



**SPC1:** Special Conference on Labor and Development

**Student Officer:** Arı Bektöre

**Issue:** Conditions of foreign workers migrant laborers under the kafala system

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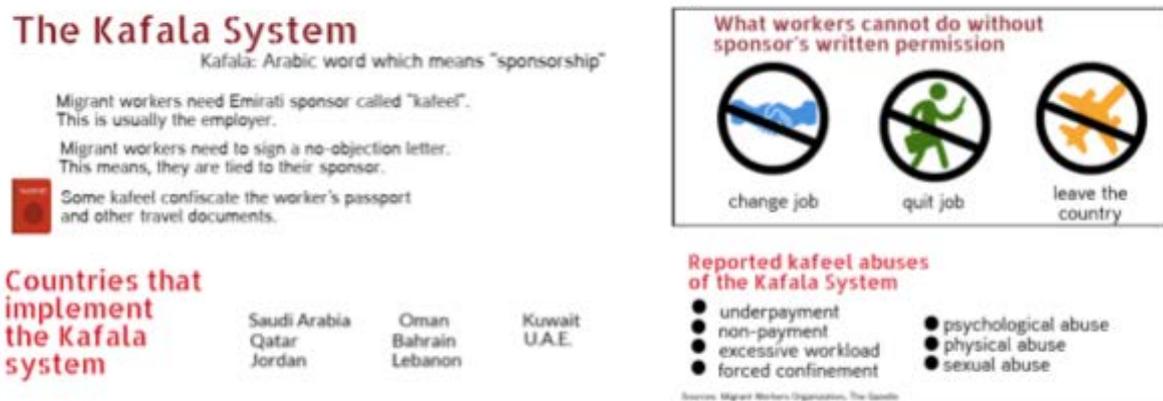


Committee: Special Conference on Labor and Development (SPC1)  
Issue: Conditions of foreign workers migrant laborers under the Kafala system  
Student Officer: Arı Bektöre – Vice President

## I. Introduction

The Kafala system, also known as the sponsorship system, outlines the relationship between migrant laborers and their local sponsor (*kafeel*) where in many cases these local sponsors are the employers of foreign workers. This system first surfaced in the Middle East and North Africa (MENA) region during the early 1900s to regulate foreign labor in commercial trades. Numerous states implemented the Kafala system to seek cheap foreign labor, boost their infrastructure and fill domestic jobs that were stigmatized by the locals. The system is still in effect in numerous countries such as the Gulf Cooperation Council (GCC) countries—Oman, Saudi Arabia, Kuwait, Qatar, the United Arab Emirates, and Bahrain —as well as Lebanon and Jordan.

Under the Kafala system, many states give local persons or businesses sponsorship permits to



Picture 1: Explanation of the Kafala system (Erekat)

employ migrant workers. The sponsor provides housing and pays for foreign laborers' travel expenses. Sponsors can hire migrant workers either directly or via private recruitment agencies located in the native country of said employees. The sponsor or the private recruitment agency facilitates the foreign laborers' entry to the host country and the laborer becomes legally bound to this person or agency in terms of their employment and immigration status.

The Kafala system's purpose is to supply low-cost and abundant labor in order to benefit local businesses and help drive development. However, the system has become highly controversial on the basis that it exploits foreign workers. Under the Kafala system, the foreign laborer is removed from the security of the host country's labor laws. As a consequence, the migrant worker's legal status is solely left in the hands



of their sponsor. Thus, a power imbalance that is often exploited arises between the foreign employee and the local sponsor. The lack of protection and regulations for foreign laborers' rights commonly leads to poor working conditions, low wages, and employee abuse. Foreign workers under this system must first get the permission of their sponsor if they want to change jobs, quit, or leave the host country. Without the sponsor's consent, exercising these fundamental human rights can have serious repercussions, including loss of visa, possible jail, and deportation. When a worker is being abused, they often cannot quit since the abuser or the person who stands to gain financially from the abusive behavior is usually the sponsor, whose consent they need.

