Assessment of the capacity and practices of overseas Private Employment Agencies in Ethiopia
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# Table of contents

- **List of Acronyms** iv
- **Executive Summary** v
- **Key Findings: 10 Messages** v
- **Conclusions and recommendations** ix
  - Awareness-raising and capacity-building measures ........................................ ix
  - Governance measures .......................................................................................... x
  - Policy measures ................................................................................................... x
- **INTRODUCTION** 1
  - Background & Objectives .................................................................................... 1
  - Methodology .......................................................................................................... 4
- **I. ETHIOPIA’S LABOUR MIGRATION: HOW POLICY HAS EVOLVED** 7
  - Labour migration in Ethiopia ................................................................................ 7
  - The new Overseas Employment Proclamation 1246/2021 .................................... 9
- **II. OVERSEAS PrEAs: FRAGMENTATION, MISTRUST AND THE WILL TO REBUILD** 13
  - The recruitment practices of overseas PrEAs:
    - A struggle against irregular practices and administrative hurdles .................... 13
  - Overseas PrEAs and the protection of migrant workers: current practices
    and remaining gaps ............................................................................................... 26
  - Capacity-building needs in the overseas PrEA sector:
    - building an ecosystem fit to implement Proclamation 1246/2021 ..................... 33
- **III. TOWARDS EFFECTIVE IMPLEMENTATION OF THE PROCLAMATION: BUILDING A SAFE LABOUR MIGRATION ECOSYSTEM** 41
  - Awareness-raising and capacity-building ........................................................... 43
  - Governance of private employment agencies ...................................................... 47
  - Policy ..................................................................................................................... 48
- **REFERENCES** 49
Assessment of the capacity and practices of overseas Private Employment Agencies in Ethiopia

Tables and figures

Table 1. Number and type of interviews conducted
Table 2. Capacity-building needs to prioritize. Survey results
Table 3. Capacity-building priorities for overseas PrEAs

Figure 1. Roles and responsibilities in terms of fair recruitment
Figure 2. Dissemination of overseas employment opportunities. Survey results
Figure 3. The continuing role of informal recruiters
Figure 4. Compliance with national and international legislation. Survey results
Figure 5. Training and skills development. Survey results

List of Acronyms

COC Certificate of competency
COD Country of destination
COO Country of origin
COVID-19 Coronavirus disease 2019
CV Curriculum vitae
FGD Focus group discussion
IDP Internally displaced person
ILO International Labour Organization
IOM International Organisation for Migration
KII Key informant interview
MoLSA Ministry of Labour and Social Affairs
PDO Pre-departure orientation
PLC Private limited company
PrEAs Private employment agencies
TVET Technical and vocational education and training
UAE United Arab Emirates
Executive Summary

This report is the result of a collaboration between Samuel Hall and the International Labour Organization (ILO) to explore the practices of overseas employment agencies in Ethiopia and assess their capacity to carry out their services to the standards outlined in the new Overseas Employment Proclamation 1246/2021. This assessment relied on both qualitative and quantitative data collected in Addis Ababa in September 2021. The team conducted key informant interviews with overseas private employment agencies (PrEAs), sector specialists from the ILO and one government representative from Ethiopia’s Ministry of Labour and Social Affairs (MoLSA). Six focus group discussions were also conducted with both male and female returnees, and finally over 60 PrEA employees were surveyed to gather quantitative data.

This study presents an assessment of the issues and challenges faced by overseas employment agencies and the bodies governing the sector, as well as highlighting capacity building opportunities that would better align agencies with the vision for the sector laid out in the Overseas Employment Proclamation 1246/2021. The key components of this report are:

- Overview of policy evolutions in Ethiopia’s governance of overseas labour migration.
- Evidence on the recruitment practices, protection abilities and capacity-building needs of the overseas private employment sector.
- Recommendations for moving toward more effective implementation of the Overseas Employment Proclamation.

Key Findings: 10 Messages

1. PrEAs struggle to recruit across the country, leaving room for informal recruiters to fill a critical gap.

While the ability of overseas PrEAs to effectively advertise employment opportunities has improved, facilitated by mass usage of social media platforms in Ethiopia, informal recruiters still play a significant role in the recruitment process, to the detriment of workers and agencies alike. Eliminating the role of informal recruiters will involve concerted effort on the part of Government but also a change in the practices of agencies themselves. Currently, by delivering potential clients from around the country to employment agencies overwhelmingly concentrated in Addis Ababa, informal recruiters continue to fill a critical gap in the recruitment of migrant workers. Until agencies can fill this gap themselves by taking such actions as opening more regional offices, increasing their advertising reach to more rural areas and building trust with citizens at large, reliance on informal recruiters is likely to continue.
2. **Faced with excessive administration and bureaucratic burdens, PrEAs struggle to meet the demands of workers, which drives many people to choose informal pathways to migration.**

PrEAs and workers alike are continuously frustrated by the bureaucratic procedures they must follow to complete the recruitment process. The Ministry of Labour and Social Affairs (MoLSA) is required to have final and complete oversight of the formal recruitment journey, yet the capacity of the Ministry does not meet the demand of agencies and their clients. Agencies complain of delays and disorganization, which loses them business with agencies abroad and incentivizes irregular practices. Workers highlight the prevalence of hidden costs embedded in the bureaucratic disarray. These take the form of high personal expenses accrued while staying in Addis Ababa for extended periods of time waiting for approvals to come through, or even the expectation of bribes in order to speed up the process. While efforts have been made to streamline and digitize this system, agencies feel that such solutions are out of step with the current infrastructural capacity of the country, putting them at a disadvantage in comparison with other labour-sending countries.

3. **Pre-departure training is a missed opportunity to increase the readiness of workers to meet the challenges of overseas employment.**

Pre-departure training or orientation is a compulsory part of sending migrant workers abroad, yet it is clear that the current set-up in Ethiopia is not fit for purpose. PrEAs highlighted the fact that training centres are unable to meet demand from workers and that this capacity gap has led to a system of corruption whereby workers are able to pay for certificates of competency without completing any training. Not only is such corruption problematic from a legal standpoint, it also has significant implications where protection is concerned. Returnees felt strongly that most workers who migrate from Ethiopia do so without a thorough understanding of their rights or the cultural and contractual expectations that will be placed upon them. Key informants who had previously worked in the Gulf States as domestic workers noted that a lack of training and expectation management places migrants at higher risk of abuse and exploitation, and advocated for a total overhaul of the current approach to PDO. They argued that greater emphasis should be placed on practical skills and language training and that sessions should be carried out by returnees with real-life experience of the contexts in question.

4. **The rights violations associated with overseas employment are “common knowledge”, yet the capacity of agencies to monitor and address rights violations remains extremely limited.**

The types of abuse faced by migrant workers, particularly those engaged in domestic work, has been well documented. The likelihood of mistreatment and exploitation is treated as common knowledge and even as a sad inevitability by those engaged in overseas migration. The most common violations faced can be broadly categorized under the following headings: a) Contract deception b) Financial exploitation c) Poor living and working conditions d)
Discrimination and abuse. The accessibility of low-cost technology such as mobile phones and messaging platforms like WhatsApp, has enabled PrEAs to monitor and communicate with migrant workers more easily, giving them a greater opportunity to provide assistance when needed. However, a lack of trust still persists amongst migrant workers, which often leads them to run away from employers placing them in precarious situations, rather than communicate issues with the agency that sent them.

5. **The ability of overseas PrEAs to protect migrant workers is constrained by weak capacity in destination countries.**

PrEAs all seemed to harbour a strong desire to protect their clients but felt constrained by the lack of presence/support provided by the Ethiopian Government in destination countries. There was little confidence in the ability of embassies to play a coordinating role between migrants, agencies and destination country authorities, while weak bilateral agreements mean that the standards of treatment for Ethiopian migrants are often lower than for workers from countries with stronger institutional frameworks, such as India or the Philippines.

6. **Limitations on profit growth for PrEAs post COVID-19 is beginning to have significant implications for protection.**

The 2013-2018 ban on overseas employment from Ethiopia, followed by the COVID-19 pandemic, had a massively detrimental impact on the overseas employment sector, with hundreds of agencies forced to close and many pushed close to financial ruin. Agencies are now in a period of re-growth but still face significant barriers to turning substantial profits in competitive local and global markets. In this context, a race for profit has ensued, one tactic of which is for agencies to lower their commission fees. This is a cause for concern as, if allowed to continue, reductions in commission will lead to a race to the bottom, with agencies probably unable to mobilize the financial resources needed to provide appropriate protection and recourse to justice for migrant workers.

7. **PrEAs lack comprehensive knowledge of legal requirements for overseas employment.**

Awareness of the legal frameworks governing overseas employment, such as the Overseas Employment Proclamation 1246/2021, is very low amongst agency employees and even some agency owners. PrEAs blame this lack of awareness largely on the Government, which they feel has not made sufficient efforts to inform them of legislative changes. It was even suggested that MoLSA officials themselves could benefit from training concerning the legal framework. Agency staff shared a strong desire for more training for all, rather than for just those in senior positions. In particular, they were keen to receive technical support for upholding human rights.
8. **Effective monitoring of the sector is obstructed by a lack of clarity regarding responsibilities, fuelled by a lack of governmental capacity.**

A plethora of different actors hold varying levels of responsibility for monitoring the overseas employment sector is causing confusion and frustration amongst agencies. This frustration is compounded by a belief that monitoring is not carried out for the purpose of building capacity or holding the sector to account, but rather to reduce the number of agencies operating in the country. While there is no substantive evidence for this belief, its very prevalence points to the lack of trust that bedevils the sector.

9. **While some see the newly established Federation of Overseas Employment Agencies as a silver bullet, significant capacity-building work is needed if it is to have the desired effect in representing and regulating the sector.**

The Federation of Overseas Employment Agencies was established with the aim of bringing together the three major existing associations for overseas employment in Ethiopia so that they could represent the sector with one voice. Despite high hopes for the Federation, questions remain as to its ability to be truly effective. At present, the Federation has no office nor dedicated staff. Furthermore, as those involved in the Federation are owners of agencies themselves, PrEAs are suspicious of their motives and allegiances.

10. **There is a need to rebuild core relations between actors in this sector in order to create a healthy and sustainable ecosystem with migrant workers’ protection at its core.**

The capacity of both agencies and Government to provide effective, high-quality services is limited by a lack of effective communication, fuelled in turn by low levels of trust between actors. Agencies believe that the Government’s opinion of them is irreversibly tainted by the historical relationship between the sector and irregular migration, a narrative that also prevails among returnee migrants and even agencies themselves. Importantly, the spill-over of this narrative affects both workers and PrEAs: if agencies cannot work with governments to rehabilitate their image in the eyes of the public, legal overseas migration will continue to be seen as no more appealing to workers than irregular migration, which has many more serious risks attached to it.
Conclusions and recommendations

This assessment shows that operationalization of the Proclamation requires significant effort and political will to address the gaps identified, which go beyond the capacity and practices of the overseas PrEAs alone. Labour migration involves a complex ecosystem of actors linked by interdependent relationships. Actor-specific inefficiencies affect other stakeholders involved in the process. The promotion of overseas employment opportunities and the safeguarding of the rights of migrant workers therefore requires improvement in the procedures and practices of all the actors involved, in Ethiopia as well as in countries of destination.

