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Pledge and Practice

The Reality of Nepal's Labour and Migration Reforms

Amit Gautam

Centre for the Study of
Labour and Mobility

Executive Summary

The Gen Z Movement of September 2025 and the rise of the Rastriya Swatantra Party (RSP) as the largest party in the federal parliament in the March 2026 elections led to rising expectations for rapid improvements in the domestic job market and safer foreign labour migration. This policy paper assesses how the new RSP government translates its election pledges into governance of the domestic labour market and foreign labour migration based on analysis of three documents—the RSP Commitment Paper 2026, the Policy and Program for FY 2026/27, and the Budget Speech for FY 2026/27.

While the three documents outline the government's aspirational targets—pledging to formalise the informal sector, establish digital parks, ensure the safety of its labour migration, and work towards successful returnee reintegration—a visible gap remains between political rhetoric and budgetary realities. The RSP Commitment Paper 2026 pledges to create many tech jobs and provide subsidised loans for returnees from marginalised groups or communities, but these promises are not reflected in the budget. Furthermore, the budget allocated to the labour and employment sector is meagre, severely limiting its enforcement capacity. Most importantly, these documents also fail to recognise critical issues related to Nepal's foreign labour migrants, most notably the misclassification of migrant deaths, worker mental health, and the vulnerabilities facing women migrant workers.

In order to bridge this gap, the government has to substantially increase the budget allocated to employment and labour, decentralise labour inspections, establish a centralised job-tracking system, increase the number of human resources in the country's diplomatic missions abroad, and enforce independent investigations into migrant worker deaths.

Background

The September 2025 Gen Z Movement and the rise of the Rastriya Swatantra Party (RSP), which won a thumping majority in the March 2026 general elections, raised expectations for near-term improvements rooted in accountable, results-oriented governance. Specifically, hopes for the RSP government have been correspondingly high for early, rapid breakthroughs in domestic employment generation, improved working conditions, and more dignified, better-protected standards and arrangements for foreign labour migration, among others.[1] Notably, the RSP itself was spurred in large part by support from the Nepali diaspora, reflecting a strong party base outside the country that has amplified calls for rapid domestic change.[2]

Against this backdrop of heightened popular aspirations for change in domestic employment and foreign labour migration, this policy paper examines three key documents produced by the ruling party and its government to better understand how the new dispensation aims to address the issues facing both Nepal's domestic labour market and foreign labour migration. The documents reviewed are the 'Rastriya Swatantra Party: Commitment Paper 2026' developed in lieu of an election manifesto for the March 2026 parliamentary elections; the 'Policy and Program for Fiscal Year 2026/27' (May 2026); and the 'Budget Speech: Fiscal Year 2026/27' (May 2026).[3]

Nepal's Domestic Labour Market

Nepal's labour market is undergoing a major transition due to demographic shifts. According to the World Bank's extrapolation, nearly two-thirds (65.3%) of the country's population belong to the working-age cohort (15–64 years).[4] Consequently, Nepal has entered its demographic window of opportunity.[5]

Nonetheless, the domestic economy has so far failed to absorb this working-age population, with youth unemployment showing alarming statistics, with a figure from 2022 indicating that one in every five youths (20.82%) was unemployed.[6] While no specific factor can be held responsible in totality, studies have noted that the high unemployment among youths is a result of factors such as limited job creation targeted to the youth population, skills/qualification mismatch, and the economy's inability to absorb its growing young workforce within the country, among others.[7]

In Nepal, among those in employment, an alarmingly high proportion—85 per cent—are informally employed,[8] lacking adequate protection from economic vulnerabilities, and the rights and benefits such as time off and holidays that are generally accessible to formal workers.[9] These informal workers endure low pay and are bound to work in poor conditions, where there is high job uncertainty as well as lack of access to social security and targeted assistance.[10] Due to the lack of regulatory oversight, compliance with these standards is also very poor in the case of such workers.

