



BRIEFING

**UNDERSTANDING
RESPONSIBLE RECRUITMENT
IN THE GCC CONTEXT**

INTRODUCTION

The Gulf Cooperation Council (GCC) countries—Bahrain, Kuwait, Oman, Qatar, Saudi Arabia, and the United Arab Emirates—represent one of the most significant regions globally in terms of dependence on migrant labour. Migrant workers account for a substantial proportion of the labour force, in some states reaching as high as 90% of the private sector workforce. These workers power the region's core sectors such as construction, oil and gas, hospitality, logistics, and an increasingly prominent renewable energy industry. Their contribution is central to the GCC's economic transformation goals, including:

- **Mega infrastructure projects** underpinning economic diversification.
- **Global sporting events** that demand large-scale temporary labour.
- **National strategies** like Saudi Vision 2030 and the UAE Centennial Plan 2071, which require significant manpower for execution.

However, this immigrant influx to the region has exposed deep-rooted challenges in recruitment and employment systems—marked by excessive placement fees, cycles of debt bondage, and inadequate labour safeguards. These conditions intensify the risk of forced labour, compromising adherence to international standards for ethical employment.

Migrant workers, primarily from South Asia, East Africa, and Southeast Asia, face persistent challenges when migrating to the GCC, the most severe being payment of recruitment fees. Despite legal prohibitions in all GCC states against charging workers for employment, evidence indicates that this practice continues unchecked.

Recruitment costs in the GCC migration corridors vary significantly depending on the worker's country of origin, job sector, and the complexity of the migration channel. While the amounts typically start from around \$1,000, they can exceed \$10,000 in some cases—particularly for low-wage workers migrating from Bangladesh. These costs are rarely transparent and often include both formal charges and informal payments to brokers, agents, or sub-agents across multiple layers. When measured against actual earnings in the destination countries, the financial burden is stark: recruitment fees can translate into several months, or even years, of income recovery.

This debt burden creates a cycle where workers cannot leave exploitative employers due to their financial obligations, effectively trapping them in conditions of forced labour.

WHAT IS RESPONSIBLE RECRUITMENT?

Responsible recruitment refers to an ethical, transparent, and fair system of hiring that upholds workers' rights and dignity across the entire migration cycle. It ensures that workers are not subjected to exploitation, coercion, or hidden costs when seeking employment abroad.

A central component of responsible recruitment is the Employer Pays Principle, which states: *"No worker should pay for a job—the costs of recruitment should be borne by the employer, not by the worker."*

This principle is critical to eliminating debt bondage, one of the most common forms of forced labour in global supply chains.

THE EMPLOYER PAYS PRINCIPLE

No worker should pay for a job – the costs of recruitment should be borne not by the worker but by the employer.



What does responsible recruitment mean for businesses?

To achieve responsible recruitment, businesses are expected to adopt the following measures across both direct operations and their extended supply chains:

1. Implement the Employer Pays Principle

Employers, not workers, should bear all recruitment-related costs.

2. Ensure Transparent Pre-Departure Information

Workers must receive accurate details of job roles, wages, working conditions, and benefits before leaving their home country.

3. Enforce Fair and Clear Employment Contracts

Contracts should:

- Be in a language understood by the worker.
- Be signed before departure.
- Be verified upon arrival to prevent contract substitution, a widespread abuse in several migration corridors.