Awareness-raising and capacity-building measures

1. Ensure that the content of the Proclamation is clear to all stakeholders by pursuing awareness-raising activities and holding technical discussions involving both agencies and MoLSA.
2. Use capacity building as an opportunity to build trust.
3. Provide capacity building to staff at all levels of the organization, not just managers.
4. Design protection-specific training materials for agencies, including vulnerability assessments informed by real accounts from returnee migrants.
5. Make sure essential documentation is available in a language that migrant workers understand and that no amendments are made to contracts on arrival in the country of destination.
6. Use pre-departure orientation (PDO) as an opportunity to significantly improve the level of preparation of migrant workers and prevent rights violations.
7. Establish additional training centres to address unmet demand and reduce delays.
8. Integrate basic language courses into the training package.
9. Build adequate infrastructure to facilitate the online processing of labour migration processes.
10. Allocate more staff for the processing of contracts.
11. Support efforts to raise awareness of the legal process for accessing overseas employment opportunities.
12. Use public-awareness campaigns to rehabilitate the image of overseas PrEAs.
Governance measures

13. Provide the Federation of Overseas Employment Agencies with dedicated staff.
14. Build trust between MoLSA and overseas PrEAs through regular dialogue.
15. Support agencies in mainstreaming good protection practices.
16. Have PrEAs display their license number in their offices and on advertising material, and create a website with a publicly accessible list of licensed PrEAs.
17. Ensure thorough monitoring of agencies to address the fragmentation of the sector.
18. Clarify regulatory powers and develop a strategy to adequately monitor agencies.
19. Clarify the role of embassies in the protection of migrant workers in countries of destination.
20. Strengthen coordination between the various stakeholders involved in labour migration.
21. Establish an association of returnees that could provide counselling services to migrant workers and stakeholders involved in the labour migration process.

Policy measures

22. Join forces with other African labour sending countries to ensure equal conditions in countries of destination.
23. Set a minimum level for agencies’ commission fees.
24. Create a dedicated agency in charge of overseas employment.
INTRODUCTION

Background & Objectives

For much of the past decade, Ethiopia has experienced significant levels of economic growth. Yet, despite its progress, the country still struggles to meet the employment demands of its young population, three million of whom enter the labour market each year searching for new opportunities. According to the Labour Force and Migration Survey conducted by the Central Statistics Agency and the IOM in 2021, the rate of domestic unemployment was 8.0%, a figure likely to grow due to the knock-on effects of the COVID-19 pandemic that has shaken key sectors such as manufacturing, construction and tourism. Responding to this reality, each year thousands of Ethiopian citizens make the decision to leave the country in search of employment opportunities abroad, making Ethiopia one of the leading labour-sending countries in the world. A 2021 IOM survey estimated that in the past five years alone 839,000 Ethiopians have migrated overseas, with 78 per cent between the ages of 15 and 29. Of those who migrate, most travel to the Middle East, with 31 per cent of those migrating in the last five years leaving for the Kingdom of Saudi Arabia alone, and plenty more heading for other Gulf States via Djibouti, Somalia and Yemen. A high percentage of all movement from Ethiopia is irregular – often facilitated by informal recruiters and smugglers, who operate both within and outside the country. However, over the past decade more regular means of labour migration have been facilitated and there has been a surge in the creation and use of overseas private employment agencies (PrEAs), which each year recruit thousands of migrant workers from Ethiopia for employment opportunities abroad. The development of the sector has nonetheless been slowed down by the ban on low-skilled migration to the Middle East and Sudan imposed by the Government of Ethiopia between 2013 and 2018 in an attempt to put an end to violations of migrants’ rights. The expansion in the activity of private employment agencies has been a global trend. In 2019, nearly 162,000 PrEAs were operating around the world and the business is estimated to be worth around €495 billion. In Ethiopia, there are more than 600 registered PrEAs, plus

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5 IOM, “Over 800,000 Ethiopians migrated abroad in the past 5 years - Labour Migration Survey finds”, August 2021.
6 Ibid.
an unknown number of informal agencies. In principle, these agencies have the potential to contribute positively to the creation of a thriving, flexible global labour market, a market in which ambitious Ethiopian men and women can benefit from opportunities beyond their borders while sustaining communities back home through remittances and accruing savings to safeguard their futures. In practice, however, the temporality and flexibility of the employment relationships created by these agencies has resulted in continuous reports of unfair recruitment practices and countless violations of migrant workers' rights in destination countries. The normalization of unfair or informal recruitment practices, combined with a lack of clarity as to the responsibilities of agencies, employers and the Government, as well as weak monitoring and accountability mechanisms in destination countries, conspire to leave migrant workers in positions of vulnerability with a high likelihood of exploitation.

The Ethiopian government has long been aware of such risks and has taken steps to strengthen regulatory frameworks and improve institutional processes in coordination with international agents such as the ILO and destination country governments. Ethiopia was one of the first countries in the region to ratify the 1997 Private Employment Agencies Convention (No. 181) in 1999 and has worked to build up a strong domestic legal framework based upon its key provisions in the decades since then. In 2009, the Government took a strong stance in relation to private employment regulation by replacing its first Private Employment Agency Proclamation (issued in 1998) with the Employment Exchange Services Proclamation No. 632/2009. Importantly, the 2009 Proclamation set out clear definitions of the role of PrEAs and strengthened the monitoring mechanisms associated with the sector, in particular by authorizing the Ministry of Labour and Social Affairs (MoLSA) to approve and register all contractual agreements made between agencies and their clients.

In 2016, yet more headway was made with the introduction of the Overseas Employment Proclamation No. 923/2016, which was drafted with a far more explicit focus on protection than its predecessor, its aim being “to protect the rights, safety and dignity of Ethiopians who are willing to take-up overseas employment.” Its most significant changes included stressing the necessity of forging strong bilateral agreements with countries of destination to ensure the adequate protection of labour rights; requiring prospective migrant workers to complete grade-eight education and undergo vocational training; authorizing MoLSA to develop model contracts with common standards on working conditions and wages; and

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setting limits on the fees agencies may charge workers during the recruitment process. However, while the 2016 Proclamation is significant in its aspirations, in-depth analysis by the ILO has highlighted that its practical efficacy has been weakened by a dearth of clear reinforcement mechanisms and a lack of attention paid to developing an adequate apparatus for ensuring reliable in-country monitoring.

In an effort to further improve the legal nexus regulating overseas employment agencies, the Government amended the Proclamation in May 2021, issuing the new Overseas Employment Amendment Proclamation No. 1246-2021. The aim of the new Proclamation is to fill the gaps left by its previous iteration and provide stronger protection for migrant workers’ rights. However, given the issues overseas PrEAs have faced in the past, it is likely that they will need to make significant changes in order to comply with the requirements of the new Proclamation. With this in mind, the ILO commissioned Samuel Hall to examine the capacity and practices of overseas PrEAs, assess their ability to fulfil the responsibilities assigned to them by Proclamation 923/2016 and the new Amendment 1246/2021, and formulate concrete recommendations for the ILO, MoLSA and the PrEAs that will bring them closer to effective implementation of the Proclamation.

This report is structured in accordance with the research questions which guided the assessment, as follows:

Following a brief analysis of the policy framework (Chapter 1), the findings of this assessment are presented in Chapter 2 and structured around the following themes, derived from the research questions: i) recruitment practices, ii) protection of the rights of migrant workers, iii) capacity gaps. The report ends with some recommendations on how to ensure the operationalization of the Proclamation (Chapter 3).

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Methodology

Samuel Hall used a mixed-methods design comprising both quantitative and qualitative elements to allow triangulation and validation of results within the short timeframe of the research. Samuel Hall collected data in Addis Ababa between September and October 2021, with the support of a team of local enumerators, and conducted the following activities:

Literature review

Before collecting any data, Samuel Hall researchers reviewed and analysed all accessible documentation on labour migration and overseas employment, including academic research papers, reports produced by Government actors and international organizations, news articles, policy briefs, and national and international legislation of relevance for this study. In particular, the research team conducted an analysis of the changes introduced by the adoption of Proclamation 1246/2021. The analysis was carried out using a thematically organized matrix based on the research questions. This enabled the researchers to identify the available evidence, as well as the knowledge gaps, and informed the design of the research tools used during data collection.

Training and piloting

A team of 10 experienced data-collectors with previous experience of working with Samuel Hall were recruited and trained to take part in the data-collection work. They were led by Samuel Hall’s Area Coordinator, who facilitated their training. The one-day training course included a session on research ethics and research methods, as well as in-depth review of each of the research tools, in both English and local languages. This was followed by a pilot exercise, which took place the next day, allowing the enumerators to practice with the tools and become familiar with the questions.

Qualitative interviews

The research team designed three separate qualitative research tools to capture the perspectives of various actors, namely the ILO and MoLSA, overseas PrEAs and migrant workers themselves. Key informant interviews (KIIs) with ILO representatives were conducted online in English, while interviews with MoLSA and overseas PrEAs were carried out in person and in Amharic by Samuel Hall’s local team. The returnees were recruited through snowball sampling, using a mix of Samuel Hall’s contacts and returnees introduced to us by agencies as initial focal persons.
**Surveys to assess capacity and practices conducted with employees of overseas PrEAs**

A team of five quantitative enumerators conducted a total of 57 surveys with staff representing 25 different overseas PrEAs based in Addis Ababa. The surveys were conducted in person on the premises of the agencies using Kobo Toolbox, an open-source mobile tool for primary data collection. The team used a random sampling strategy to select respondents, drawn from a list of overseas PrEAs provided by the Federation representing the agencies. In each agency, the team conducted interviews with at least two representatives at different hierarchical levels.

The table below summarizes the types and number of interviews conducted:

<table>
<thead>
<tr>
<th>Interview type</th>
<th>Participants</th>
<th>Number of interviews conducted</th>
</tr>
</thead>
<tbody>
<tr>
<td>Key Informant Interview (KII)</td>
<td>ILO and MoLSA representatives</td>
<td>5</td>
</tr>
<tr>
<td>Key Informant Interview (KII)</td>
<td>Representatives of overseas PrEAs, including</td>
<td></td>
</tr>
<tr>
<td></td>
<td>PrEAs</td>
<td>11</td>
</tr>
<tr>
<td></td>
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<tr>
<td></td>
<td>Association</td>
<td>2</td>
</tr>
<tr>
<td>Focus Group Discussion (FGD)</td>
<td>Returnees</td>
<td>6</td>
</tr>
<tr>
<td>Survey questionnaire</td>
<td>Employees of overseas PrEAs</td>
<td>57</td>
</tr>
</tbody>
</table>

Table 1. Number and types of interviews conducted

**Constraints and limitations**

In view of the size of the sample, the findings presented in this report are not intended to be representative, but rather provide a snapshot of a selected group of respondents. In addition, the research team faced the following constraints:

*Timeline* - The main challenge faced by the research team was the short timeframe of the research, aggravated by delays in obtaining research permissions, public holidays and the Federal Government’s appointment process. The research team therefore had limited time to collect the data and had to adapt the sampling strategy for FGDs (see below).

*Sampling* - The team had difficulty in finding male returnees to take part in the FGDs, especially since an overwhelming majority of agencies were able to provide contacts only of female migrant workers. As a result, and given the tight timeline, the team decided to conduct more interviews with female returnees than initially planned.
Potential bias - During the interviews with agency employees, the team became aware of trust issues, which raised questions as to the respondents’ ability and willingness to be transparent about potential gaps. This was because many agencies feared that negative answers would affect their reputation or would lead MoLSA to withdraw their license. To minimize the risk of biased responses, interviews were conducted in private rooms, where the enumerators were careful to explain the purpose of the research and emphasized the anonymity of the responses.
I. ETHIOPIA’S LABOUR MIGRATION: HOW POLICY HAS EVOLVED

Labour migration in Ethiopia

Since the mid-1970s, Ethiopia has been a source of diverse and substantial labour migration flows. The effect of globalization on the configuration of modern labour markets has increased the opportunities but also the pressure on individuals to migrate in search of employment elsewhere. Over the past decade or so, new migration trends have emerged, including the migration of higher-skilled workers, the expansion of international migration from rural areas of the country, and a growing number of young women migrants.16 Those who leave Ethiopia generally follow one of three migration corridors: East to the Gulf States and the Middle East, South to South Africa or North to Libya.17 Most who follow these paths do so to work as domestic workers, cleaners, construction workers or security guards.18 Overwhelmingly, those who leave Ethiopia are driven by economic factors.19 The growing numbers of young people face extreme pressure to find work, yet must contend with high levels of competition exacerbated by an underdeveloped private sector and weak labour market institutions.20 The regional conflicts, political persecution and climate disasters that have afflicted the country have also forced many people to migrate, with some travelling overseas, if possible, and others ending up internally displaced (as of 2020 there were more than 1.8 million internally displaced people (IDPs) in Ethiopia, the main causes being conflict, drought and flash flooding).21

It is estimated that between 60 and 70 per cent of the thousands of Ethiopians who migrate each year do so through informal, irregular channels, often relying on informal recruiters, traffickers or personal connections to facilitate their journeys, at great risk.22 Looking at the identities of workers who migrate by regular means, such as PrEAs, or who are hired directly by employers, the majority are women. This is primarily due to the growing number of regularized pathways available for those who seek employment as domestic workers, a

17 Ibid.
traditionally feminized occupation. Men, on the other hand, are far more likely to travel irregularly and commonly work in construction and farming or as drivers and security guards in destination countries. In addition, the migration status of many Ethiopians overseas does not remain static as, for a multitude of reasons, people who travel abroad via a regular route may end up being irregular once they are in the country of destination.

