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B4IG Fair Recruitment Toolkit for Employers & Service Providers

Designed to support the recruitment of migrant workers



> Disclaimer

About B4IG: **Business for Inclusive Growth** (B4IG) is a global CEO-led coalition of major companies fighting against inequalities of income and opportunity. With the OECD as its Strategic Partner, B4IG coordinates with governments to advance inclusive growth at both global and local levels. More information can be found at www.b4ig.org.

The opinions and arguments expressed herein are those of the authors and do not necessarily reflect the official views of the OECD or its member countries.

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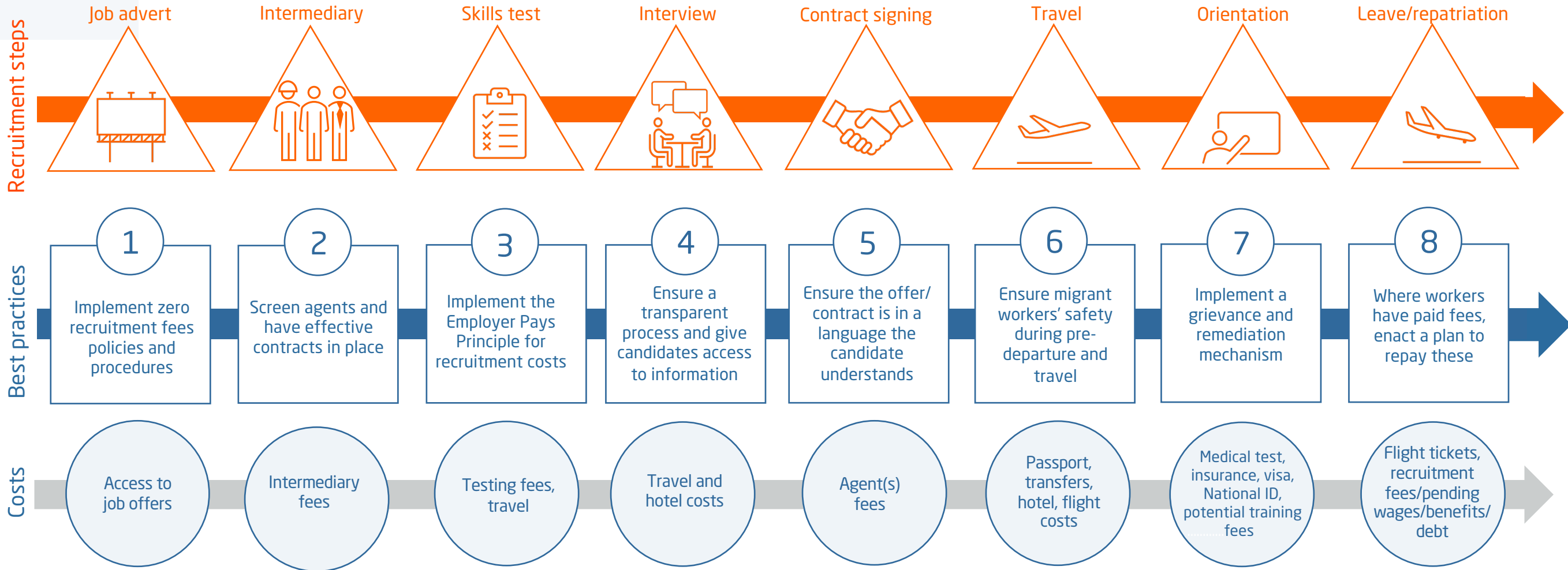
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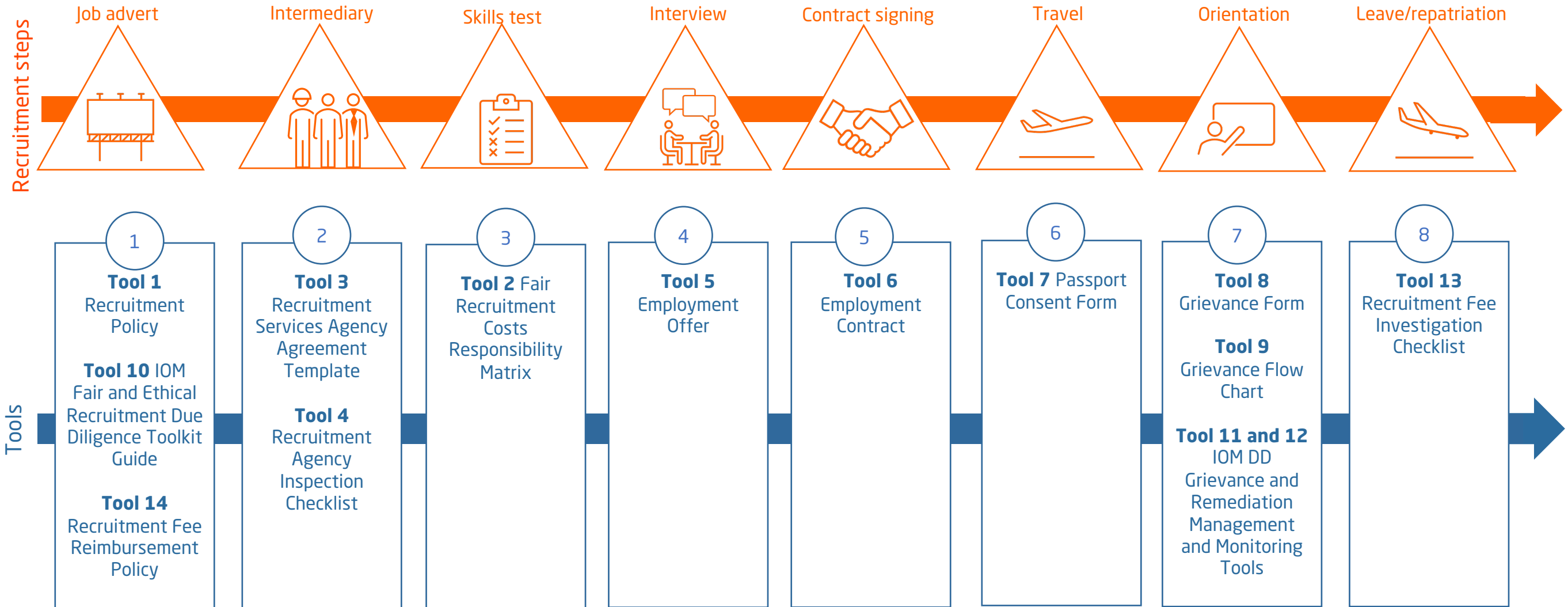
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A migrant worker's recruitment journey