These informal workers are more prone to vulnerabilities such as loss of income and livelihood in the wake of crises, such as those evidenced during the recent COVID-19 pandemic[11] and, more recently, during the flash floods in the central region of Nepal, where an initial estimate from the ILO has shown that informal workers have been among the most severely impacted, as they have lost their jobs and livelihoods.[12] Their vulnerabilities are likely to worsen further due to their limited access to social protection.

These problems persist despite the country's demonstrated commitment to worker safety and protection through national laws, policies, and the ratification of international treaties and conventions. While the Constitution of Nepal 2015 stipulates that labour is a fundamental right,[13] the Labour Act 2017, Nepal's key labour and employment law, extends this constitutional right by stipulating decent working conditions, fair wages, occupational safety, collective bargaining, and social security, all in a bid to ensure labour is exercised with dignity. Nepal has also ratified 12 International Labour Organisation (ILO) conventions that address the protection of its workers at home and overseas.[14]

Similarly, the 16th Plan (2024/25–2028/29) of the Government of Nepal seeks to strengthen the labour and employment sector by promoting

Job numbers

The most recent estimate by the World Bank's states that Nepal needs 6.5 million more jobs by 2050 to absorb its growing working-age youth population.* There, however, appears to be no data available on the number of jobs being created each year, meaning that policymakers have an idea of the scale of the challenge but not the progress made against it. The nature of existing work further aggravates the problem; much of the employment is informal, low-productivity, and concentrated in subsistence agriculture,† with agriculture alone accounting for nearly two-thirds (64.4%) of the country's total employment.‡ Therefore, even a large number of new jobs would say little about whether they offer decent wages, security, or a path out of poverty. Complicating the picture are hundreds of thousands of Nepalis leaving each year for work abroad. There is thus no indication of either of the number of jobs created in Nepal or how many end up finding jobs—at home or in a third country.

* World Bank, Nurturing Nepali Talent to Foster Economic Growth: Nepal Human Capital Review (Washington DC: World Bank, 2025), https://documents1.worldbank.org/curated/en/099032825112516213/pdf/P180970-9b45e4a6-bb34-4cc6-8e39-05955a51d6c2.pdf.

† Y.N. Sharma, 'Transition of the Labour Market in Nepal: Challenges and Opportunities', Interdisciplinary Journal of Management and Social Sciences 5, No.2 (2024): 236—251.

‡ International Labour Organization, 'Nepal: The Employment - Environment - Climate Nexus (Employment and environmental sustainability factsheet)', November 2022, https://www.ilo.org/media/368756/download.

domestic employment through increased collaboration between the government, non-government organisations, cooperatives, and the private sector; mobilising local labour in local development activities; connecting educational curriculum to employment; and facilitating the private sector to promote rural entrepreneurship and self-employment. The Plan also seeks to increase investment in human resource development to raise labour productivity and provide technical and vocational training to youths entering the labour market.

The three documents analysed for this paper recognise the major problems facing the Nepali domestic labour market—unemployment, pervasive informality, and a lack of protection and social security for workers. The RSP's Commitment Paper, for instance, describes labour as 'dignified human capital'. That is a commitment simultaneously endorsed through the government's Policy and Program, which places special emphasis on formalising the informal sector, protecting workers' rights, and safeguarding workers from exploitation and various kinds of risks, as well as ensuring workers' access to social security. Likewise, the Budget Speech emphasises a mandatory labour registry of both employers and workers in the centralised government database, specific licensing rules for outsourcing companies that supply labour, and a clear statement that wage theft is financial fraud. All three documents identify labour justice as a crucial concern as seen in provisions such as providing pro bono legal aid to workers facing exploitation with the budget speech prioritising a new legal framework for the quick resolution of labour disputes through the Labour Tribunal.

These specifics indicate a positive trend and alignment toward fulfilling commitments to safeguard workers from various kinds of exploitation and ensure their access to social security. Similarly, to address the issue of rising unemployment rate in the country, there has been a strong emphasis on creating jobs and encouraging entrepreneurship by increasing partnerships between the public and private sectors; promoting information and technology (IT) industries; setting up production zones linked to employment; providing incentives for startups; supporting entrepreneurial programmes for marginalised groups, including women; and supporting the returnees through interest subsidies, technical support, easy access to the market, skill documentation, and programmes that leverage their knowledge, skills, and expertise.

