



# Principles And Guidelines For The Repayment Of Migrant Worker Recruitment Fees And Related Costs & Service Level Agreements

Food Network for Ethical Trade

July 2021





We are **specialised** in ethical trade, responsible sourcing, human rights and business.



We have expertise in recruitment migration channels across **Europe, Africa, the Middle-East, & South and South-east Asia**

# OUR EXPERTISE



**1** Repayment of Recruitment Fees:  
Principles and Guidelines: Q&A

**2** Service Level Agreements: Bad practice &  
Better practice

**3** Ensuring SLAs work in the real world

# REPAYMENT OF RECRUITMENT FEES: Q&A ON PRINCIPLES AND GUIDELINES



## RECRUITMENT SERVICE LEVEL AGREEMENTS

### Contracts

- **No contracts in place/poor contracts** in place which make no reference to ethical recruitment practices
- **No contracts for sub-agents**

### Payment terms

- Employer **does not cover any** costs of recruitment **or**
- Employer **covers a very low amount** per worker which could never cover the costs of recruitment
- No service fees are paid to the agent or
- Service fees are only paid after all workers have arrived/after workers complete probation – as a result of which agencies have to cover costs upfront.

**BAD/COMMON  
PRACTICE**

## **Contracts**

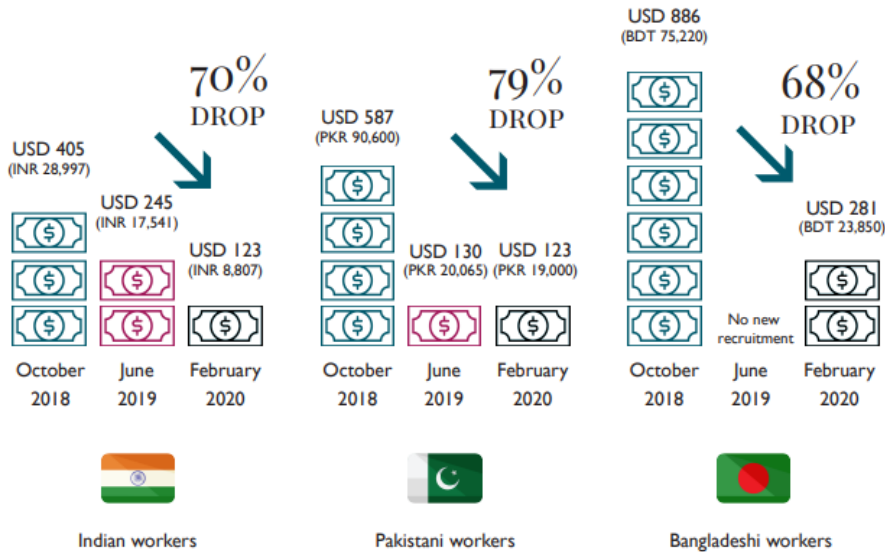
- Contracts in place between all relevant parties.
- Clauses cover key terms related to ethical recruitment.

## **Payment terms**

- Recruitment cost agreed to be paid per worker is clearly broken down in an itemised list (visa, air ticket, accommodation, etc etc), and these are in line with benchmarks.
- Admin cost/service fee for the agency is also included, indicating where profit is made.
- Ideally, some payment is made in advance (25-50%) to ensure that recruitment agencies aren't required to 'bankroll' these hires/creating risk that cost is passed onto workers
- Costs for workers found to be medically unfit upon arrival are shared and not covered by the agent alone.

One company engaged intensively with its recruitment agency partners to drive change:

- Updated SLAs with all agencies
- Close engagement and dialogue with all agency partners
- Supervision of recruitment drives in source country
- Interviews with workers



## Contracts should cover:

- Agency commitment to ensure that candidates do not pay any recruitment fees or related costs (Employer Pays Principle)
- Employer commitment to provide sufficient lead time for agent to recruit workers
- Requirement to fully disclose any job adverts or materials used to communicate with workers
- Requirement to provide complete and accurate information to workers about terms & conditions of employment and accommodation
- Conditions for use of any sub-agents (e.g. disclosure, licensing, contracting, monitoring)
- Prohibition of document retention, worker coaching, requirement of written or video testimonials from workers
- Due diligence requirements (i.e. permission for third parties to interview candidates/assess agencies at any time)
- Training/pre-departure orientation requirements
- Remediation protocols/enforcement mechanisms in cases where fee-charging or other unethical practices are identified.
- Provision of grievance mechanisms to workers throughout the recruitment process & encouragement to report any exploitative practice

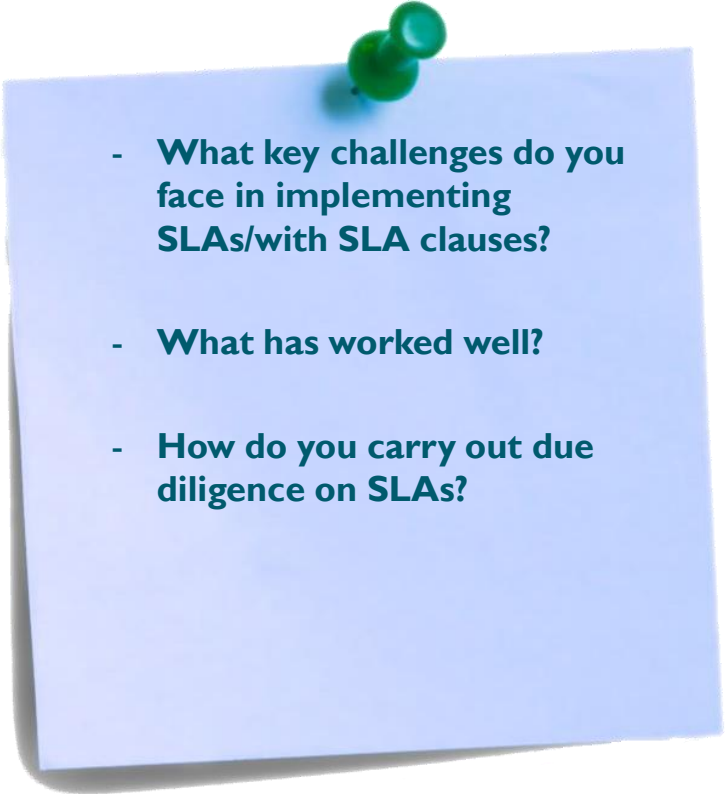


A range of supporting activities can help ensure SLAs work in practice:

- ✓ Ensure job adverts communicate “zero-fees” requirement
- ✓ Provide workers with grievance channels early & throughout recruitment (on arrival mechanisms are often too little too late)
- ✓ Visit agencies in person & carry out a comprehensive assessment of their practices
- ✓ Engage with agencies continuously on improvement actions
  - Mentoring initially supported by 3<sup>rd</sup> parties
- ✓ Speak to workers at recruitment drives
- ✓ Connect with legitimate government support bodies (e.g. the Migrant Resource Centres Nepal)
- ✓ Conduct training in origin country where applicable
- ✓ Interview workers post arrival (3 & 6 months)

QUESTIONS?



- 
- A light blue sticky note is pinned to the background with a green pushpin at the top center. The note contains three bullet points in a dark teal color.
- **What key challenges do you face in implementing SLAs/with SLA clauses?**
  - **What has worked well?**
  - **How do you carry out due diligence on SLAs?**