In the face of exploitation, workers have few legal options, and many experts contend that the system resembles contemporary slavery. Racial and gender discrimination are widespread as well resulting in abuse and mistreatment of laborers. The Kafala system's issues have been brought to light by international anti-racism demonstrations, the COVID-19 pandemic, and the planning for the Qatar 2022 FIFA World Cup, but the prospects for reform remain uncertain and inadequate.

#### What Protections Do Kafala Workers Have?

Foreign worker rights by host country, 2021

	Join unions	Change job or quit without permission	Leave country without permission	Minimum wage	Domestic workers included under labor law	Standard contract for all workers
Bahrain	Yes	After 1 year	Yes	No	In some cases	No
Jordan	Yes	After 1 year	Yes	Yes	Yes	Yes
Kuwait	Yes	After 1 year	Yes	Yes	No	No
Lebanon	Yes	No	Yes	Yes	No	No
Oman	Yes	No	Yes	No	No	No
Qatar	In some cases	Yes	In most cases	Yes	No	No
Saudi Arabia	No	In some cases	No	No	No	No
UAE	No	No	Yes	No	No	Yes

Sources: International Labor Organization; Saudi Ministry of Human Resources and Social Development.

COUNCIL OF  
FOREIGN  
RELATIONS

Picture 2: Foreign worker rights by host country, 2021 (Robinson et al.)

## II. Involved Countries and Organizations

### Kuwait

Kuwait declared in February of 2011 that it would abolish the Kafala system; however instead it merely reformed some aspects of the system. It made it easier for foreign laborers to change sponsors except for those who were domestic workers.

In 2016, Kuwait released a decree which enabled employees to transfer sponsors after three consecutive years of service and with three months' notice to the employer, without requiring any permission.



The Tamkeen initiative, which the Kuwaiti government has continued to implement, aims to improve monitoring of the hiring of foreign workers and to better safeguard vulnerable immigrants during the labor recruitment process. However, the issue requires more drastic measures. Accordingly, on the 21<sup>st</sup> of July 2022, the US State Department renewed its calls for Kuwait to eliminate the Kafala system, remarking that the step was "long overdue".

## Qatar

The Kafala labor system in Qatar came under attention internationally when Qatar was chosen to host the 2022 World Cup. Foreign laborers who worked under the Kafala system were heavily responsible for the construction of the nation's football stadiums and many of them worked in hazardous conditions for pitiful wages. After international attention and scrutiny, Qatar made reforms to its Kafala system. The speed at which reform has recently taken place in Qatar can largely be attributed to international pressure.

One of the aforementioned reforms was the removal of the NOC and exit permit requirements for laborers which took place in August 2020, along with an increase in the nation's nondiscriminatory minimum salary. Similar reforms were previously attempted by Qatar in 2014 and 2016, but they were inadequate in terms of protecting workers' rights to mobility and job change. The reforms were made possible by Qatar's collaboration with the International Labor Organization (ILO), which began in 2017 as a result of the ILO's dissatisfaction with earlier reforms.

## Lebanon

Tens of thousands of foreign domestic workers are trapped in Lebanon's oppressive and exploitative Kafala system. The government has little interest in reforming the current system, and the labor law does not adequately safeguard the workers under the Kafala system. The 7<sup>th</sup> article of the nation's Labor Law explicitly excludes foreign domestic workers, rejecting them freedoms that other workers are permitted to, such as a weekly rest day, limits on working hours, a minimum wage, overtime pay, and freedom of association. Rather, their position in Lebanon's workforce is regulated by the Kafala system.