Digging deeper into the profiles of those who use the services of PrEAs, an increasing number are from poorer rural areas of the country. Low levels of education among girls, which limit their employment opportunities, the general increase in youth unemployment, and falling household incomes place pressure on young women to consider migrating overseas to supplement the household income through remittances. As the IOM reports: “Only 12 per cent of Ethiopian women have a source of income at home (compared to 25 per cent for males).”

When we interview them [workers], we find that some of them chose to relocate voluntarily, while others are being forced to do so by their families. Families, communities and value systems in the Arsi Oromia region, for example, expect that girls will migrate. When a person wants to marry a girl in this area, her family expects him to guarantee that he will send his wife to an Arab country. – Key informant interview, PrEA

In comparison, ageing populations and the large-scale development of the service sectors in prime destination countries, such as the UAE and Saudi Arabia, has greatly increased demand for low-skilled foreign labourers, who can be paid lower rates than national staff and are easily recruited through PrEAs. While the opportunities offered by working overseas are attractive for both women and men who seek the services of overseas PrEAs, there is a huge amount of risk attached to their decision. At every turn - from the recruitment process to the journey, and finally to actually living and working abroad - labour migrants (particularly women) are vulnerable to discrimination, exploitation and abuse.

In fact, so overwhelming were the reports of rights violations stemming from workers in Gulf States that in 2013 the Ethiopian Government banned all contract labour and

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unskilled migration to the region. Following the ban, thousands of Ethiopian nationals were repatriated and the overseas employment sector was all but obliterated, with many agencies closing, while others chose to continue to operate, facilitating irregular migration through covert migration networks with the aid of growing numbers of go-betweens or private informal recruiters. Recognizing the perverse effect of this ban in facilitating the growth of a highly dangerous and exploitative irregular migration sector in Ethiopia, the Government lifted the ban on labour migration to the Gulf in 2018 and introduced a series of measures intended to better govern the private overseas employment sector and ensure the protection of migrant workers who passed through the agencies’ doors.

Soon after the ban was lifted, however, labour migration globally took a serious hit with the outbreak of COVID-19. While restrictions on movement and border closures prevented migrant workers from departing as well as returning, thousands of Ethiopian migrant workers in countries of destination were laid off overnight by employers fearing economic hardship and contagion. Cases of abuse, detention in unhealthy centres and deportation multiplied, exposing migrant workers to a high risk of contagion.

The new Overseas Employment Proclamation 1246/2021

A key impetus behind the Government’s decision to amend the Proclamation in 2016 was the aftermath of the ban, including mass expulsions from Saudi Arabia. However, several of the regulations that it put in place did not sit well with those operating in the sector, with many agencies describing 923/2016 as debilitating and arguing that restrictions were creating perverse incentives for workers to choose to migrate irregularly.

The mass expulsion from Saudi Arabia, which began in 2013 and continued in 2014, was one of the key impetuses for 923/2016. Over 163,000 residents were forcibly removed. The Government has intensively investigated the causal factors behind the flaws. So, proclamation 923/2016 came out within this pain and was designed to heal the pain and trauma created by mass deportation, the largest in the history of the nation. - Key informant interview, MoLSA

Proclamation 923/2016 wasn’t established in such a way that suited the work, it was rather a constraint. - Key informant interview, PrEA

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31 KII11, ILO
33 KII14, overseas PrEA; KII11, ILO.
Consequently, in June 2021, the Government published Ethiopia’s Overseas Employment Proclamation 1246/2021 with a view to closing the legal gaps left by 923/2016 and reigniting the sector following the devastating impacts of the COVID-19 pandemic, during which demand for overseas labour shrunk dramatically, causing many PrEAs to shut down. The new Proclamation makes substantive changes in three particular areas: licensing and ownership, recruitment requirements, and monitoring and oversight mechanisms.

**Licensing and ownership**

PrEA ownership. Historically, only Ethiopian citizens have been legally allowed to open and own private overseas employment agencies. However, under amendments made in 1246/2021, Ethiopian-born foreign nationals and foreigners may also engage in overseas employment business, provided that 75 per cent of their employees are Ethiopian nationals and that private limited company (PLC) shares belong predominantly (80 per cent) to Ethiopian nationals.34

**Recruitment requirements**

Requirement of a Grade 8 Qualification. Among the amendments made in 1246/2021, perhaps the most appreciated from the point of view of PrEAs is the removal of the requirement for a certificate proving that a prospective migrant has received education up to the 8th grade. Agencies were vehemently opposed to this requirement from the moment of its inception.35 They argued that it unnecessarily restricted the market, for example by failing to take into consideration those who had ample experience in the domestic workspace but who did not have the means to complete their education to this level. This, many argued, was a key factor driving many eager for employment in the domestic workspace to migrate irregularly, often at great risk. Under Proclamation 1246/2021, those seeking employment as domestic workers need only present a certificate of competency from a valid licensing authority, while those who have substantial experience or have already undergone training are required only to show a COC, rather than repeat their training.36

The law did not take into account thousands of returnees with lower grades who are capable of working in the destination countries. These returnees have the essential experience, knowledge and talent, but the Proclamation considers them outcasts just because they did not complete grade 8. - Key informant interview, MoLSA

34 Proclamation 1246/2021, Article 22.
35 KII12, KII8, KII6, overseas PrEAs.
36 Proclamation 1246/2021, Article 7.
Recruitment of skilled workers. Another crucial change made in 1246/2021 is that it legalizes the provision of private overseas employment services to skilled, semi-skilled and professional workers. Agencies are also legally allowed to charge a skilled worker up to one month's worth of their salary in exchange for their services. Agencies interviewed were particularly appreciative of this provision, confident that opening the market to skilled workers would not only result in greater profit but also constitute an easier process than the sending of domestic workers.  

Monitoring and oversight

Overseas Employment Inspectorate and Overseas Employment Board. Another significant development is that MoLSA has been given the authority to assign an overseas employment inspectorate to monitor agencies’ compliance with the Proclamation, rather than the more general “labour inspector” referred to in the previous Proclamation. In addition, the Proclamation outlines the establishment of a dedicated Overseas Employment Board, which will replace the National Coordinating Committee and Task Force created by its predecessor. Notably, where the previous Committee was primarily concerned with the prevention of trafficking, the new Board will be dedicated purely to overseas employment matters with a more explicit mandate to safeguard workers’ rights and raise public awareness of issues related to the sector.

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37 Proclamation 1246/2021, Articles 3 and 7.
II. OVERSEAS PrEAs: FRAGMENTATION, MISTRUST AND THE WILL TO REBUILD

This section presents an analysis of the capacity and practices of overseas PrEAs and is structured around three thematic areas derived from the research questions. The first sub-section focuses on the recruitment practices of overseas PrEAs, highlighting the gaps observed in this area. The second is centred on the protection of migrant workers and the role of overseas PrEAs in their protection. The third and last sub-section focuses on the capacity of the agencies, while also touching on that of other stakeholders involved in the labour migration process.

The recruitment practices of overseas PrEAs: A struggle against irregular practices and administrative hurdles

The present section attempts to highlight gaps in terms of adherence to fair recruitment standards. These are caused in particular by the continued role of informal recruiters, often considered indispensable by overseas PrEAs in reaching migrant workers, and the challenges presented by lengthy administrative procedures.

Fair recruitment standards

Under national and international law, overseas PrEAs are responsible for ensuring fair recruitment of migrant workers. This means that recruitment practices should be “grounded in labour standards developed through social dialogue and [should] ensure gender equality”. The standards overseas PrEAs should apply in terms of recruitment are determined by the regulations in place in the country of origin, while governments in countries of destination are responsible for setting standards in terms of decent work and making sure that employers abide by them.

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<tr>
<th>Government (country of origin)</th>
<th>PrEAs</th>
<th>Government (country of destination)</th>
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<td>• Put in place regulation for fair recruitment</td>
<td>• Adhere to law and regulations</td>
<td>• Put in place regulation for decent work</td>
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<td>• Law and regulations enforcement</td>
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Figure 1. Roles and responsibilities in terms of fair recruitment
Advertising opportunities: The continuing role of informal recruiters

When it comes to advertising overseas employment opportunities, agencies have become far more adept in recent years, especially with the rise and proliferation of new technologies and social media platforms. Of the 57 PrEA employees surveyed, 77 per cent agreed that their agency was able to effectively promote overseas employment opportunities. The two most common methods agencies used for disseminating such opportunities was over the phone to individual job seekers and online via websites or social media platforms, such as WhatsApp and Telegram. Agencies also mentioned utilizing radio shows and WhatsApp groups to communicate the benefits and opportunities of their employment services to wider audiences.

4.1 How do you disseminate overseas employment opportunities? Tick all that apply

![Bar chart showing dissemination methods]

Despite the variety of promotional methods used by agencies, and the provision of Proclamation No 923/2016 that “any agency shall conduct worker recruitment only within the premises of its office”,38 many continue to rely heavily on informal recruiters to attract potential clients to their services and deliver them to their offices.39 The continued involvement of informal recruiters in the regular migration process stems from the fact that overseas PrEAs are concentrated in the capital city, Addis Ababa, and are therefore often not able to identify potential migrant workers in the regions. Although overseas PrEAs are expected to avoid the use of intermediaries, in practice informal recruiters are often indispensable, as they connect potential migrant workers with overseas PrEAs in Addis Ababa.40 As large numbers of potential migrant workers are women living in

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38 Proclamation No 923/2016
39 KII15, MoLSA; KII18, overseas PrEA.
rural areas with limited access to information shared by overseas PrEAs, informal recruiters continue to fill a critical gap by introducing them to overseas PrEAs’ offices, where they can register and receive information about job openings. Several PrEAs mentioned that they had offices in the regions before the outbreak of COVID-19. However, the impact of the pandemic and the associated costs makes it impossible for many agencies, especially those that are small or medium-sized, to maintain offices outside Addis Ababa. Beyond financial constraints, agencies that have attempted to open regional branches have found that members of local communities are unwilling to register with them because they do not trust any agency outside of the capital city. According to agency employees, informal recruiters frequently come to their offices in Addis Ababa with lists of potential clients or travel there with interested workers, escorting them straight to the agency’s doors, but not before extracting a fee from the worker, the agency or both.

MoLSA officials have been vocal about their desire to eliminate the role of informal recruiters because they exploit migrant workers and agencies by charging illegal fees, and because of their assumed association with the trafficking of Ethiopian nationals through irregular migration routes. In many parts of the country, however, private agencies suffer from a bad reputation, whereas informal recruiters tend to be local to their area of operation, sometimes related to those they recruit and often former migrant workers themselves. They therefore enjoy a greater level of trust in the local community.