Gaps nonetheless persist. For instance, none of the three documents adequately addresses the structural drivers of informality, such as low sectoral productivity and limited industrial

Table 1: Key provisions related to employment and protection of workers

Commitment Paper 2026	Policy and Program 2026/27	Budget Speech 2026/27
Formalisation of informal economy		
• informal sector into the formal economy • recognise labour as 'dignified human capital' with assurance for building a safe, dignified, and just labour market	• formalisation of informal sectors	• make labour registry mandatory for both workers and employers • mandate written contracts, minimum wage, workplace safety standards, and wage payment through bank accounts
Employment generation and sectoral development		
• develop Nepal as a 'global tech hub' while creating 'digital parks' in every province, ensuring 500,000 direct jobs • develop digital economy as a key sector for economic growth, high productivity, and quality employment generation, allocating resources and increasing public- private investment	• establish employment-linked production zones with emphasis on export-potential sectors such as agro-processing, tourism, manufacturing, and tech-based industries • Declare FY 2026/27 to 2035/36 as the 'Employment Promotion Decade' with programmes to transform foreign employment from compulsion to choice	• employment-linked production zone as model for development and expansion of labour-intensive industries with export potential, including agro-processing, tourism, and light manufacturing • forests and natural resources explicitly framed as a foundation for green industrialisation and employment generation • strengthening startup ecosystem through profit-linked tax incentives, public procurement access, and mix of grants, concessional loans, and growth capital across startup stages • provide startup facility to 1,000 young entrepreneurs in agri- and livestock-based enterprises
Job/employment and labour market reform		
	• introduce national apprenticeship programme based on concept of 'earn while you learn' • strengthen national welfare fund and tripartite labour relations between government, employers, and workers • strict enforcement of commitment against child labour	• set uniform standards for insurance, housing, and digital grievance-management services provided by licensed outsourcing companies • livelihood improvement programmes at local level for women's entrepreneurship • allotment of NPR 3.63 billion for labour and employment sector in 2026/27

Commitment Paper 2026	Policy and Program 2026/27	Budget Speech 2026/27
Social security and other support for workers		
• ensure workplace safety, minimum wage, insurance, and social security for workers, including informal workers • establish subsidised/free legal aid and easier access to labour justice	• integrate skills, education, labour-market information, social security, and employment services into single national employment policy • ensure easy access to legal support and justice for workers	• special campaign to register informal-sector workers in social security schemes • extend formal labour and social security coverage to gig workers • strengthen compensation for workplace injuries and insurance claim mechanisms
Labour inspection		
• commitment to strict enforcement of workplace safety, insurance and mandatory social security and monitoring of the same	• introduction of a digital labour-inspection system to check minimum-wage compliance and occupational safety and health in workplace	• Labour Tribunal for swift dispute resolution • wage theft/labour exploitation to be considered economic offence
Support and protection for returnees		
• encourage skilled returnees through special interest subsidies, technical support, and market-access programmes	• skills documentation for returnee youths through a digital 'skill passport', linking it to international vocational/ professional certification, by way of formally recognising returnees' overseas work experience	• implement returnee migrant programme to leverage knowledge, skills, and expertise of returnees from foreign employment
Other interventions		
• Restructuring universities to make higher education employment-oriented		

absorption capacity. Registries and licences are administrative tools, not measures that create jobs. Similarly, NPR 3.63 billion (ca. USD 23.66 million) is allocated for the 'labour and employment' sector for FY 2026/27, accounting for a mere 0.17 per cent of the total budget and which must also cover the administration of foreign labour, is modestly set against a workforce in which nearly 90 per cent work informally and more than half earn less than minimum wage. Compared with Nepal, India's share of the total budget for labour and employment is 0.61 per cent of total budget expenditure for 2026.[15]

The 'formalisation of the informal sector', although appearing consistently across all three documents, is budgeted only as an unquantified and unqualified 'special campaign', with no worker-count target or specific allocation, leaving substantial grounds to suspect weak implementation.