Recruitment costs that workers might pay but should be borne by employers fall under the Employer Pays Principle.

Tools for companies across the recruitment journey



Chapter I: Policies & Procedures

What is a fair recruitment policy?

A fair recruitment policy, and accompanying procedures, **sets out a company's commitment to fair recruitment** and provides guidelines for all stakeholders in meeting the expectations of this commitment. A fair recruitment policy is a **critical starting point to mitigate** the risks of worker exploitation and protect worker rights in labour supply chains.

What a policy should cover:

- A commitment statement
- Forced and child labour
- Legal compliance
- Equal opportunity and non-discrimination
- Recruitment process
- Qualifications and experience
- Compensation and benefits
- Migrant and temporary workers
- Privacy and confidentiality
- Grievance mechanism
- Training
- Inclusive hiring

Actions:

- **Align company commitments to the EPP** and the ILO definition of recruitment fees and related costs, and communicate the same to internal and external stakeholders.
- Ensure **periodic checks** are implemented to ensure that employees, business partners, and service providers are following company policies, risk mitigation measures, and action plans.
- **Investigate any allegations** or potential breaches of policy and take corrective actions.
- Include employment policies and procedures in the **induction processes**. Ensure that policies are in languages understood by the workers. Maintain records of training.
- Ensure there are opportunities and **platforms for workers to raise their concerns** or enquire about employment policies.
- Establish **a plan to repay workers** who have been charged fees.
- **Take action against recruitment agencies** that charge workers fees, such as recovering funds that have been charged to workers.