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41 KII16, overseas PrEA.
42 KII15, MoLSA
We don’t take any payment through this process. But most of the migrant workers don’t know that the whole process through the agency is free (...). Sometimes informal recruiters come as close friends, family members or even husbands. They take the money from the applicant and warn them not to tell the agencies. - Key informant interview, PrEA

This trust can sustain an incredibly lucrative arrangement for informal recruiters. According to one informant from the Federation of Overseas Private Employment Agencies, informal recruiters will charge a potential migrant worker between 2,500 and 3,000 birr (US$52 and US$63) to facilitate their recruitment process, often taking this payment as a portion of a worker’s earnings after they migrate and leaving the worker in a precarious situation of debt bondage,\(^{44}\) or from the agency concerned. One PrEA employee shared that informal recruiters commonly charge them between US$100 and US$150 to release the documents of the prospective migrant worker they have brought to their offices, using intimidation tactics such as threatening violence, if agency staff refuse to pay.

The biggest issue we’re having right now is with informal recruiters. Threats from informal recruiters put our lives at jeopardy. When a prospective migrant worker visits our office, she is accompanied by informal recruiters, who demand commissions from us and harass us if we refuse. - Key informant interview, PrEA

An added risk of the normalization of the continuing involvement of informal recruiters in recruitment for legal overseas employment opportunities is the legacy of informal recruiters’ involvement in human trafficking and irregular migration, particularly in the years during the ban on labour migration to the Gulf States.\(^{45}\) Returnee migrant workers confirm that working with informal recruiters puts workers at risk of deception regarding the regularity of their migration and eventual employment. One female returnee shared her experience of this, recalling that: “She [the informal recruiter] made it look like heaven when she told me about working in Arab countries. Because I didn’t have any other information at that time, I fully accepted what she told me. All I knew was that I was traveling regularly for the whole time they were telling me that I was travelling regularly, but I realized that I was going irregularly at the last minute when I was already at the airport.”\(^{46}\)

\(^{44}\) KII8, Federation of Overseas Employment Agencies.


\(^{46}\) FGD1, P5, female returnee.
Figure 3. The continuing role of informal recruiters

Operating in the “grey zone”: Difficulties in identifying irregular practices

Stories like this illustrate issues beyond the role of informal recruiters, in particular the difficulty workers face in differentiating legitimate licensed agencies from those that operate in legal grey zones and participate in unscrupulous activities, such as sending workers who do not meet the required standards for overseas work (e.g. those who are underage) on tourist visas (with the result that their work in the country of destination is irregular) or to countries with which Ethiopia does not have a bilateral agreement.47 Of the 25 agencies surveyed, employees in seven admitted that their agency does send workers to countries that do not have a bilateral agreement or memorandum of understanding pertaining to labour migration with the Government of Ethiopia.48

47 KII13, overseas PrEAs.
48 Survey question 3.12
It’s just public knowledge that some [PrEAs] are involved in the irregular migration process as they know the routes and they have the supply of employers and therefore it is easy for them to be involved in irregular migration. - Key informant interview

Although there are legal foreign employment agencies, no one can identify them from illegal ones (...) the Government needs to identify the legal agencies from the illegal ones because if you find them in the office, you may consider them as legal agencies. - Focus group discussion, male returnee

The Government seems well aware of this trend of agencies presenting themselves to potential clients as legitimate, despite operating without a valid license. As one MoLSA official remarked: “One of our responsibilities is to filter incompetent agencies and get rid of them”, yet currently agencies seem to have little confidence in the ability of the Government to effectively filter the sector.

Process and administration: Shortcuts and hidden costs

Regarding the selection phase of the recruitment process, overseas PrEAs follow a similar progression and seem generally to comply with fair recruitment standards, though most of the decision-making power is held by the agencies and employers in countries of destination. Of those interviewed, 93 per cent of PrEA employees agree that, in their agency, the selection of candidates for employment opportunities involves fair competition guided by a clear process. The process is as follows: PrEAs draw up a shortlist of candidates based on job orders sent by agencies in destination countries. Workers are selected from this list by the destination country agencies based on a standard CV that includes a full-body photograph and, on occasion, an online interview. Returnees expressed concerns as to how fair and equitable the selection process by country-of-destination agencies and employers is, with several expressing the opinion that the selection of female domestic workers is often based on physical attractiveness, suggesting that the recruitment process may be fairer in principle than in practice. This was also acknowledged by some PrEA staff, though they maintained that they themselves practised strict impartiality during the hiring process.

49 KII15, MoLSA.
50 Survey question 4.3.
51 KII18, overseas PrEA.
Concerning the recruitment process, it mostly depends on the employer's choice. Our job is only to register and prepare the CV of the job seeker and send it to our destination country's agency. - Comment in Quantitative Survey, Section 4: Recruitment and protection practices

If you ask me whether the recruitment process abroad is fair, I doubt there is fairness since their interests are sometimes unfair. Their requirement may be hiring the one that is appealing and beautiful, they may not worry about her skills or experiences - Key informant interview, PrEA

Following the selection of a worker for an overseas employment opportunity, PrEAs must follow a series of regulatory protocols and administrative procedures prior to send a worker abroad. This phase of recruitment is heavily dependent on MoLSA, which must process and approve all the relevant documentation of migrant workers. The frustration that PrEAs feel about the administrative process followed by the Ministry has been well documented and in the last few years there have been attempts by the Ministry, with support from the ILO, to streamline operations by taking systems online. However, the online systems have not achieved the desired effect, with PrEA staff reluctant to use the online system, complaining that its use actually ends up increasing the processing time.

There is a system called “auto migrant” which was made by foreign citizens, but it wasn't established in a way that considered the reality of this country. It needs a very high-speed internet connection and to upload the files of one person can take several hours. Sometimes we would stay there for the whole day, but it wouldn't upload the files of five people. But that system has collapsed and the system that exists now is only manual. - Key informant interview, PrEA

This sentiment - that Ethiopia does not yet have the infrastructural capacity to harness the potential of digital management systems - was shared by several PrEAs. One employee expressed particular frustration with the Government for failing to provide the new systems with the necessary upgrades in terms of both internet access and digital skills training. While the transition to an online system may be difficult because of relatively poor internet connections, the reluctance of some agencies to use it may also have to do with the fact that the previous manual system gave agencies more flexibility to bend the rules.
They told us that they imported good practices from the Philippines to Ethiopia and put them into practice here. However, they just imported an online system for overseas employment services and forced us to use it in a country with inadequate telecommunications infrastructure and limited internet knowledge. - Key informant interview, PrEA

Beyond the missed opportunity of digitization, a significant barrier to improving administrative efficiency is the lack of staff at MoLSA who are available to manually process the required documents. Agencies told us that there are between 20 and 30 active MoLSA staff authenticating contracts for over 600 agencies, which may submit around 30 case files to the Ministry per day. Several agencies shared concerns about the staffing at MoLSA in the wake of a recent disciplinary action which resulted in the dismissal of numerous MoLSA officers on charges of corruption. For this reason, some agencies believe that responsibility for duties such as approving certificates of competency should be transferred from MoLSA to the agencies themselves. While this option might indeed reduce delays, it could also give rise to irregularities.

It takes only half a day to obtain a certificate of competency. Migrant workers spend days and weeks trying to obtain one. Governmental entities do not have effective governance. The Government should give us this mandate because we have the capacity to provide/issue certificates of competence. Let us make the process of finding work in another country as quick, cost-effective, and enjoyable as possible for migrant workers. - Key informant interview, PrEA

The implications of a protracted and inefficient administrative process are multifaceted, affecting agencies and potential migrant workers alike. Firstly, agencies feel unable to fulfill their obligations to their clients and maximize potential profits. As one PrEA employee remarked: “People always come to us and get registered, but we wouldn’t be able to send even 10 per cent of them because there are problems in the Ministry itself.” Secondly, agencies believe this system has significantly harmed their relationships with agencies and employers in countries of destination. Employers often demand quick turnarounds, but this cannot be achieved as bureaucracy prevents a speedy recruitment and transfer process. This, in turn, has caused Ethiopian agencies to lose business to other countries. Speaking of this issue, agencies most often referenced relations with Saudi Arabia, where agencies require the use of an online portal to recruit migrant workers - a demand which Ethiopian agencies cannot meet. According to a representative of the Federation of Overseas Employment Agencies.

52 KII14, overseas PrEA.
53 KII8, Federation of Overseas Employment Agencies.
54 KII14, overseas PrEA.
Agencies, this, plus the long visa approval process, has caused many agencies to withdraw from the Saudi market, or to quit the sector altogether.

Regrettably, the government still does not give this sector the attention it deserves. After 15 days or longer, the COC results are available online. Employers, for example, may require a domestic helper within 15 days, and if they do not receive their request within that period, they will incur penalties. - Key informant interview, Federation of Overseas Employment Agencies

Many agencies are quitting the sector, because there is not a conducive environment and the process is very time and resource-consuming. Each day new requirements are coming from MoLSA that hinder us from functioning. - Key informant interview, PrEA

The implications of this inefficiency also affect workers, who may suffer both financially and personally. Firstly, agencies require people to stay in the capital city, Addis Ababa, while their contracts are being processed so that they are available to sign relevant documentation and be quickly flown to their country of destination. During this stay, migrants incur considerable costs (e.g. finding a place to stay and buying food), which leaves them in a state of financial vulnerability even before they arrive in their new country, where they may not be paid for at least the first month. The bureaucracy of regular migration can also have the perverse effect of incentivizing irregular migration: workers cite feeling intimidated by the possible unforeseen costs and overwhelmed by the process ahead of them, which makes irregular travel all the more appealing. This pull is felt from the agency side too. As one PrEA employee pointed out, operating illegally saves both time and money, thus building an incentive structure diametrically opposed to MoLSA’s primary goal of regulating the sector.

Previously, the bureaucracy was kept to a minimum, but now migrant workers must visit multiple offices and follow a process which takes several days, incurring additional costs. As a result of this circumstance, migrant workers are turning to illicit means and irregular migration. I know migrant labourers who have travelled irregularly traveling via Moyale to Kenya and the Middle East as a result of our system’s inefficient procedures. - Key informant interview, PrEA

55 KII8, Federation of Overseas Employment Agencies.
56 KII8, overseas PrEA.
57 KII5, overseas PrEA.
58 FGD1, P5, female returnee
59 KII6, overseas PrEA.
It is important to look at the incentive structure of migration - if it costs less to migrate regularly than migrating irregularly, where are the incentives for migrants to use formal mechanisms? - Key informant interview, ILO

These PrEAs have the experience to work in the irregular migration sector and some of them still work on both sides, because it is very fast, it does not take their time so they can make revenue quickly. They have the potential to do so, there should be strong monitoring mechanisms and a less bureaucratic process, so they can get income and put the mechanisms to protect migrants in place. - Key informant interview, PrEA

A key feature of conversations around overseas employment is the fees incurred by workers. When asked, 100 per cent of surveyed agency employees said that migrant workers employed overseas do not have to pay their agency a fee for their services. This complies with the stipulations of the Proclamation, which requires agencies to charge no fees to workers and to advertise this fact. However, even within the confines of the legislation, the process is not cost free. Workers must, as a minimum, pay to receive a certificate of clearance from crime and a COC (certificate of occupational competency). Migrant workers who use informal recruiters linked with agencies also have to pay them. Charges do not necessarily end here, since it seems to be an open secret among agency employees and workers themselves that there are ample opportunities to streamline the recruitment process by paying bribes to official bodies. In particular, workers may be invited to pay TVET centres to receive the COC without completing the associated training course, pay MoLSA officials to speed up the verification of documents, or even buy the “yellow cards” that enable migrant workers to go to countries that do not have official bilateral agreements or MOUs with the Government of Ethiopia, such as Bahrain.