The Kafala system's tight control over workers' life has resulted in instances of forced labor, exploitation, human trafficking, and more. The non-payment of wages, forced imprisonment, withholding of identity documents, excessive working hours, and verbal, physical, and sexual abuse are all routinely documented by Human Rights Watch and other regional organizations. As a result of the Covid-19 outbreak and Lebanon's economic difficulties, there have been more instances of abuse against migrant domestic workers. According to the International Labour Organization, current circumstances greatly raise workers' risk of engaging in forced or bonded labor.



Lebanon's Kafala system and the conditions of foreign workers contravene labor and human rights conventions, particularly those that outlaw forced labor, which Lebanon has ratified. They also go against the non-discrimination principle and the right to fair and favorable working circumstances.

### International Labour Organization (ILO)

The International Labour Organization is a UN agency, founded in 1919, with the aim to improve economic and social justice by establishing international labor standards. It has brought together governments, workers, and employers of many member states to develop policies and programs promoting this aim. The ILO has had many conventions on improving migrant workers' rights which are ratified by many Kafala states. The ILO welcomes and encourages reforms and recognizes the commitment of states to transforming their labor markets.

## III. Focused Overview of the Issue

### 1. Exploitation and abuse of migrant workers

Under the Kafala system, maltreatment, and abuse of laborers arise as a result of the sponsor-worker power imbalance and sponsors' legal impunity. The Kafala states have insufficient labor laws and they fail to ratify international treaties on workers' rights and protection. Even when state laws do protect workers, in most cases, they are often inadequate and not permanent. In Lebanon for example, a new unified contract for migrant domestic laborers was implemented in September 2020 however, a month after its adoption, Lebanon suspended its enactment due to the complaint of the Syndicate of the Owners of Recruitment Agencies which claimed that the contract contradicted their interests. Saudi Arabia announced a Labor Reform Initiative in 2020 with the aim to decrease the legal control sponsors had over foreign laborers but, since foreign domestic workers are excluded from the Saudi Arabian labor laws, they were denied protection under the new reform. Since the reforms are flawed, workers are still faced with serious abuses under the Kafala system.

Foreign workers under the Kafala system are already limited in their freedom to change jobs, quit, or leave the host country. On top of that, employers regularly confiscate foreign laborers' phones, visas, and passports, and confine workers to their homes. The sponsor-worker power imbalance enables employers to exploit their workers while disabling laborers from advocating for their rights.

Debt bondage can be defined as the situation where a worker is forced to work in order to pay off a debt. Often the workers are tricked into working and staying in debt bondage. Under the Kafala system, employers are required to pay recruitment fees to the host countries; however, in most cases these fees are passed on to the laborers, who take out loans to pay them or are indebted to the recruiter. Employers sometimes decrease or withhold laborers' salaries to pay off recruiters and occasionally as punishment.



Forced labor can occur when recruiters use coercion or deception to enlist laborers. Contract substitution is a frequent strategy within the Kafala system, wherein employees sign many contracts, some of which are in languages they don't understand, and unknowingly accept low pay and unfavorable working conditions. Workers are often pushed into the Kafala system due to bad economic conditions in their home countries. The Kafala system exploits the financial despair of migrant workers and their families to get them to accept inhumane working conditions.

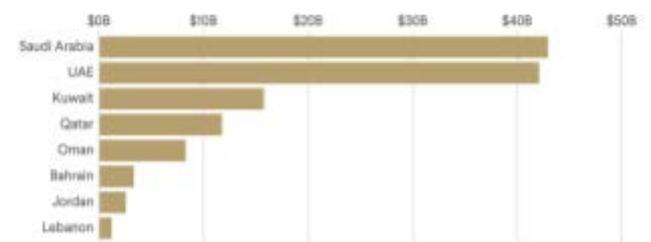
Oftentimes sponsors illegally sell or transfer a worker's visa to another employer all while claiming to be the laborer's sponsor. It's possible that the new company won't adhere to the same rules as the first one, demanding different kinds of work or paying less. Visa trading leaves the worker vulnerable to even more exploitation.