Tool 1: Recruitment policy template [click here](#)

Chapter II: Screening, contracting and monitoring recruiters (SCM)

What procedure can be followed when direct recruitment is not possible?

Screening

- Create a **preferred supplier list** of recruitment agencies.
- Choose **reputable agencies** that are fully licensed by local authorities.
- Look for **case studies and testimonials** from candidates and clients.

Vetting

- Use **questionnaires** and open-source research.
- Ask for **supporting documents and evidence** of licenses, commitment to fair recruitment principles.
- Set **clear standards and expectations** before engaging with the agency.

Contracting

- **Prohibit agencies from passing recruitment costs** on to candidates and engaging in bribery or corruption.
- Advertise jobs in candidates' **native languages** with a "no-fee" statement.
- Set processes for candidate sourcing and screening, and **data protection and confidentiality**.

Monitoring

- Ensure the agent is **complying with all relevant laws**, including those related to data protection and equal opportunities.
- Conduct an **audit/performance assessment regularly** to check compliance and methods of hiring candidates.
- **Interview workers** and ask the recruitment agency for records and contents of inductions.

Actions

- **Monitor the recruitment practices of recruitment agencies and labour suppliers** through assessments and audits. Take strict measures against any breaches of the company's free recruitment and human rights policies.
- In the agreement with recruitment agencies, include a **clause to prohibit the engagement of informal or unlicensed labour suppliers and sub-agents**.
- Explicitly prohibit worker-paid recruitment fees and related costs within the company's internal policies, code of ethics, and supplier code of conduct. **Ensure that workers are reimbursed for any recruitment fees and related costs** they are found to have paid.
- **Require a breakdown of recruitment fees and related costs** (specifying costs to be paid by each party) in bids submitted by recruitment agencies and in subsequent agreements with contract winners.
- **Ensure representatives from the company are physically present** along with the recruitment agency representatives during candidate interviews.

Tool 2: Fair recruitment costs responsibility matrix [click here](#)

Tool 3: Recruitment services agency agreement template [click here](#)

Tool 4: Recruitment agency inspection checklist [click here](#)

Chapter III: Transparent access to accurate information and employment contracts

Why is transparency important?

- Access to accurate information ensures that **workers have the necessary knowledge to make informed decisions** about their lives and work.
- In general, transparency and access to accurate information contribute to the promotion of democracy, good governance, and the protection of human rights.
- Transparency ensures that information is **readily available and accessible to those who need it**, and that decision-making processes are clear and accountable.

Why is contract transparency crucial?

- A **lack of contract transparency puts candidates at risk**. Many workers do not know the process for raising a complaint in cases of employment offer or contract violation, and they can be left with recruitment debt and no means of returning home.
- It can also create a **negative experience for candidates**. Understanding the recruitment process and being prepared for each stage can reduce anxiety and stress. Employers must ensure that all information provided to candidates is accurate and up-to-date.

Actions

- Provide **clear and accessible information**. Ensure that all information related to the terms and conditions of employment - including wages, benefits, and working conditions, **employment offers and contracts** - are provided to workers in a clear and accessible format, in the worker's native language and with verbal explanation.
- Provide **access to legal support** and advice to workers. This includes providing information on workers' rights, avenues for redress, and access to legal representation.
- Ensure that workers' **personal information is kept confidential and protected**. This includes ensuring that personal information is only used for its intended purpose.
- **Regularly communicate with workers**. Have open communication channels.
- Ensure that workers' agreements to the terms and conditions of recruitment and employment is **voluntary and free from deception or coercion**.
- **Give on-site orientation and related material to workers** regarding their rights and responsibilities in a language that workers can understand.
- Ensure that the initial employment contract signed by the migrant worker prior to departure is **not substituted at a later stage** for another employment contract with less favourable conditions.