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60 Survey question 3.11.
61 KII12, overseas PrEA.
62 KII3, overseas PrEA.
63 Document issued by MoLSA at the end of the process, which confirms that a migrant worker has completed the process and is allowed to travel.
64 “Yellow Card” refers to the Ethiopian Origin ID Card.
65 KII5, overseas PrEA.
The main problem is not with the Proclamation, but with the corruption issue. The Ministry of Labour and Social Affairs has the right to check and verify documents and assign this work to a single person. The one assigned to this job will look for an excuse to ask for a bribe. Even after fulfilling all the requirements, migrant workers spend weeks or months trying to get the signature and confirmation for the document. So, to avoid all the waiting, we are forced to pay this person a bribe to get the signature. So, corruption in the Ministry is the main challenge where overseas employment is concerned. - Key informant interview, PrEA

Pre-departure training: A missed opportunity

Pre-departure orientation (PDO) or training sessions are an essential and mandatory part of the recruitment process for all labour migrants under the terms of the Overseas Employment Proclamation. They are facilitated by the regional bureaus of labour and social affairs and commonly consist of several days of training focused on helping workers understand the cultural norms of a destination country, the rights workers can access while they are there, and their duties under standard employment contracts. A growing body of research, including recent work by Samuel Hall, has highlighted the importance of effective training for migrant workers, as well as the limitations of current services, which leave migrant workers unprepared for the realities of the cultures they will find themselves in and the work they will be expected to perform. One hundred per cent of those surveyed said that currently their agency’s overseas placement process includes pre-departure orientation for all migrant workers. However, both the agency employees and the returnees interviewed had strong opinions on the adequacy and ethics of PDO services.

The PDO training manual, designed by MoLSA and the ILO in 2016, includes nine modules, covering the basic knowledge migrant workers need concerning preparations for departure and travel, working and living conditions at destination, and preparations for a safe return. However, our informants, particularly the returnees, shared strong opinions regarding the inadequacy of the content of the training, which suggests that the implementation needs to be improved. According to agency employees, training sessions held before the ban on overseas employment were far more extensive than those offered today. Carried out over several weeks, they were mostly facilitated by women who had worked abroad previously and were therefore familiar with the context and associated issues workers would face. The returnees strongly recommended that training should always be delivered by returning migrant workers, and that the content of the training should be radically redesigned in

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66 Samuel Hall, “Ethiopia: Country Profile for the Harmonization of Pre-Departure Orientation in the EHoA”, 2021 [forthcoming]

67 KII5, overseas PrEA.

68 Survey question 3.10.

69 KII5, overseas PrEA.
accordance with the needs of the types of individuals who most commonly seek overseas employment, i.e. younger women from poorer backgrounds and more rural areas. For instance, agencies and returnees repeatedly spoke about the difficulties workers from such backgrounds face in adjusting to their new role and environment due to their lack of prior exposure to even the most basic of technologies, such as flushing toilets and common household appliances. The returnees also emphasized that the issue of language was not given enough attention in current training courses: several shared their experiences of how not understanding their employer abroad left them vulnerable and confused. Returnees also stressed that training should focus on communicating an awareness of the rights and standard of treatment workers are entitled to. One participant pointed out that some of the girls who migrate from rural areas are so eager to support their families that they would “walk through fire if you told them to”, making it even more essential to ensure that they are aware of their labour rights, human rights and what sort of behaviour they should report to agencies. While labour rights are included in the training module, the information provided remains generic and does not include detailed guidance about options available in the event of rights violations.

In addition, PrEAs also raised that the Government only provides the training but doesn’t know the reality there. They only guess what they [migrant workers] might need to know, but the reality there isn’t like that at all (...). The Government is providing training, but what type of training is being provided? Will it be something that can be practical there? Does it involve the experiences of returnees or conduct studies of the experiences of returnees? - Focus group discussion, female returnee

### Skills training and certification

Both agencies and returnees also shared concerns regarding skills training and certification prior to departure. The purpose of vocational training, delivered by TVET institutions, is to ensure that migrant workers have the necessary skills to do the job for which they were recruited. In 2020, the ILO designed a new training curriculum for domestic work and caregiving, consisting of a series of modules inclusive of contents, learning outcomes and methods, as well as assessment criteria. Although the interviewees consulted for the purpose of this research had not benefitted from the new curriculum, most of the issues raised by participants focused on the implementation of training.

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**70** FGD6, P4, female returnee.  
**71** FGD1, P1, female returnee.  
**72** FGD6, P4, female returnee.  
**73** FGD6, P4, female returnee.  
**74** MoLSA / ILO, Pre-departure training manual for Ethiopian migrant domestic workers, 2016.
The excessive delays and quality issues (raised by participants who received training based on the previous curriculum) have led to corruption on the part of workers, agencies, and training centres. According to informants, it had become the norm for workers to take the final tests without completing the training, or simply to pay for a certificate outright. This is now subject to change as the new Proclamation allows migrant workers who have already acquired the skills to take the COC examination directly, without going through training. However, this will only accentuate the already acute congestion of COC centres, unable to meet such a high level of demand. One respondent estimated that there are “up to 4,700 people waiting to be trained at one centre, despite the fact that the facility can only test 20 people per day” and, while figures vary, this feeling that COC centres are drastically under-capacitated was echoed by many PrEA employees.

It was also reported that agencies themselves pay bribes to the centres to fast track their clients through the training process in the face of long waiting times.

COC centres are tainted and migrant workers are exploited. The centres also favour some agencies over others due to the bribes they are offered, which can amount to 3,000 birr for each group of applicants from a single agency, resulting in unfair competition among agencies. - Key informant interview, PrEA

There is no organization that monitors whether migrant employees are receiving adequate training. Untrained migrant workers can obtain certification of training as a result of widespread corruption. Despite the law’s existence, the implementing body faces capacity, ethical and willingness issues. - Key informant interview, PrEA

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75 KII13, overseas PrEA.
76 KII8, Federation of Overseas Employment Agencies.
77 KII18, overseas PrEA.
Overseas PrEAs and the protection of migrant workers: current practices and remaining gaps

This sub-section focuses on the role of overseas PrEAs in protecting migrant workers. It highlights the gaps observed in the prevention of rights violations and elaborates on the problems related to access to assistance and the difficulties faced by migrant workers and agencies in countries of destination.

Protection obligations

The new Proclamation assigns clear responsibilities to overseas PrEAs in terms of protecting the rights of migrant workers. These include ensuring that the deployment of domestic workers takes place only in accordance with the legal framework of the receiving country, and ensuring that employment contracts protect migrants’ rights, dignity and safety.

Common rights violations

While the opportunities offered by work overseas are attractive for both the women and men who seek the services of overseas PrEAs, there is a huge amount of risk attached to their decision to go abroad. Placed in new countries under unknown employers and within a global market that sees low-paid labour as a disposable commodity, migrant workers can be extremely vulnerable to abuse. While theoretically protected by international law on labour rights, human rights and decent work standards, the reality of the treatment many experience is a far cry from what these standards envision.

Everyone migrates with a purpose. If you’re lucky, you will change your life. If not, you will lose your life - Focus group discussion, male returnee

The types of abuse commonly suffered by migrant workers have been extensively documented and, when asked about the most common rights violations that migrant workers who use the services of Ethiopian PrEAs suffer in destination countries, informants all gave very similar responses. In many ways, the homogeneity of their answers was more telling than their content: the reality of abuse is common knowledge in this sector, even spoken of as an inevitability. The rights violations most commonly mentioned by informants were as follows:

- Contract deception
- Financial exploitation
- Poor living and working conditions
- Discrimination and abuse

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Contracts deception

On arrival in a country of destination (COD), informants shared that it is common for employers to take workers’ identity documents to prevent them from finding supplementary or alternative forms of work. Beyond this, while there is a legal requirement that contracts be agreed upon and signed by the relevant actors and attested by MoLSA prior to a worker’s departure to a destination country, accounts from focus group participants in particular highlight that often contracts are given to workers in their CODs in a language they do not understand, such as Arabic. Not only does this reduce workers’ ability to assess and approve their terms of work, it increases their vulnerability to contract substitution, which occurs when migrants are encouraged to sign contracts prior to their departure and later are lured into or forced to sign different contracts, often stipulating worse conditions of work and pay. The potential for the contractual relationship between worker and employer to deteriorate into abusive situations is especially pronounced in Gulf countries and parts of the Middle East, due to their adherence to the kafala system of sponsorship. This legally binds a migrant worker’s immigration status to their employer or “sponsor”, leaving them wholly dependent on their employer for their livelihood, legal residency and, in some cases, freedom of movement both within and outside their country of employment.

I signed a contract in Beirut which was written in Arabic, which I couldn’t read and write during that time. I just went there to work and get money. No one told me about my rights. - Focus group discussion, female returnee

Financial exploitation

When asked the question: “What are the most common rights abuses faced by migrant workers who use overseas PrEAs”, every informant mentioned financial exploitation, whether in the form of withholding of payment, underpayment or debt bondage, whereby a worker is forced to pay back the fee associated with their recruitment to their employer, often by forfeiting their salary for their first few months of employment. Another variant of financial exploitation occurs when employers essentially subcontract their employees to other employers. This is most common in the cases of domestic workers, who are sometimes forced to work for multiple households with no additional payment.

80 FGD2, R2, R3, female returnees.
83 FGD1, P5; KII6, ILO.
84 KII13, overseas PrEA.
Poor living and working conditions

Both male and female focus-group participants shared similar accounts of the living and working conditions they found themselves in once abroad. Common issues they faced were a lack of food, denial of rest days, enforced work beyond contracted hours and performing tasks they had not been appropriately prepared for—including childcare.\footnote{FGD6, P4, female returnee.} While most of the literature on abuse of migrant workers from Ethiopia concerns female domestic workers,\footnote{See, for example, Kebede, E., “Ethiopia: An Assessment of the International Labour Migration Situation - The case of female labour migrants”.
} male returnees in FGDs made clear that those outside the domestic-work sector face an added layer of vulnerability since, unlike domestic workers, they cannot change their workplaces so easily. As one participant noted: “Where can we go in case of a problem? There is nobody who can hear our issues. We cannot change working places like female migrants if we are not comfortable with the first one.”\footnote{FGD4, P4, male returnee.}

Even if I worked in different houses, most of the people had similar behaviours. Especially overtime work. There were even situations where we used to work till 2:00am and wake up early in the morning to send children to school. I suffered too much. - Focus group discussion, female returnee

Discrimination and abuse

Returnees recounted being victimized due to their nationality, as well as often their religion, with several sharing that they were forced to adopt the religious practices of their employers and abandon any signs of their own. One returnee, for example, explained that, when working for an employer who was Muslim, she was required to cut off her maeteb (a black rob that Ethiopian Orthodox Christians tie on their neck as a sign of their religion).\footnote{FGD1, P5, female returnee.} Informants also noted the continuing prevalence of sexual assault and physical abuse, most perpetrated against female domestic workers, the issue being, as one ILO expert pointed out, that domestic work operates in the shadows, making women extremely vulnerable.\footnote{KII6, ILO.}

The other difficulty is the attitude toward our male migrant workers. The assumption Arabs have about our males is that male Ethiopians are not hard workers like the Ethiopian women, and they don’t respect their employers, which I don’t agree with or believe is right. When it comes to male workers, they prefer Pakistanis. - Key informant interview, PrEA
While accounts of violations and levels of abuse differed between returnees, agencies and high-level key informants, a common theme was the lack of respect migrant workers receive from employers, which informants see as tied to a very particular perception of Ethiopian migrant workers as low-skilled, replaceable and thus particularly vulnerable. This is a perception that both returnees and PrEAs struggle to shift, to the detriment of worker protection. Even more troubling, as the quote below grimly illustrates, the blame for rights violations is often shifted to the worker, who is chastised for her (in this case) lack of skills, inability to communicate, gender and even appearance.