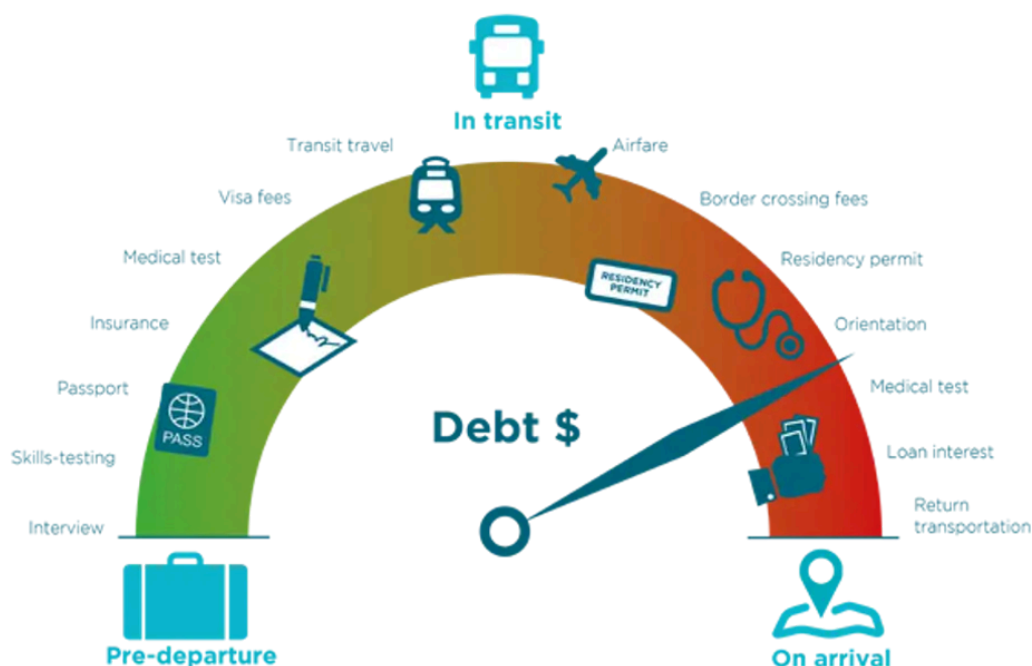
4. Prohibit Coercive Practices

Responsible recruitment means no:

- Passport confiscation.
- Charging security deposits.
- Withholding wages as a form of control.

5. Establish Accessible Grievance Mechanisms

Companies should create confidential, multilingual channels for workers to raise complaints without fear of retaliation, along with effective remediation pathways.



Debt bondage arising out of recruitment fees exposes companies to significant legal, reputational, and compliance risks. International frameworks, including the UN Guiding Principles on Business and Human Rights, and emerging legislation such as the EU Corporate Sustainability Due Diligence Directive (CSDDD), and US Tariff Act provisions, identify worker-paid recruitment fees as a high-risk indicator for forced labour. Failure to mitigate these risks can lead to supply chain disruption, sanctions, and loss of market access.

The vulnerability of migrant workers is not a temporary or isolated condition; it persists throughout the migration journey. This reality is reflected in the Dhaka Principles for Migration with Dignity, which highlight that risks to workers' rights exist at every stage—pre-departure, recruitment, employment, and return. Among these stages, recruitment remains the most critical point of vulnerability, as excessive fees and lack of transparency can lock workers into cycles of poverty and debt bondage, leading to modern slavery.

Responsible recruitment cannot be ignored because it directly determines whether migration becomes an opportunity or a pathway into exploitation. For millions of workers in the GCC, paying recruitment fees means starting employment heavily indebted—often owing years' worth of wages to informal lenders charging exorbitant interest rates.

Modern Slavery – The costs charged to migrant workers to secure employment abroad are often substantial. To afford these fees workers may take out loans against the promise of potential future earnings. This may leave them in situations of debt bondage and vulnerable to further exploitation including forced labour. Ending the practice of recruitment fees being charged to workers has become a major focus of strategies by business and government to prevent “modern slavery”.

Lost development potential – Migrant remittances to countries of origin are used to support families and communities back home. In some countries remittances from those working abroad account for a significant proportion of GDP back in countries of origin. Officially recorded remittances to low- and middle-income countries (LMICs) are projected to reach \$685 billion in 2024. Servicing recruitment debt inevitably means that migrant remittances to their home countries will be reduced with negative impacts on development and realisation on the 2030 Sustainable Development Goals.





WHY FEES PERSIST: KEY STRUCTURAL DRIVERS

Several systemic issues perpetuate the charging of recruitment fees to workers despite formal bans:

Complex Recruitment Chains

Recruitment often involves multiple actors, including licensed agencies, sub-agents, and informal brokers operating at the village or community level in origin countries. While top-tier agencies may comply with regulations, informal intermediaries frequently add unofficial charges, inflating costs significantly. Workers are rarely aware of the official fee structure, making them vulnerable to manipulation.

Weak Enforcement

Both origin and destination countries struggle with monitoring and enforcement of recruitment regulations. Destination countries often lack the capacity to inspect recruitment practices beyond their borders, while origin countries face challenges in regulating sub-agents and brokers in rural areas. Many violations go unreported because workers fear retaliation or job loss or are unaware that these are illegal and/or unethical practices.