Tool 5: Employment offer [click here](#)

Tool 6: Employment contract [click here](#)

Chapter IV: Pre-departure and travel

Personal documents during travel

- Workers' contracts and identity documents should **not be confiscated, destroyed, or forcefully retained** by the employer. Doing so is considered an indication of forced labour.
- Employers can request worker's personal documents to obtain employment contracts, work permits, and employment visas, but these **must be returned to the worker after use**.
- If the employer keeps personal documents for safekeeping, the worker must **provide consent**.
- The employer must provide appropriate **locker facilities in any employer-provided accommodation**, as workers have the right to retain their personal documents without violating company policies or receiving disciplinary action.
- The employer **should not challenge workers' right to terminate the employment contract** at any time due to the company's personal document policy.

Actions

- Incorporate **provisions on passport retention** into relevant company policies. As part of the employment induction programme, the service provider can include this provision on passport retention and communicate it in a language understood by the workers.
- Ensure that workers' **written consent is obtained** before retaining their personal documents.
- Where personal documents are retained, ensure that the company has assigned representatives to release personal documents within **24 hours** of a worker's request, or within **6 hours** in an emergency.
- Check the passport lockers on the company premises, where possible. Workers' personal documents given to the employer for **safekeeping must be stored in a fire-proof safe**.
- Ensure that the company adheres to the **data protection laws** in the country.

Tool 7: Passport consent form [click here](#)

Chapter V: Grievance mechanisms and remediation

What is a grievance mechanism?

- Grievance mechanisms provide **formal and informal ways for workers to report cases** of unfair recruitment, such as recruitment fees or deception about working conditions, and seek redress. They give a channel for workers to voice their concerns and seek solutions when their rights are violated.
- For suppliers, implementing a robust grievance mechanism can help **to identify and address labour abuses in their supply chains, mitigate reputational risks, and improve relationships** with buyers and other stakeholders. A well-designed grievance mechanism can also help to prevent labour disputes and improve labour-management relations.

Principles of implementing an effective grievance mechanism:



Actions

- Establish **clear and written remediation policies** that respect the human and labour rights of all workers during their entire recruitment journey.
- **Implement a confidential grievance mechanism** incorporating the principles of an effective mechanism, including multiple channels for reporting.
- Ensure that workers raising a grievance **do not face any form of retaliation**, reprisal or wage deduction.
- Create and deliver **awareness training** for workers on how to use the company's grievance mechanism, for example, as part of the orientation process.
- A **management system**, with well-defined actions for the process's internal governance, should accompany any grievance mechanisms put in place.
- In the event that workers are still dissatisfied with the resolution after exhausting internal channels, they should have **access to conciliation, labour courts, or the relevant government authority** in the country of destination.
- Ensure that the grievance mechanism is **accessible to all stakeholders** (workers, recruiters, and employer and others potentially impacted by the company).

Tool 8: Grievance form [click here](#)
Tool 9: Grievance flow chart [click here](#)
Tool 10: IOM fair and ethical recruitment due diligence toolkit guide [click here](#)
Tool 11: IOM DD grievance and remediation monitoring tool [click here](#)
Tool 12: IOM DD grievance and remediation management tool [click here](#)

Chapter VI: Repayment of recruitment fees

Why is it important to repay recruitment fees?

- Repayment of recruitment fees and costs **can ameliorate or even remove entirely situations of severe debt bondage** that contribute to forced labour and modern slavery-like situations.
- **Repayment sharpens focus on more ethical recruitment in the future.** The substantial shock of a repayment serves to stimulate companies, employers, and supply chain actors towards more concentrated and serious efforts to get ethical recruitment rights.

Guidelines for reimbursement policy and process

- Employer and service providers to set up formal and legally **binding agreements with recruitment agencies that oblige reimbursement of fees workers** paid during recruitment. This will allow for recruitment agencies to fully or partially cover reimbursement.
- Develop a **calculation method for repayment amount** that considers:
 - the average fees paid per worker based on specific identified criteria (sourcing country, recruitment year, job description, gender)
 - historic and current currency exchange rates
 - inflation and interest to offset the opportunity cost
- Develop and maintain a **contingency fund** in the event that a worker paid recruitment fees greater than the average amount or, when a former worker claims for reimbursement.