**If I send a migrant worker who can’t even meet our expectations and has no skills, and the employer meets her, her lack of skills will be a source of conflict and, in the event of a violation of her rights, the rights violation becomes much more complicated due to a lack of linguistic skills and personal hygiene issues. Our ladies are stunning, and Arab men have a history of sexual harassment, taking advantage of the vulnerability of migrant workers. - Key informant interview, PrEA**

If they know the language, the likelihood of violations of their rights decreases. For example, the demand for Kenyan women is high relative to Ethiopians, because they know English and so they are preferred. The same is true for others, such as Filipinos and Bangladeshis, because they understand English better than our migrant workers. (...) Instead of wasting time on vocational training, it would have been much better if they learned Arabic and English. - Key informant interview, PrEA

**Impact of COVID-19**

In addition to the above-mentioned violations, the outbreak of the COVID-19 pandemic led to large numbers of domestic workers being laid off by employers fearing economic hardship and infection. Returnees explained they were stigmatized during the pandemic, accused of transmitting the virus. Those who were able to keep their jobs explained that their salaries were reduced because of the pandemic, making it difficult to cover their daily expenses. In addition, migrant workers said they had difficulty in contacting agencies during the pandemic, as many employees were working from home and therefore had limited access to the internet.

**Implications of rights violations**

Many of the returnees interviewed were reflecting on migratory experiences from several years or sometimes up to a decade ago. During this time there have been important developments, with substantial implications for the protection of migrant workers. As well as actions taken by the Government, these include advances such as low-cost phone services and social media platforms like WhatsApp, which can help migrants get assistance
and keep in touch with their families (who act as important mediators in access to aid or recourse to justice). Conversations with PrEAs and data collected from employees reinforce the idea that rights abuses, while still present, are becoming less common and pronounced. As one PrEA remarked: “The things that we used to hear, such as people being thrown from buildings, or being bitten, don’t happen that much these days. People who go out there have a better awareness.” 90

Still, abuse endured by workers continues to cause trauma and pain to vulnerable individuals and often drives workers to run away from their employer, a decision which can precipitate them into the host of challenges and risks associated with being in a country irregularly.91 The continuing tolerance for - and normalization of - the rights violations experienced by migrant workers can be seen as incentivizing migrants to abandon legal means of overseas employment once in a country of destination. This pattern is not only highly risky for the safety of the workers concerned, but also detrimental to PrEAs, who complain of losing money when clients renounce their contracts and losing trust with partner agencies.92

Access to assistance: Harnessing technology and building trust

As previously mentioned, agencies have been able to make progress in providing better access to assistance for the workers they send abroad by utilizing social media platforms such as WhatsApp to keep in touch. Several agencies mentioned that they set up WhatsApp groups of migrant workers in each destination country. This enables them to share relevant information about circumstances related to the workers’ position in the country, as well as giving them the opportunity to speak and coordinate with one another. An issue raised about the use of WhatsApp by one agency was the struggle to keep groups as safe and neutral spaces. The interviewee recounted how one group they created had descended into political debate regarding the Ethiopian election and had to be closed. Survey data from PrEA employees shows high levels of confidence in the ability of agencies to effectively respond to protection concerns and provide assistance.

100 per cent of respondents agreed that their agency does provide clear details to migrant workers on what they should do and who they should contact if they feel their rights are being infringed.93

95 per cent of respondents agreed or strongly agreed that their agency uses various forms of media (such as social media) to achieve its goals and raise awareness of overseas employment and the conditions of work of migrant workers.94

90 KII4, overseas PrEA.
92 KII12, overseas PrEA.
93 Survey question 4.8.
94 Survey question 2.8.
97 per cent of respondents said that their agency does have a system in place that ensures that their partners in destination countries effectively monitor the human and labour rights of migrant workers.\textsuperscript{95}

100 per cent of respondents said that there is a referral system in place in case the rights of migrant workers are infringed.\textsuperscript{96}

Despite the positive responses garnered from employees, conversations with returnees revealed that trust in agencies is still extremely low within communities. Interestingly, a view expressed by several returnees was that being in a country legally or illegally makes no difference to your ability to access assistance.\textsuperscript{97} Many were highly dismissive of the power of agencies over employers in destination countries and several told troubling stories of Ethiopian embassy employees who either ignored complaints brought to them or even encouraged workers to run away from their current employers. Again, it is important to bear in mind that returnees are reflecting on experiences that, in some cases, occurred many years ago, but it is significant that views such as those expressed in the quotes above are still prevalent, despite the “refresh” the sector is supposed to have undergone in the years since the ban on overseas employment was lifted.

It doesn’t mean that, if you go legally, you’ll be saved from the dangers or that you might not be employed in a bad house. - Focus group discussion, female returnee

One thing I realized when I got there is the fact that there’s no difference whether you go there legally or illegally. Labour and Social Affairs [MoLSA] gave me the contacts of the embassy, but when I called the embassy and told them I was facing problems, they told me to run away and not to go to them. There’s no one who can be there for you and I solved my problem on my own. - Focus group discussion, female returnee

Leverage in destination countries: Struggling against international hierarchies

While improvements have certainly been made by agencies, there are still significant protection gaps to be filled. Yet, agency staff argue that they can only do so much. They say that their ability to provide assistance is severely constrained by the weaknesses of Ethiopian embassies in destination countries, which should – legally – be a citizen’s first port of call in instances of severe rights abuses.

Crucially, running through all discussions of migrant workers’ rights with those in the sector, there is a lack of clarity about the protection responsibilities and associated capabilities of the many actors involved in facilitating overseas employment: sending agencies, receiving agencies, employers, and Government representatives in countries of destination. PrEAs

\textsuperscript{97} FGD6, P1, female returnee; KII2, ILO.
consistently mentioned the constraints they face when trying to negotiate for better
treatment of their clients, placing the blame for low standards on the weak bilateral
agreements negotiated by the Ethiopian Government.  

There is little negotiation and there is uneven bargaining power. Recruitment
agencies are competing in a global market where an employer could have a worker
from any nationality. In this way, it is a field that favours unscrupulous actors.
There is also an international hierarchy: workers from Ethiopia are perceived to be
“cheaper labour” and they have less protection under their bilateral agreements. -
Key informant interview, PrEA

This was echoed by returnees in repeated laments about the difference in treatment and
standards afforded to their contemporaries from countries such as the Philippines, which
they see as the gold standard in the protection of migrant workers.

I feel very jealous of the Filipinos because they go on leave within a week after they
get employed. They would never forget their time of rest and time to eat. You'd never
hear news of a Filipino who's been thrown from a building, whose salary was denied,
who was tortured or hurt. Because their Government would clearly explain how
the situations and the possibilities will be [in destination countries]. - Focus group
discussion, female returnee

When I was arrested in 2006, I was amused by what I saw. The cleanliness of the
toilets of Indians and Pakistanis was amazing and people even used to come and
evaluate it. But when they try to clean our toilet, they would even cover their noses
and say Habeshas are dirty. So in general, our payment is the lowest and we work
the hardest, why should this be the case? - Focus group discussion, female returnee

KII4, overseas PrEA.
Assessment of the capacity and practices of overseas Private Employment Agencies in Ethiopia

Capacity-building needs in the overseas PrEA sector: building an ecosystem fit to implement Proclamation 1246/2021

The present sub-section provides an analysis of the capacity of overseas PrEAs, highlighting in particular the gaps caused by the lack of financial stability. The section also touches on the capacity gaps of other stakeholders involved in overseas employment which affect the ability of overseas PrEAs to remain competitive in countries of destination.

Financial capacity: The link between profit and protection

The 2013–18 ban on overseas employment, followed by the COVID-19 pandemic, had a devastating financial impact on the private overseas employment market, with one MoLSA official estimating that around half of the country's overseas PrEAs closed their offices throughout the peak periods of the COVID-19 waves in 2020/2021.99 Even now, as the market gets back on its feet, agencies are incredibly concerned about their futures in a national and international market which has become more competitive than ever. One implication of this competition, often mentioned by PrEAs, is a trend among Ethiopian agencies to engage in a "race to the bottom" when it comes to the commission rates they charge destination-country agencies for their services. In the past, agencies have received a commission of around US$1,000 for each migrant worker sent for hire to an agency in a destination country. This fee must at least cover the costs associated with processing the relevant documentation, insurance payments and transport to the COD. The net profit to the agency is what then remains of this fee.100 Recently, however, because of the growing competition amongst Ethiopian firms, agencies have been slashing their commission rates in an attempt to attract foreign agencies in the market for cheap labour. One PrEA shared that: “Some agencies have agreed to charge US$1,300 for their services and to send migrant workers, while others are working with US$550, which simply covers a migrant worker’s air ticket.”101 From a protection standpoint, this trend has worrying implications, as the same PrEA employee points out: “Those who agree to a minimum commission are less worried about migrant workers' safety and protection.”102 He implies here that the reduction in commission, and therefore in potential profit, acts as a disincentive for agencies to ensure that appropriate protection measures are in place, as it reduces the time, effort and money available for this purpose. However, with so many agencies in a financially precarious position, their ability to remain competitive on price is incredibly important. Several agencies argued strongly against the Government policy of dictating commission rates (which are in place for certain countries, such as Jordan, where the minimum commission is US$1,000).103

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99 KII15, MoLSA.
100 KII9, overseas PrEA.
101 KII1, overseas PrEA.
102 KII1, overseas PrEA.
103 KII5, overseas PrEA.
Unfair rivalry exists among the agencies, something you won’t find in other nations. The number of agencies in this country is significantly higher than in other countries, although the number of agents in destination countries is significantly lower. Some agencies agree to cut commissions, which has an impact on the sector’s competitiveness and the country’s gain. - Key informant interview, PrEA

The Government should let us decide our commission by ourselves. Most of our agents from abroad are not happy about this minimum limit of commission set by the Government. If we are happy to get even US$500, the Government should allow us to work because, after all, the commission is for us. So, we should have a right to decide our commission by ourselves. - Key informant interview, PrEA

**Technical capacity: Closing gaps in communication**

The majority of agency employees surveyed said that they believe the work of their agency is in line with national and international legislation, and 86 per cent agreed or strongly agreed that if relevant legislation (such as the Ethiopian Overseas Employment Proclamation) changes, staff are quickly informed by the agency and given guidance on how this impacts their work.

However, in an interesting contradiction, 61 per cent of the same respondents said that they have not been trained by their agency, or through an association or federation, on the content of the new Overseas Employment Proclamation 1246/2021. This finding was corroborated by interviews with PrEA employees and owners, the majority of whom had not read the updated Proclamation. Several agencies blamed their lack of awareness on the Government, which – they argued – has not made sufficient efforts to inform agencies in the sector about relevant updates. It was even insinuated that MoLSA officials themselves lacked an appropriate understanding of the relevant legislation, with one PrEA mentioning an instance when MoLSA officers requested “educational documents on what the previous law requires.”

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104 Survey question 1.1.
105 Survey question 3.1.
106 Survey question 3.2
107 KII8, Federation of Overseas Employment Agencies.
108 KII14, overseas PrEA.
Improper implementation may be caused by lack of updated information. Of course, there are some agencies which do not implement the law due to lack of attention. Awareness is needed. For example, I personally regret that I have not read the new Proclamation. As it is based on this Proclamation that we can provide overseas employment services, I need to read it. I have come to understand that I need to update myself with every law which is important for our services. - Key informant interview, PrEA

Clearly, there is a strong desire on the part of those in the sector for appropriate training opportunities regarding overseas employment legislation. Of those surveyed, 33 per cent felt that their agency lacks a well-informed plan for staff training and development that aligns with the needs of overseas employers and migrant workers. In comments made by survey respondents, something that came up frequently was the complaint that training, when arranged, is given only to managers and not to officers lower down in the agency. Employees feel that this is a missed opportunity and an important capacity gap that should be filled.

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109 Survey question 2.3.
110 Survey, Section 2 [Comments].
When asked: “What are the capacity-building needs that should be prioritized to best support your agency?”, most respondents cited governance and organizational capacity, and technical support on human rights. When given the chance to add other options, respondents mentioned a desire for greater training opportunities and also a solution to issues they encounter in obtaining certificates of occupational competency (COCs).

5.5: What are the capacity building needs that should be prioritized to best support your agency? Tick all that apply.