Fragmented Recruitment Cost Regulations Across Corridors

Origin countries often maintain their own ceilings on allowable costs, creating confusion and loopholes. For instance, India allows licensed agents to charge up to ₹30,000 (approximately USD 360) for most overseas jobs, whereas Nepal caps recruitment costs at NPR 10,000 (around USD 75) under its “Free Visa, Free Ticket” policy. Bangladesh, in contrast, permits significantly higher ceilings for certain job categories, sometimes exceeding USD 1,000 under government-set migration cost structures. Other countries, such as the Philippines and Kenya, have yet another set of rules, often sector-specific. This fragmented regulatory landscape leads to several unintended consequences:

High Demand for Jobs

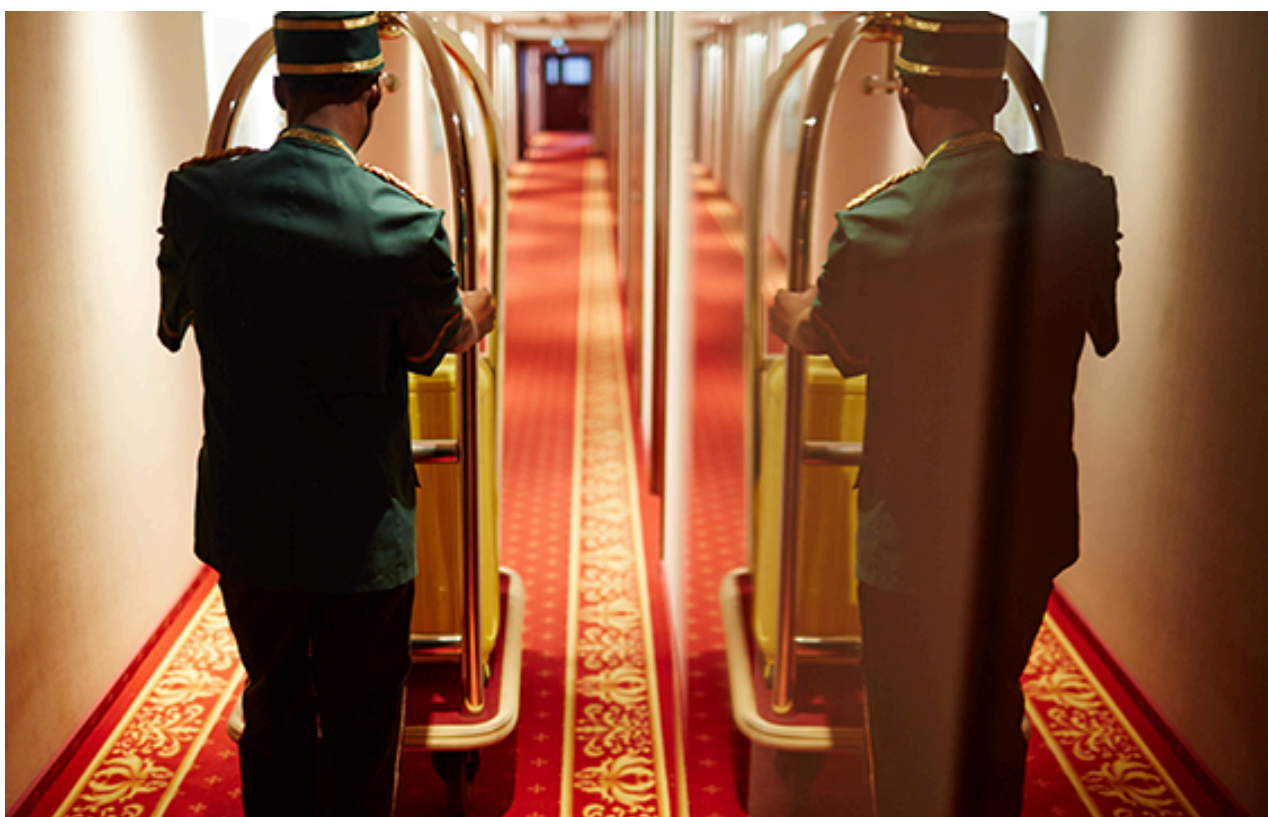
Scarcity of employment opportunities in origin countries creates leverage for recruiters. The high unemployment and limited income opportunities in origin countries create a strong push factor for migration. Recruiters exploit this desperation, knowing that workers are willing to pay exorbitant sums to secure overseas employment.

