              |
| 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     |            |              |
| <b>Cause of death</b>        |           |          |           |           |          |           |           |          |           |           |          |           |           |          |           |            |              |
| Cardiac arrest               | 25        | -        | 25        | 14        | -        | 14        | 24        | 2        | 26        | 8         | -        | 8         | 14        | 1        | 15        | 147        | 28.4         |
| Natural causes               | 11        | -        | 11        | 12        | -        | 12        | 4         | 1        | 5         | 7         | -        | 7         | 11        | 1        | 12        | 86         | 16.6         |
| Suicide                      | 6         | 3        | 9         | 6         | 1        | 7         | 6         | 1        | 7         | 9         | 3        | 12        | 21        | 4        | 25        | 78         | 15.1         |
| Traffic accidents            | 9         | 1        | 10        | 8         | 1        | 9         | 5         | 2        | 7         | 5         | 2        | 7         | 11        | 1        | 12        | 72         | 13.9         |
| Heart attack                 | 10        | -        | 10        | 9         | -        | 9         | 3         | -        | 3         | 3         | -        | 3         | 13        | 1        | 14        | 55         | 10.6         |
| Other or unidentified causes | 2         | -        | 2         | 1         | -        | 1         | 2         | -        | 2         | 4         | 1        | 5         | 3         | 1        | 4         | 40         | 7.7          |
| Workplace accidents          | 1         | 1        | 2         | 4         | -        | 4         | 2         | -        | 2         | 2         | 1        | 3         | 8         | -        | 8         | 31         | 6.0          |
| Murder                       | -         | -        | -         | -         | -        | -         | 1         | -        | 1         | -         | -        | -         | -         | -        | -         | 4          | 0.8          |
| Disease                      | -         | -        | -         | -         | -        | -         | -         | -        | -         | -         | -        | -         | 4         | -        | 4         | 4          | 0.8          |
| <b>Total</b>                 | <b>64</b> | <b>5</b> | <b>69</b> | <b>54</b> | <b>2</b> | <b>56</b> | <b>47</b> | <b>6</b> | <b>53</b> | <b>38</b> | <b>7</b> | <b>45</b> | <b>85</b> | <b>9</b> | <b>94</b> | <b>517</b> | <b>100.0</b> |

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).

### 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 the UAE as domestic workers.<sup>24</sup>

### Recruitment Cost

Prior to the introduction of the 'free-visa, free-ticket' policy by Nepal in June 2015, the recruitment cost to the UAE 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 the UAE (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

Table 6: Number and Causes of Deaths (MoFA)

| Cause of death             | 2012   |          | 2013     |           | 2014     |           | 2015     |           | 2016     |           | Total     |            |            | %          |
|----------------------------|--------|----------|----------|-----------|----------|-----------|----------|-----------|----------|-----------|-----------|------------|------------|------------|
|                            | Female | Male     | Female   | Male      | Female   | Male      | Female   | Male      | Female   | Male      | Female    | Male       | Total      |            |
| Cardio respiratory arrest  | -      | 2        | 1        | 28        | 2        | 38        | 1        | 28        | -        | 24        | 4         | 120        | 124        | 51.7       |
| Suicide                    | -      | -        | 2        | 3         | 2        | 8         | 1        | 7         | 2        | 5         | 7         | 23         | 30         | 12.5       |
| Traffic accident           | -      | -        | 1        | 6         | -        | 8         | 2        | 6         | 2        | 1         | 5         | 21         | 26         | 10.8       |
| Natural death              | -      | -        | -        | 10        | -        | 4         | 1        | 2         | -        | 1         | 1         | 17         | 18         | 7.5        |
| Brain haemorrhage          | -      | -        | -        | 2         | -        | 1         | -        | 4         | -        | 1         | -         | 8          | 8          | 3.3        |
| Accident; Fall from height | -      | -        | -        | 2         | 1        | -         | -        | 1         | -        | 2         | 1         | 5          | 6          | 2.5        |
| Alcohol poisoning          | -      | -        | -        | -         | -        | 1         | -        | 4         | 1        | -         | 1         | 5          | 6          | 2.5        |
| Drowning                   | -      | -        | 1        | 1         | -        | -         | -        | 1         | -        | 2         | 1         | 4          | 5          | 2.1        |
| Other accident             | -      | -        | -        | 3         | -        | -         | -        | 1         | -        | 1         | -         | 5          | 5          | 2.1        |
| Unknown                    | -      | 1        | 1        | 3         | -        | -         | -        | -         | -        | -         | 1         | 4          | 5          | 2.1        |
| Murder                     | -      | -        | -        | 2         | -        | -         | -        | 2         | -        | -         | -         | 4          | 4          | 1.7        |
| Work accident              | -      | -        | -        | 2         | -        | -         | -        | 1         | -        | -         | -         | 3          | 3          | 1.2        |
| <b>Total</b>               | -      | <b>3</b> | <b>6</b> | <b>62</b> | <b>5</b> | <b>60</b> | <b>5</b> | <b>57</b> | <b>5</b> | <b>37</b> | <b>21</b> | <b>219</b> | <b>240</b> | <b>100</b> |

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

by the migrant workers themselves.<sup>25</sup> In practice, however, Nepali workers have generally always paid a much larger amount for their migration to the UAE, a practice that has continued even after the 'free-visa, free-ticket' policy.<sup>26</sup>

## 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 the UAE as domestic workers are required to complete a 30-day skill development training.<sup>27</sup>

### 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 1500<sup>28</sup> for a three-year work contract, while workers with contracts for a duration exceeding three years are required to contribute NPR 2500.<sup>29</sup> 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 ill or are injured may receive up to NPR 700,000 upon the evaluation of their injuries and illnesses by a team of experts.<sup>30</sup>

### Insurance

The Foreign Employment Act 2007 and Foreign Employment Rules 2008 have made insurance mandatory for workers going for foreign employment. The cost for 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.<sup>31</sup>

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'<sup>32</sup> is provided with an additional amount of NPR 500,000. However, to be entitled to this benefit, the migrant worker must have also procured the insurance policy against 'critical illness', paying a premium of an additional NPR 400.

