SDG 10.7.1
Indicator: Recruitment Costs

IAEG-SDG Meeting
Mexico
Indicator: Recruitment costs

• Definition: recruitment cost born by employee as proportion of yearly income earned at country of destination

• Costs components:
  • RECRUITMENT AGENCY FEES
  • Transportation costs to cross borders
  • Compliance costs – passports, visa, work permit, medical test
Recruitment fees can be high

(Average cost in constant 2014 US$)

Source: KNOMAD
Data compilation ongoing since 2014

- Data is not systematically collected now, and methodology is new
- Data requires specific survey methodology of employees/migrants
  - Have to collect this data by specific corridor (e.g. Indonesia to Korea)
  - Through migrant surveys in destination as well as origin countries
  - Usually involves receiving country labor agency in some way

<table>
<thead>
<tr>
<th>Origin</th>
<th>Destination</th>
<th>Recruitment costs (US$)</th>
<th>Recruitment cost as proportion of yearly income at destination</th>
</tr>
</thead>
<tbody>
<tr>
<td>Indonesia</td>
<td>Korea</td>
<td>1,506</td>
<td>0.1</td>
</tr>
<tr>
<td>India</td>
<td>Kuwait</td>
<td>1,248</td>
<td>0.3</td>
</tr>
<tr>
<td>Ecuador</td>
<td>Spain</td>
<td>1,046</td>
<td>0.1</td>
</tr>
<tr>
<td>Pakistan</td>
<td>UAE</td>
<td>2,148</td>
<td>0.5</td>
</tr>
<tr>
<td>Vietnam</td>
<td>Europe</td>
<td>5,000</td>
<td></td>
</tr>
<tr>
<td>Bangladesh</td>
<td>Europe</td>
<td>15,000</td>
<td></td>
</tr>
</tbody>
</table>
Consultative process to collect data

• KNOMAD is the main partnership behind data collection and methodology development
  • WB and ILO key players

• Issues discussed with Member States through Global Forum on Migration and Development, and agencies in the inter-agency Global Migration Group
  • Indicator identified through a consultative process starting in 2013
  • Questionnaire and survey strategies developed with stakeholders, for example through workshops in Nepal, Thailand, Washington
  • Surveys conducted with government labor study institutes or research institutes in survey locations e.g., Philippine Institute of Labor Study under Department of Labor and Employment.
  • Findings disseminated to governments, stakeholders, GFMD
Plan for a global reporting mechanism

• Develop the methodology and international standard.
  • Step 1: Conduct methodological workshops to establish a recruitment costs indicator
  • Step 2: Test the indicators in the corridors where data were collected
  • Step 3: Conduct stakeholder consultations in the corridors to validate the indicators

• Establish a data – in matrix form.
Reporting to IAEG-SDG

• WB and ILO will submit details on methodology and data collection to IAEG-SDGs
  • Will also develop the methodology and data at fora such as GFMD
• Publish a database with corridor-specific indicators on a designated website during 2016
• Continue to work with government agencies to collect data – especially through existing LFS surveys, and from migration modules in other surveys