Workers are dependent on their sponsors to stay in the country legally since sponsors are able to invalidate their status for any reason. Most foreign workers under the Kafala system become undocumented due to this power imbalance. The moment workers leave or lose their jobs, due to any reason at all, they become undocumented. This makes workers vulnerable to more exploitation since their residency status solely depends on their sponsors.

Mistreatment of foreign workers related to racial and gender-based discrimination is also rampant in the Kafala system. According to a 2020 UN report (Robinson et al.), in Qatar, the salaries of foreign workers are dependent on their race and countries of origin. Despite holding professional degrees, numerous migrant laborers stated that they had been demoted into low-paying jobs that were commonly held by people of their race or ethnicity. Women domestic workers are among those who are faced with the most abuse and sexual violence. Nevertheless, the victims commonly choose not to report their abuse since they are afraid to upset their sponsors. In certain countries, if a women worker reports abuse, it can lead to being charged with a crime themselves. In Kuwait and Qatar, female laborers have been imprisoned for extramarital sex, even in cases of rape.

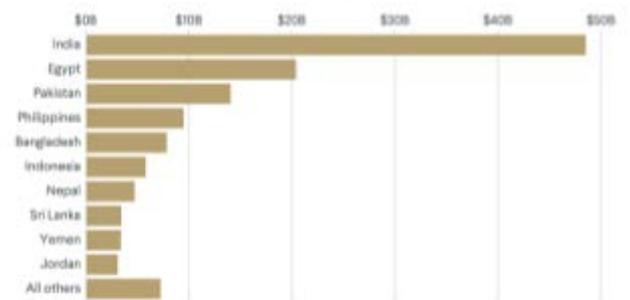
**From Which Kafala Countries Do Migrant Workers Send the Most Remittances?**

Remittance outflows from countries with the kafala system, 2018



**Where Do Remittances From Kafala Countries Go?**

Remittances received from countries with the kafala system, 2018



Note: Includes remittances from Bahrain, Jordan, Kuwait, Lebanon, Oman, Qatar, Saudi Arabia, and UAE.

Picture 3: Remittance outflows and received remittances from countries with the Kafala system, 2018 (Robinson et al.)

## 2. Who benefits from the Kafala System?



Workers frequently accept jobs in Kafala nations, despite the possibility of exploitation, because they pay better than positions in their native countries. Many workers send the remittances to their families back in their native countries. Kuwait, Saudi Arabia, and the UAE were three of the top 10 sources of remittances in the world in 2018 while India, Egypt, and Pakistan were the top three countries to receive these remittances. (Robinson et al.) The World Bank reports that these remittances can help lessen poverty in low-income and middle-income countries. However, the exploitation in the Kafala system cannot be overlooked and these remittances cannot be considered as a sustainable income since they are not guaranteed due to debt bondage, low wages, withholding of salaries, and other exploitations.

### 3. The Covid-19 Pandemic

The risks migrant workers face under the Kafala system have been made even more apparent by the COVID-19 outbreak. Despite the great exposure to COVID-19, seeking medical assistance is often restricted since it violates employment terms. Migrant workers are more likely to get COVID-19 because of their lack of access to adequate healthcare, their poor financial circumstances, and their substandard living conditions. With the COVID-19 pandemic the dorm-like overcrowded accommodations, which lack room for physical distancing, have become especially hazardous for foreign workers. Also, due to travel restrictions and the high cost of tickets home, thousands of migrants have been left stranded and hundreds of thousands have had their salaries withheld from them. The flaws of the Kafala have become even more prominent during the pandemic leaving workers even more vulnerable to exploitation and abuse. Since the pandemic heightened and uncovered the abuses under the Kafala system talks for reform increased in several Gulf states. For example, new labor laws have been implemented in Saudi Arabia and in Lebanon, a new standard unified contract has been introduced. Though these reforms, alone, are not enough they are a good start.