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<td>Technical support on labour rights</td>
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Table 2. Capacity-building needs to prioritize. Survey results

Monitoring the sector: Overlapping responsibilities

A key tenet of the new Overseas Employment Proclamation is the need to strengthen the monitoring mechanisms of the bodies responsible for regulating the overseas private employment sector. The present monitoring structure was a topic that drew strong views from key informants working in PrEAs. The prevailing opinion seemed to be that MoLSA does not carry out monitoring in order to build the capacity of agencies, but rather to “catch
them out”, \(^{111}\) with agencies expressing the belief that MoLSA is looking for any excuse to withdraw their licenses.

The monitoring and evaluation activities of labour offices are not intended to fill our gaps. They don’t even monitor our awareness of the law and invite us for training. For instance, this is the first time I have heard of Proclamation 1246/2021, from you. Their monitoring and evaluation activities are like a Tom and Jerry movie, seriously. They often check whether our office is open or not. If they find it closed, they cancel our license. - Key informant interview, PrEA

A common theme running through agency accounts of their experiences of being monitored is the large number of actors who have some responsibility for holding the sector to account. In one of the quotes below, three separate bodies are described as taking ownership of regulatory oversight in some way, with other informants adding that the police have, on occasion, entered their offices forcefully, requiring documentation and information about their services.

I think the Ministry of Labour and Social Affairs, specifically the Overseas Employment Bureau, is the body mainly in charge of monitoring the services provided by agencies. The Addis Ababa Labour and Social Affairs Bureau also monitors the services of agencies in Addis Ababa, while the Regional Social and Labour Affairs Bureau also monitors branch offices in different regions. The monitoring mechanism consists in sending inspectors to the agencies. The inspectors are MoLSA staff, who suddenly arrive at the office without an appointment. They come and search the agency office at any time. If they find any illegal documents, or even passports of migrant workers, they will suspend the agencies. - Key informant interview, PrEA

Everyone is our boss, and both low-level and high-level Government departments remark on our activities. Only MoLSA and BoLSA should be allowed to monitor and evaluate our services by law. In practice, however, every Government official, including the police, interrogates us. Officials from SUB-city recently visited our offices and requested that we show documentation and information regarding our services. We questioned whether they were authorized to monitor and assess overseas employment agencies because it was unusual. However, they reacted adversely. - Key informant interview, PrEA

Respondents’ answers when describing monitoring processes reveal a lack of clarity at agency level as to which actors have legal oversight and the capacity in which different regulatory bodies are involved. Those interviewed expressed a strong desire for clarity and
cohesion in this area, with several PrEAs and a representative from the Federation making the case for monitoring to be carried out by a single agency.

We hope that after 24 September 2014, the dualism will be eliminated, and the monitoring will be handled by a single agency. There will be a Ministry of Skill and Job Creation, and this ministry will supervise and evaluate overseas employment agencies. We hope that, like the Philippines, services will be available through a single window, with the TVET, COC centre and other services all at one location. - Key informant interview, Federation

However, it is unclear to what extent this desire is shared by MoLSA officers, one of whom commented: “In general, overseas employment services or migration affects a wide range of institutions, making it impossible to manage it solely through one organization.”

Interestingly, the same MoLSA officer implied that the Ministry does have the capacity to regulate agencies more strictly. However, they are currently operating with an awareness that this is a sector which is only just getting back on its feet following the lifting of the 2013 ban, as well as the COVID-19 pandemic, and they have made a conscious decision to be more lenient in how they control agency behaviour. This attitude is fuelled by dual concerns: that strict enforcement of the law will result in the closure of more agencies, meaning fewer avenues for legal overseas employment, and that this deterioration will incentivize the creation of more pathways for irregular migration.

There is a limit to the extent to which we have applied the legislation and regulated it accordingly. We have a legal obligation to regulate PrEA behaviour (...). The remaining agencies will quit the market if the law is strictly enforced, and citizens will use irregular routes. As a result, we’ve been a little more lenient in controlling agency behaviour. - Key informant interview, MoLSA

Overall, MoLSA has the ability to regulate overseas PrEAs’ practices. However, contemporary circumstances do not necessitate severe controls, as strict enforcement of the law would abolish agencies and open up pathways for irregular migration. - Key informant interview, MoLSA

112 KII15, MoLSA.
113 KII15, MoLSA.
Managing the sector: A call to build trust

With regard to the overall management of the overseas private employment sector, the capacity of both agencies and Government to provide effective, high-quality services is limited by a lack of effective communication, fuelled by low levels of trust between actors. As has been articulated throughout this report, PrEAs are quick to criticize the Government on multiple counts, including its hampering of progress through bureaucracy, a lack of transparency when it comes to monitoring their activities, and failing to provide them with enough resources in destination countries to ensure the adequate protection of their clients. On the other hand, MoLSA's opinion of PrEAs is tainted by the historical relationship between the sector and the facilitation of irregular migration.

Capacity gaps among PrEAs emanates from how they are established, as most are founded by people who have been informal recruiters or have found it to be lucrative business without proper knowledge and interest. Second, the staff of PrEAs don't have the proper skills and experience. By the way, we get most information about the illegal activities of PrEAs from their staff. - Key informant interview, MoLSA

The working atmosphere in MoLSA's Overseas Employment Service Directorate is preventing the advancement of overseas employment services. They don't understand the law, are unable to interpret it precisely, and have failed to create a positive working atmosphere. (...) There is a problem with transparency and rent-seeking, and corrupt practices are rampant (...). The majority of agencies, including MoLSA experts, are in favour of unlawful actions. - Key informant interview, PrEA

In Ethiopia, the Government mistreats PrEAs, which they regard as scavengers and robbers. - Key informant interview, PrEA

The legacy of PrEAs' involvement in irregular migration and trafficking not only harms relationships with Government, but has also birthed an atmosphere of mistrust amongst agencies themselves. Agencies consistently mentioned how the perpetuation of the narrative concerning PrEAs and irregular migration harms their business. As one informant articulated: “The extensive use of illicit techniques in the overseas job services industry is impacting law-abiding agencies.”114

114 KII13, overseas PrEA.
While issues certainly persist, there are suggestions that the climate of mistrust is gradually lifting, and there are some positive developments which hint at a desire on both sides to change the prevailing narrative. One such development has been the establishment of the Federation of Overseas Employment Agencies, the aim of which is to bring together the three major associations for overseas employment in Ethiopia to speak as one voice and represent the sector as a whole. Among its major goals, the Federation hopes to encourage agencies to sign codes of conduct related to business procedures and practices and to hold public awareness campaigns regarding the law and issues related to payments as experienced by agencies.\textsuperscript{115}

However, despite high hopes for the Federation, questions remain as to its ability to be truly effective. Of those surveyed, \textit{33 per cent of respondents disagreed, while 14 per cent strongly disagreed, with the idea that the Federation of Overseas Employment Agencies helps agency employees to understand and implement relevant legislation and policies, and regularly shares advice, best practices and learning opportunities}.\textsuperscript{116} This sentiment was reflected in conversations with overseas PrEAs, several of which expressed the opinion that the Federation does not adequately represent the interests of agencies.\textsuperscript{117} One PrEA revealed that they had filed a petition with the Government expressing their unhappiness with the services of the Federation, which – this informant believes – "wants to have all the agencies closed".\textsuperscript{118} Doubts about the capacity of the Federation were echoed by colleagues at ILO as well as by one PrEA association president.\textsuperscript{119}

\begin{quote}
To speak frankly, the Association is not functioning very well at this moment; we have no sitting staff for it. Now the office is closed, we use it for meeting purposes, not to run the mandates of the Association. Since the membership fee is very small, we have failed to undertake activities in the name of the Association. - Key informant interview, PrEA Association
\end{quote}

\begin{quote}
The good thing with the Federation is that all three associations have a part in it. I think it is a good set-up to create harmony, but when it comes to having that power to influence the day-to-day activities of the PrEAs, I don’t think the Federation has that capacity - Key informant interview
\end{quote}

\textsuperscript{115} KII8, Federation of Overseas Employment Agencies.
\textsuperscript{116} Survey question 1.9.
\textsuperscript{117} KII4, KII1, overseas PrEA.
\textsuperscript{118} KII4, overseas PrEA.
\textsuperscript{119} KII6, ILO; KII13, Association of Private Overseas Employment Agencies.
III. TOWARDS EFFECTIVE IMPLEMENTATION OF THE PROCLAMATION: BUILDING A SAFE LABOUR MIGRATION ECOSYSTEM

This assessment has analysed the capacity and practices of overseas PrEAs from three thematic angles derived from the primary research questions: 1) the recruitment practices of PrEAs, 2) the protection of migrant workers and PrEAs’ role in this, 3) the organizational capacity of agencies and the impact of their interactions with other stakeholders on the labour migration ecosystem. Analysis from these three angles reveals that, overall, PrEAs still have a way to go to ensure that their practices fulfil the requirements envisaged in the new 1246/2021 Overseas Employment Proclamation, and that their capacity to improve these practices is hindered by a multiplicity of different factors, only some of which are directly under their control. As such, a key finding of this assessment is that the operationalization of the Proclamation requires reform at every level of the labour migration ecosystem. Placing responsibility solely in the hands of PrEAs is highly unlikely to result in substantive change and may even exacerbate the decline of a regular migration system currently in slow recovery from the dual impacts of the 201318 ban on labour migration, and the financial devastation of the sector brought about by the COVID-19 crisis.

Importantly, however, this analysis highlights that, while there is still much progress to be made, actors within the legal overseas labour migration ecosystem have broadly similar intentions in wanting to rehabilitate the image of the sector, build trust among the public and reduce the power and prevalence of those engaged in facilitating informal labour migration. This alignment was most evident in the data regarding the recruitment practices of overseas PrEAs, in which key informants from the Government and agencies, as well as returnee migrants, all shared a strong desire to eliminate the role of informal recruiters in the recruitment process. Nevertheless, the analysis reveals that, on this issue, PrEAs must make more concerted efforts to prioritize filling the gaps in the recruitment process most often concentrated in the initial decision-making phase - gaps which informal recruiters are able to fill at the expense of workers and agencies alike.

By tracing the recruitment process from this initial decision-making phase, in which a prospective migrant worker travels to agency offices in search of employment opportunities, all the way to the moment when they board the plane to the country of destination, this report was able to pinpoint several bottlenecks in the process of recruiting a worker. These bottlenecks significantly hinder the ability of the agencies to meet demand from partners overseas and workers at home, who are often forced into financially precarious
situations as a result of delays in their recruitment. Data indicates that the cause of this inefficiency lies mainly with the Governmental, pointing toward a strong need for MoLSA to increase its own capacity to handle the increasingly high demand for quick processing of labour visas and contracts, as well as ensuring that migrants have access to high-quality, low-cost pre-departure orientation. If this is not prioritized, Ethiopian agencies risk being left behind in a competitive global market which demands the quick turnaround of workers at low cost.

Throughout this analysis, the global market in which Ethiopian PrEAs operate was taken into account as an important factor often neglected in other reports of this kind. The focus on this issue led to important findings with regard to the protection of migrant workers and the role PrEAs are taking in this protection. Firstly, we saw that in an effort to remain competitive with other labour-sending countries, Ethiopian PrEAs are edging toward a “race to the bottom” by charging lower recruitment fees to destination-country employers. This has important implications for the protection of workers due to the strong link between an agency’s profits and its ability and incentive to provide appropriate protection. Secondly, key informants revealed a significant capacity gap in countries of destination: there is little trust in the abilities of embassies to provide substantial protection to workers in need. This not only places a high level of responsibility on agencies, but also places Ethiopian migrant workers in riskier position than workers from countries with more robust protection mechanisms.

A critical factor identified in the analysis likely to add to this risk is an overwhelming lack of awareness among PrEAs of the legal requirements for overseas employment, including but not limited to understanding of the new Proclamation. Quantitative survey data highlighted that PrEA staff keenly require training on the legal framework and technical support on upholding human rights. It was further suggested by key informants that Government staff may benefit from training on the new Proclamation and the processes for monitoring the sector. This was reinforced by another key finding, namely that the overlapping layers of responsibility for monitoring the overseas employment sector is causing confusion and frustration among agencies.