Visa Quotas and Sponsorship System (Kafala)

Under the employer-tied visa system (also known as Kafala system), a worker's legal status in the destination country is tied to their employer, giving employers significant control over mobility and job conditions. Visa quotas allocated to employers are sometimes sold through informal networks, further inflating recruitment costs.

Common Misconceptions

Workers often believe that as long as the recruiter does not collect a “service fee,” the recruitment is ethical—even if they are still paying for other costs such as airfare, medical tests, or visa charges. Many workers think covering their own airfare or medical expenses is a standard practice, often because recruiters frame these as “actual costs” and not part of recruitment fees. Another misconception is that workers assume that paying extra to brokers ensures a better job, higher salary, or quicker deployment. This perception is heavily exploited by informal agents.



LEGAL FRAMEWORK ACROSS GCC COUNTRIES

All GCC countries have enacted laws prohibiting the charging of recruitment fees to workers, though the scope and enforcement vary significantly:

COUNTRY	KEY LEGISLATION	STATEMENT
Bahrain	Ongoing Discussion	Charging recruitment fees is not explicitly prohibited by law. However, your employer cannot deduct from your salary to compensate for any visa-related costs.
Kuwait	Private Sector Labour Law, No. 6 of 2010. Law No. 68 on Domestic Workers Ministerial Decision No. 2194 of 2016.	It is not explicitly prohibited to charge recruitment fees to workers by law. However, in case of domestic workers, employers are required to pay the recruitment agency fees, which cannot be deducted from the worker's remuneration.
Oman	Article 23 of Ministerial Decision No. 1/2011	Recruitment agencies and employers cannot charge recruitment-related fees to workers.
Qatar	Labour Law No. 14 of 2004	prohibits recruitment fees, with the Universal Reimbursement Scheme launched in 2017 requiring contractors to reimburse workers if they cannot prove ethical recruitment.
Saudi Arabia	Labour Law Article 40	requires employers to bear all recruitment-related costs, including visa fees, residence permits, and work permits.
United Arab Emirates	UAE Federal Decree-Law No. 33 of 2021	The Employer is prohibited from charging the Worker the fees and costs of recruitment and employment or collecting them from him, whether directly or indirectly.

KEY RESOURCES FOR BUSINESSES

IHRB's Leadership Group for Responsible Recruitment: the Leadership Group is an initiative that seeks to use the collective leverage of global brands supported by civil society partners and UN organisations to advocate for change in the ways that migrant workers are recruited. All corporate members of the Leadership Group are committed to the Employer Pays Principle and seek to implement it in their global operations.

Responsible Recruitment Register: The Responsible Recruitment Register lists the publicly available policies of companies or business associations that have partly or fully assimilated the Employer Pays Principle. The Register is intended to increase transparency around companies' recruitment policies and their commitment to responsible recruitment business practices.

The Montreal Recommendations on Recruitment: In 2020, The Montreal Recommendations on Recruitment, a process organised by the International Organisation for Migration (IOM), the UN's migration agency, sought to offer a roadmap for better regulation of the recruitment industry, bringing together licensing and enforcement bodies from countries around the world. The Montreal Recommendations offer policymakers and regulators practical guidance and ideas to improve regulation and oversight of international recruitment and protection of migrant workers. including on:

B4IG Fair Recruitment Toolkit: The Business for Inclusive Growth (B4IG) workstream on Fair Recruitment, led by VINCI, has launched a comprehensive Fair Recruitment Toolkit to support companies and service providers in embedding ethical recruitment practices for migrant workers. The toolkit is structured around six critical elements of the recruitment journey and includes 14 practical operational tools designed for direct application by employers and recruiters.

The Responsible Labour Initiative: an initiative of the Responsible Business Alliance The RLI is a multi-industry, multi-stakeholder initiative focused on ensuring that the rights of workers vulnerable to forced labour in global supply chains are consistently respected and promoted.

Responsible Recruitment Toolkit: an organisation that offers advice, guidance, tools and training on how to ensure workers are recruited safely and ethically.

CUMULUS Forced Labour Screen: The CUMULUS Forced Labour Screen™ and related tools from Verité offer practical, data-driven solutions to help businesses assess and mitigate forced labour risks linked to recruitment. CUMULUS is designed to support responsible recruitment by empowering companies with better visibility and proactive screening across their labour supply chains.



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