### 4. Gender and Race-based discrimination

The treatment of foreign laborers with darker skin tones frequently deteriorates due to systemic racism. In a 2020 UN report on racial discrimination in Qatar, it was recorded that foreign workers of all income levels reported their wages depended on their origins and native countries and that despite holding professional degrees, some migrant workers reported being demoted to low-paying jobs most frequently associated with and occupied by workers of their racial or ethnic group.

Discrimination based on gender is equally pervasive in the Kafala system. The majority of abuse against foreign domestic workers, typically women, includes sexual assault. However, victims frequently decide not to report abuses because they are frightened to anger their sponsors or perhaps face criminal charges. Some nations, including Kuwait and Qatar, have incarcerated female employees for extramarital sex, even in instances of rape. Given that women make up the majority of Kafala workers in nations, such as Lebanon, the gendered abuses of the system are particularly concerning.



## IV. Key Vocabulary

**Kafala system:** In Jordan, Lebanon, and the majority of the Arab Gulf nations, the Kafala (sponsorship) system provides private individuals and businesses nearly unlimited control over migrant laborers' employment and immigration status. (Robinson et al.)

**Kafeel:** Kafaeel is the name of the local sponsor who usually is the employer of the workers under the Kafala system. The workers' employment and immigration status is legally bound to this person.

**Host country:** This is the country to which an immigrant immigrates.

**Migrant worker:** It is the person who migrates within their home country or outside it for work purposes.

**Remittance:** The name of a sum of money sent in payment or as a gift.

**Country of origin:** It is the native country of an individual. Also, it is the country that provides the workers for the Kafala system countries.

**No-objection certification (NOC):** It is a legal document that is given by a company, government body, or a single person stating "no objection" to the agreements listed in the certificate. Numerous uses of this document exist, including immigration, employment, and general litigation. Workers under the Kafala system might need NOC from their employers in order to change jobs or exercise other freedoms.

## V. Important Events & Chronology

Date (Day/Month/Year)	Event
28 June 1930	ILO's Forced Labour Convention obligates member states to suppress the use of forced labor in all forms.
1950s	The Kafala (Sponsorship) System emerged to regulate the relationship between employers and migrant workers.
22 August 2009	Kuwait announced its plans to abolish the Kafala system.
5 February 2011	Kuwait declares it is not ready to abolish the Kafala System.
2014	The UN special rapporteur on the human rights of migrants called for Qatar to abolish the system.



2017	The Flexi Permit was established in Bahrain which allowed migrant laborers to sponsor themselves and work for different employers without any mobility restrictions
March 2017	The International Labor Organization offered policy options for reforming the Kafala system in this 2017 report.
2019	Kuwait, Saudi Arabia, and the UAE were among the world's top ten sources of remittances.
October 2019	Protests focusing on the injustices within the Kafala system emerged in Lebanon.
March 2021	Saudi Arabia began allowing migrant workers to leave the country without their sponsor's permission.

## VI. Past Resolutions and Treaties

- Violence against women migrant workers A\_RES\_68\_137

<https://digitallibrary.un.org/record/764357?ln=en>

This resolution addresses violence against women migrant workers in general. In operative clause 6 the abusive sponsorship system is addressed by encouraging states to give permission to women migrant workers, who are being abused, to apply for residency permits independently of abusive employers.

- C97 on Migration for Employment and Recommendation (Revised) of 1949

[https://www.ilo.org/dyn/normlex/en/f?p=NORMLEXPUB:12100:0::NO::p12100\\_instrument\\_id:312242](https://www.ilo.org/dyn/normlex/en/f?p=NORMLEXPUB:12100:0::NO::p12100_instrument_id:312242)

This convention was about migrant employees and ensuring their access to healthcare and accurate information about employment conditions beforehand as well as their protection against discrimination.