Actions in case workers have paid fees

- Establish a **plan** for the repayment of recruitment fees to workers who have been charged these fees. This plan should be fair and transparent taking into account the worker's financial situation.
- Provide **clear and accurate information** to workers about the repayment plan, including the amount of money that will be repaid and the timeframe for repayment.
- Develop a system for **tracking and documenting the repayment of recruitment fees to workers**. This can include maintaining records of repayments made and providing workers with **receipts** or other documentation to confirm that they have received their funds.
- Ensure that all workers are treated fairly in the repayment of recruitment fees. This includes ensuring that workers who have been charged fees but who have since left their jobs are still **eligible for repayment**.
- Take legal action against recruitment agencies that charge workers recruitment fees (as a last resort). This can include recovering any funds that have been charged to workers.

Tool 13: Recruitment fee investigation checklist [click here](#)

Tool 14: Recruitment fee reimbursement policy [click here](#)

Additional resources

Recruitment best practices

- [Guidance Tool for Construction Companies in the Middle East, ILO, 2019](#)
- [An employer's guide to fair recruitment, International Organisation of Employers, November 2021](#)
- [Case Studies for the Procurement of Labour Recruiters' Services, IOM, 2022](#)
- [Promoting Fair Recruitment And Employment Practices - Code Of Conduct, WEC, \(n.d.\)](#)
- [Promising practices for fair recruitment, ILO, 2021](#)
- [NYU research brief, less than one percent: low cost, responsible recruitment in Qatar's construction sector, NYU Stern Center for Business and Human Rights, 2019](#)
- [Fair and ethical recruitment due diligence toolkit, IOM, 2022.](#)
- [Establishing fair recruitment processes: An ILO online training toolkit, ILO, 2021.](#)
- [Fair Hiring Toolkit: Tools, Guidance, and Approaches to Support Responsible Recruitment, Verite Fair Labor, \(n.d.\)](#)

International principles and guidance

- [Dhaka Principles For Migration With Dignity, IHRB, \(n.d.\)](#)
- [Migrant Worker Guidelines For Employers, IOM, 2021](#)
- [General Principles And Operational Guidelines For Fair Recruitment, ILO, 2019](#)
- [UN Guiding Principles on Business and HR, UNHRC, 2011](#)
- [The Iris Standard, Iris Ethical Recruitment, 2019](#)
- [Six Steps to Responsible Recruitment, IHRB, \(n.d.\)](#)
- [Responsible Recruitment Gateway, IHRB, 2017.](#)

Other guidance

- [Zero Tolerance for Contract Substitution, Open Working Group on Labour Migration & Recruitment, \(n.d.\)](#)

Remediation and reimbursement

- [Guidance on the Repayment of Worker-paid Recruitment Fees and Other Related Costs, The Consumer Goods Forum, 2022.](#)

Recruitment fees

- [Migrant Worker Recruitment Fees The Increasing Debt Burden, IHRB, \(n.d.\)](#)

Indicators

- [ILO Indicators of Forced labour, ILO, 2012.](#)

References

Tools from member companies:

- The tools provided in this document are copyrighted by respective member companies of the B4IG coalition. B4IG's Working Group on Fair Recruitment - **VINCI, Unilever, L'Oréal, Sodexo, Schneider Electric, Mars, and Danone**- shares these instruments and learnings to support other companies, B4IG members and non-members, to implement and exercise effective methods to progress and ensure respect for human rights within their value chains.

International labour standards and guiding principles on fair recruitment, as well as relevant human rights standards:

- UN Guiding Principles on Business and Human Rights, UNHRC, 2011.
- Dhaka Principles, IHRB, (n.d.).
- The IRIS Standard, Iris Ethical Recruitment, 2019.
- General Principles and Operational Guidelines for Fair Recruitment, ILO, 2019.
- Migrant Worker Guidelines For Employers, IOM, 2021.
- World Employment Confederation Code of Conduct: Promoting Fair Recruitment and Employment Practices, WEC, 2017.
- Impactt Principles and Guidelines for the Repayment of Migrant Worker Recruitment Fees and Related Costs, Impactt Limited, (n.d.)