Overall, the frustrations revealed in this assessment with regard to the monitoring and governance of the sector point to a larger problem, namely a lack of trust and open communication between those operating in the sector generally. One significant demonstration of this was the reaction of agencies to the potential benefits of the newly established Federation for Overseas Employment Agencies. Although officially seen as a silver bullet to facilitate cohesion and reform in the sector, it has been met coldly by many agencies, which distrust the motives behind its formation and its relationship with MoLSA. This report therefore finds that opening channels of communication between actors in order to restore trust will be critical in ensuring a better future.
Crucially, framing this entire analysis is the fact that labour migration involves a complex ecosystem of actors linked by interdependent relationships, with actor-specific inefficiencies affecting all other stakeholders involved in the process. The promotion of overseas employment opportunities and safeguarding of the rights of migrant workers requires improvement of procedures and practices on the part of all the actors involved, in Ethiopia as well as in countries of destination. In order to address the gaps, significant capacity-building and awareness-raising efforts are needed, together with governance and policy adaptations. There follows a number of recommendations for measures that will contribute to the operationalization of the Proclamation in these three areas.

**Awareness-raising and capacity-building**

Our assessment revealed that information gaps exist at all levels. It is critical to invest in the dissemination of information and capacity-building to eliminate irregular and inadequate practices that affect the efficiency of the sector and the safety of migrant workers.

**Capacity-building in respect of the Proclamation for agencies and MoLSA**

- **Ensure that the content of the Proclamation is clear to all stakeholders.** PreAs pointed to problems of interpretation arising from an absence of secondary legislation and lack of knowledge on the part of their MoLSA counterparts. It is clear that awareness-raising with regard to the new Proclamation is required for both agencies and MoLSA staff, including technical discussions of the practical changes affecting both agencies and MoLSA itself. Securing stakeholder buy-in when the changes are being discussed can also be achieved through stronger engagement with sector representatives and trade unions.

- **Use capacity-building as an opportunity to build trust.** While some capacity-building needs are specific to agencies, a number of issues pertaining to the rights of migrant workers are of interest to both the agencies and MoLSA. Joint activities bringing agencies and MoLSA staff together will provide opportunities for dialogue and exchange and contribute to further improving relationships between them.

- **Provide capacity-building to staff at all levels of the organization, not just managers.** This will require changes in terms of the approach to capacity-building: in addition to regular in-person training sessions, the Federation, with the support of MoLSA, should design a training package that all agencies can use to replicate training activities at agency level. Regular refreshers should also be organized on specific aspects, targeting technical staff.
Capacity-building in respect of cultural sensitivity for overseas PrEAs

- Design protection-specific training materials for agencies, taking into account vulnerabilities. Accounts of difficulties encountered by migrant workers in the Middle East highlight the fact that individuals may be exposed to abusive treatment based on their religious affiliation. Agencies in Ethiopia must therefore take this factor into account and adopt measures to prevent such situations from happening, for example by clearly discussing this with employers in countries of destination during the selection process, and by informing all applicants about such risks. Agencies should also be made aware of their responsibility for following up with migrant workers who face such abuse and take action as needed, for instance providing advice on specific situations or referring workers to the Embassy in urgent cases.

- Make sure essential documentation is available in a language that migrant workers understand and that no amendments are made to a worker’s contract on arrival in the country of destination. Returnees mentioned instances where contracts were provided in Arabic, preventing most of them from carefully reviewing the terms and conditions and giving explicit consent. Such practices are not compatible with fair recruitment principles and must be avoided. In addition, any amendment to a contract should be notified to the private employment agency concerned, which is then responsible for communicating the changes to the migrant worker, in their preferred language.

Ensure high-quality delivery of the pre-departure orientation training, with the support of returnees

- Use PDO as an opportunity to improve the level of preparation of migrant workers and prevent rights violations. Because of persistent inefficiencies, pre-departure training is too often seen as a formality to be circumvented. Although the contents of both pre-departure training and vocational training have recently been revised, problems of implementation persist. Refresher training of trainers must be provided, and monitoring mechanisms must be put in place to ensure that training is delivered to the required standard. In addition, care must be taken not to provide generic information, but rather to focus on concrete examples and issues. It would be a great improvement to have returnees act as facilitators, as hearing from those who are familiar with the countries of destination is of greater interest and has more impact.

- Establish additional training centres to address unmet demand and reduce delays. Providing additional training centres in the regions would make training more affordable, as potential migrant workers would be able to attend without incurring additional costs.

- Integrate basic language courses into the training package. Communication skills play an important role in reducing migrant workers’ vulnerability in countries of destination.

Strengthen MoLSA’s institutional capacity

- Build adequate infrastructure to facilitate the online administration of labour migration processes. Despite the limitations of the first digitization attempt, an
operational online system remains indispensable to further develop overseas employment opportunities. However, the system must be designed in a way that takes into account the limited access to networks and technologies in Ethiopia.

Allocate more staff for the processing of contracts. The delays faced by agencies and migrant workers have serious consequences for the entire sector as they incentivize irregular migration and affect agencies’ capacity to grow and access new markets. It is clear that the promotion of overseas employment cannot be achieved without allocating additional resources. Given the impact that delays have on the entire sector, MoLSA should commit to completing all administrative tasks within a given period of time.

Address the information gaps of migrant workers

Support awareness-raising of the legal process for accessing overseas employment opportunities. Potential migrant workers do not have clear information concerning the legal process and often are unaware that informal recruiters are operating illegally. Information must be disseminated through channels accessible to communities living in remote areas with limited access to technology. This should involve local BoLSA offices, with support from community leaders, and should take various forms, including community gatherings.

Use public awareness campaigns to rehabilitate the image of overseas PrEAs. It is essential to stress that agencies provide their services free of charge to migrant workers, while informal recruiters do not. Awareness-raising should include testimony from returnees who can share their experience of the risks associated with irregular migration via informal recruiters. However, as long as the administrative procedure involves lengthy delays, migrant workers may prefer to turn to informal recruiters. Parallel efforts must therefore be made to address the administrative inefficiencies.
To complement the higher-level recommendations listed above and address some of the gaps observed pertaining to the capacity and practices of overseas PrEAs, the following table lists a number of capacity-building areas identified as priorities.

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<th>Training focus</th>
<th>Objective</th>
<th>Suggested responsible actor</th>
</tr>
</thead>
<tbody>
<tr>
<td>Overseas Employment Proclamation No. 1246-2021</td>
<td>The objective of this training will be to discuss the changes introduced by the Proclamation No 1246/2021, in particular its consequences for overseas PrEAs. The training should include a general presentation of the Proclamation by MoLSA, followed by a more technical discussion on the impact on agencies.</td>
<td>MoLSA</td>
</tr>
<tr>
<td>Fair recruitment</td>
<td>The purpose of this training will be to present the ILO’s general principles and operational guidelines for fair recruitment and discuss their operationalization in the context of overseas employment. The training will focus on practical aspects of the recruitment processes to help agencies understand to what extent their practices adhere to the fair recruitment principles.</td>
<td>ILO</td>
</tr>
<tr>
<td>Dissemination of employment opportunities</td>
<td>The objective of this training will be to help overseas PrEAs improve their dissemination practices and so strengthen their outreach. The training will include a presentation of various channels and approaches used to reach potential migrant workers, a participatory discussion on the challenges faced and good practices, as well as guidance on how to develop communication strategies in the context of labour migration.</td>
<td>Federation (with the support of an external partner with expertise in human resources)</td>
</tr>
<tr>
<td>Vulnerability assessment</td>
<td>The objective of this training will be to strengthen the capacity of overseas PrEAs to prevent rights violations by conducting thorough vulnerability assessments when considering candidates for a specific position, taking into account the conditions in the country of destination, the character of the employer and the profile of the migrant worker. This training will help overseas PrEAs design internal processes capable of limiting the risk of workers being exposed to situations in which their rights are infringed.</td>
<td>Federation (with the support of the IOM)</td>
</tr>
<tr>
<td>Communication with migrant workers in countries of destination</td>
<td>The objective of this training will be to clarify the responsibilities of overseas PrEAs in terms of communications with and assistance to migrant workers in countries of destination. The training will help overseas PrEAs to identify adequate communication channels and modalities and develop processes in the event of migrant workers encountering difficulties, including reporting mechanisms and individual case management.</td>
<td>Federation (with the support of the IOM)</td>
</tr>
</tbody>
</table>

Table 3. Capacity-building priorities for overseas PrEAs
Governance of private employment agencies

The Federation of Overseas Employment Agencies and agencies

- **Provide the Federation with dedicated staff.** A training curriculum and training programme needs to be designed so that agencies benefit from technical support from the Federation in specific areas on a regular basis.

- **Build trust between MoLSA and agencies.** There is a need to facilitate open communication between agencies and MoLSA. This could start with holding annual forums at which actors could voice concerns.

- **Support agencies in mainstreaming good protection practices.** The Federation should help agencies create a clear process flow for dealing with rights abuses. A code of conduct has been developed by the Federation and now needs to be implemented. The Federation should make sure that agencies effectively adhere to the code of conduct and should facilitate the dissemination of good practices, for instance on how best to maintain contact with migrant workers in their countries of destination.

- **Have PrEAs display their license number in their offices and on advertising material, and create a website with a publicly accessible list of licensed PrEAs.** This would enable migrant workers to know whether the agencies they are in contact with are operating legally or not.

- **Address the fragmentation of the sector by monitoring agencies.** The sheer number of agencies is a challenge when it comes to monitoring their operations. It is also a problem in terms of their profitability, as failure to make a profit affects their ability to protect the rights of migrant workers adequately. Stricter implementation of existing regulations and closer monitoring are necessary to ensure that the sector is not damaged by the presence of agencies operating in a grey zone.

**Ministry of Labour and Social Affairs**

- **Clarify regulatory powers and develop a strategy to adequately monitor agencies.** The size of the sector remains a challenge when it comes to monitoring, especially as a number of agencies are suspected of not operating legally. A clear monitoring system needs to be in place, to avoid duplication and filter irregularities.

**Ministry of Labour and Social Affairs / Ministry of Foreign Affairs**

- **Clarify the role of embassies in the protection of migrant workers in countries of destination.** Given the lack of support described by returnees, embassies must play a greater role in the protection of migrant workers. This requires the sending of more staff to embassies in countries with a high number of migrant workers, but also ensuring that embassy staff receive adequate training. The role of their embassy should be clearly communicated to all migrant workers, and the necessary contact information should be made available prior to departure.
Returnees' association

- Establish an association for returnees. In partnership with MoLSA, the association could provide counselling services to migrant workers and stakeholders involved in the labour migration process.

- Improve coordination between the various stakeholders involved in labour migration. As stressed in this report, a number of actors are involved in the process of sending migrant workers abroad. Closer coordination among stakeholders, including TVET institutions, COC centres, the Ministry of Foreign Affairs and representatives of migrant workers, would make for a better understanding of the gaps in implementation and help prioritize the actions needed to improve the various processes.

Policy

Establish minimum standards in agreement with African countries

- Join forces with other African labour-sending countries to ensure equal conditions in countries of destination. The African Union and the IGAD have recently adopted guidelines for bilateral agreements. These can serve as reference in setting minimum standards and therefore minimizing the negative effects of competition between countries of origin where terms and conditions are concerned.

Commission fees

- Set the commission fees charged by agencies. The current variations in agency commissions have serious implications where protection is concerned. A minimum rate should therefore be set to ensure there is not a race to the bottom. Care must be taken that this has no negative repercussions for migrant workers.

Consider the establishment of a dedicated agency

- Consider creating a dedicated agency in charge of overseas employment. This would provide migrant workers and private employment agencies with all the services required, including pre-departure training and COC examinations. This model could make the process more fluid and improve relationships between the various stakeholders.
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