- C143 Migrant Workers (Supplementary Provisions) of 1975

[https://www.ilo.org/dyn/normlex/en/f?p=NORMLEXPUB:12100:0::NO::P12100\\_ILO\\_CODE:C143](https://www.ilo.org/dyn/normlex/en/f?p=NORMLEXPUB:12100:0::NO::P12100_ILO_CODE:C143)



This convention focused on migrants in abusive conditions as well as equality of opportunity and treatment. Especially article 8 which mentioned that the loss of employment should not indicate direct loss of work permit and/or residency can be inferred as a criticism of the practices of the Kafala system.

- C181 on Private Employment Agencies of 1997

[https://www.ilo.org/dyn/normlex/en/f?p=1000:12100:0::NO::P12100\\_INSTRUMENT\\_ID:312326](https://www.ilo.org/dyn/normlex/en/f?p=1000:12100:0::NO::P12100_INSTRUMENT_ID:312326)

This convention was important in terms of reforming the relationship between the private recruiters and migrant workers by ensuring freedom of association and the right to bargain collectively.

## VII. Failed Solution Attempts

The Kafala system has also been heavily criticized by countries of origin such as Indonesia, Kenya, and Nepal. These countries have at times prohibited workers from emigrating to GCC states to protect their citizens from the mistreatment of foreign workers under the Kafala system.

However, according to analysts, such bans have the unintentional effects of increasing human smuggling across borders as desperate workers pursue other ways to travel to the Kafala states. Enabling easy and legal entry to the Kafala states makes foreign laborers less vulnerable to human smuggling. But this does not change the fact that the legal paths still require better protection for migrant workers. These actions can also disproportionately hurt women, especially in countries whose migrants to Kafala countries are usually female domestic workers.

Kafala states have made numerous reforms to their Kafala system however, most of these reforms were inadequate. Several examples of this insufficiency include cases where reforms were overturned due to complaints from sponsors whose profits were jeopardized, where migrant domestic workers were excluded from the state's labor laws, and where workers were unable to benefit from certain reforms since their sponsor's still had a hold over them. The power imbalance between the workers and their sponsors is too great that the reforms, which are aimed at changing the Kafala system partially, do not succeed. Exploitation and abuse are built into the system thus, partial reforms are insufficient.

## VIII. Possible Solutions



In order to create efficient labor migration regulatory policies, interregional dialogue between Kafala states and countries of origin should take place. This would ensure accountability and help find well-rounded solutions as well as multi-sided alternatives to the Kafala system.

Some solutions to improve the Kafala system can include ensuring workers' work permits and residency statuses are not tied to a private business or individual and rather to the state, permitting workers to end their employment contract without losing their residency status, allowing laborers to renew their own permits, enabling laborers to change jobs without the permission of their current employer and more.

It is important to ensure that these reforms are executed adequately otherwise they would not succeed. This can be ensured by enabling migrant workers to advocate for their own rights through enhancing their access to legal recourse and guidance which would empower migrants to report non-compliant employers. Offering temporary work permits or residency permits for foreign workers involved in legal disputes would encourage workers to report abuse without fearing repercussions such as deportation. One other alternative solution to ensure the proper execution of these reforms can be imposing penalties on employers who fail to abide by them.

## IX. Useful Links

- <https://globalinitiative.net/wp-content/uploads/2018/01/Employer-Migrant-Workers-relationship.pdf>

The International Labor Organization's 2017 policy options report for reforming the Kafala system offers an analysis of the sponsorship systems in the Middle East as well as policy measures to enhance labor market mobility and fair migration.

- <https://www.ilo.org/dyn/migpractice/docs/132/PB2.pdf>

This policy brief offers detailed background information about the Kafala system including policies of several Kafala systems, past reforms, the factors that impact the reform of the Kafala system as well as suggestions for future reforms.

- <https://www.timetoast.com/timelines/history-of-the-kafala-system>

This website visualizes the timeline of the evolution of the Kafala system and past reforms of Kafala states.

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