**Table 7: Insurance Premiums**

| 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.<sup>33</sup> The following documents are required to claim compensation from the FEB:<sup>34</sup>

- 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);

Table 9: Insurance Benefits

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

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.

<sup>†</sup> 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.

- Prescription of medical treatment abroad (in case of injury); and
- Recommendation letter from the Nepali Embassy in the destination country.

## 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.

### Memorandum of Understanding between Nepal and the UAE

Nepal established its residential embassy in Abu Dhabi at the Chargé d'Affaires level in 2004 and at the Ambassadorial level in 2007. The UAE established its embassy in Nepal in 2016.<sup>35</sup>

A Memorandum of Understanding (MoU), the Memorandum of Understanding between the Government of Nepal and the Government of United Arab Emirates in the Field of Manpower was signed between the



countries in 2007<sup>36</sup> with the following major provisions:

- Contract to be drafted in Arabic, Nepali and English languages.
- Recruitment of workers in Nepal and their entry into the UAE to be regulated in accordance with the relevant laws, rules and procedures of the two countries.
- Nepali expatriate workers shall have the right to transfer their earnings and savings from the UAE to Nepal.

In 2019, another MoU, the Memorandum of Understanding between the Government of Nepal and the Government of the United Arab Emirates in the Recruitment, Employment and Repatriation of Workers,<sup>37</sup> was signed. The latter introduced the following major provisions:

- Both the Government of Nepal and the Government of the UAE are required to control and regulate costs related to the recruitment and employment of workers. The employers are to bear all the costs related to recruitment, including air tickets and fees related to insurance, visa and medical examination, among others.
- Both governments are required to cooperate to strengthen the enforcement of regulations to combat trafficking in persons and forced labour.
- Workers can seek and obtain alternative employment when the employer fails to meet contractual or legal obligations. In such an event, workers have the right to return back to Nepal if they so desire and employers are required to bear all the associated costs.

Responsibilities of the Government of Nepal:

- Ensure that the worker has the necessary qualifications as per the terms and conditions determined by the Government of the UAE and that the recruitment of the worker will be in accordance with existing laws, procedures and regulations of Nepal.
- Ensure that prior to their departure from Nepal the worker is in possession of an employment offer.
- Ensure that the worker is provided with proper briefing/orientation on relevant laws, regulations, policies, procedures, norms, cultures and practices in the UAE, prior to their departure.

Responsibilities of the Government of the UAE:

- Ensure that Nepali worker receives fair and equal treatment compared to other foreign workers in the UAE on matters, including access to justice.
- Ensure that the employment offer indicates the job specifications, required qualifications as well as the terms and conditions of the employment offered, including wages, non-wage benefits and accommodation.
- Ensure the safety, security and welfare of workers.
- Ensure that workers are able to exercise their right to maintain possession of their personal identification documents.

Table 10: Nepali Organisations in UAE

| SN | Name of Organisation   | Services   | Address  | Contact   |
|----|--|--|--|---|
| 1. | Embassy of Nepal   | <ul style="list-style-type: none"> <li>Resolve labour-related issues</li> <li>Attestation of Employment Contract</li> <li>Issuance of No-Objection Certificate to send dead bodies to Nepal</li> </ul>   | Abu Dhabi, UAE   | Email: <a href="mailto:nepemuae@emirates.net.ae">nepemuae@emirates.net.ae</a> ,<br><a href="mailto:eonabudhabi@mofa.gov.np">eonabudhabi@mofa.gov.np</a><br>Pox Box No. 38282<br>Website: <a href="https://ae.nepalembassy.gov.np/">https://ae.nepalembassy.gov.np/</a><br>Tel: +971 2 634 4767, +971 2 634 4385<br>Fax: +971 2 634 4469 |
| 2. | Non-Resident Nepali Association, National Coordination Council | <ul style="list-style-type: none"> <li>Financial support to stranded migrants</li> <li>Financial support to family of the deceased</li> <li>Discussion programme on safe migration</li> </ul>            | Renault Bldg. Office No. 108, P.O. Box 44537, Near Abu Hail Metro Station, Dubai | Email: <a href="mailto:uae@nrna.org">uae@nrna.org</a><br>Website: <a href="https://ae.nrna.org">https://ae.nrna.org</a><br>Tel: +971 42346780, +971 503980499   |
| 3. | GEFONT Support Group   | <ul style="list-style-type: none"> <li>Rapid Rescue</li> <li>Financial support to migrant workers in need (imprisoned/stranded)</li> <li>Promotion and protection of migrants workers' rights</li> </ul> | N/A  | Contact Person: Mr Rameshwor Bhetwal<br>Email: <a href="mailto:rameshwor138-@gmail.com">rameshwor138-@gmail.com</a>   |

## Notes

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