This also raises critical questions about whether resources and staffing are adequate for workplace inspections, social security schemes, and grievance management systems. Similarly, the agriculture sector, which employs nearly two-thirds (64.4%) of the total employed population,[16] receives scant attention in these documents on how to support informal workers and formalise informally run agricultural enterprises. There is nothing for workers in the agriculture sector despite all three documents' commitment to transforming agriculture through policies to attract commercial farming, incentivise agricultural productivity, and, as outlined in the

budget speech, provide premium subsidies (up to 80%) in agriculture and livestock insurance. The main highlight appears to be the support mentioned in the budget speech for 1000 young entrepreneurs for agriculture startups.

The commitment paper's flagship pledge of a global tech hub, digital parks in every province, and the hard number of 500,000 jobs is absent from both the Policy and Program and the Budget, underscoring a major gap between promise and delivery. University restructuring for 'employment-oriented higher education' in the commitment paper receives no specific programmatic, policy, or budget attention, leaving a structural commitment with no institutional follow-through. The apprenticeship programme 'earn while you learn' in the Policy and Program does not receive adequate endorsement in the Budget, where it is effectively replaced by a narrower entrepreneurship scheme, not funded as an apprenticeship model. A dedicated 'national welfare fund' and formal tripartite mechanism outlined in the Policy and Program have no visible budget line, with this addressed only partially through an overlap via compensation/insurance-claim provisions. Likewise, the child labour enforcement, flagged as the government's enforcement priority in the Policy and Program, has no specific budget allocation or enforcement mechanism attached.

Foreign Labour Migration

The trend over the past two decades and more of Nepalis leaving the country for employment abroad best illustrates the domestic economy's inability to absorb the growing labour force. With nearly six million labour permits issued between 2008/09 and 2023/24,[17] scholars argue that foreign labour migration is no longer a temporary response to the lack of jobs in the country but a permanent feature.[18] Remittances coming into the country are equal to nearly a third of the country's total GDP.[19] The scale of outflow is striking given Nepal's demographic profile, with more than 500,000 young people entering Nepal's labour force annually[20] and many are leaving for foreign employment, largely because of a lack of opportunities back home. This dependency, however, masks what studies increasingly describe as a system of structural exploitation rather than a straightforward development success story, often characterised as a tension between migration's undeniable poverty-reduction effects and its inherent human costs.[21]

The major issues faced by Nepali migrant workers working abroad are well documented such as deployment into low-skilled '3D' (difficult, dirty, dangerous) jobs, mostly shunned by domestic workers in the destination countries, besides being poorly positioned to negotiate fair employment terms or escape an abusive working environment.[22] Migrant workers start experiencing this exploitation starting with the payment of a recruitment fee. Despite the government-mandated cap on fees, workers are charged hefty fees, amounting to NPR 120,000 on average (ca. USD 772),[23] further trapping these migrant workers in debt bondage before they even leave the country. Once abroad, workers report passport and money confiscation, contract substitution, wage theft, and unsafe working conditions. Mortality figures are alarming, with 1600 cases of migrant worker deaths recorded in 2025/26 alone.[24] Women migrants face a distinct and compounded vulnerability. Historical bans on female domestic work have not stopped migration but instead pushed women into irregular and undocumented channels,[25] increasing their exposure to trafficking and exploitation.

Although Nepal has pledged to safeguard its migrant workers through legal frameworks and bilateral labour agreements, enforcement remains a major challenge, leaving many workers exposed to recruitment fraud, debt, wage theft, and hazardous labour, among others. The Foreign Employment Act, 2007, for instance, stipulates that special support/facility will be provided to aspirant foreign labour migrants from groups and marginalised communities, such as women, Dalit and indigenous people, and regulates private recruitment agencies; the Act stipulates that the Government of Nepal could specify the minimum remuneration for individuals going for foreign employment.

Similarly, although the Act mandates pre-departure insurance for workers, it has been

frequently proven to be challenging for workers and their families to claim the insurance money. Similarly, the 16th Plan (2024/25–2028/29) emphasises skill- and competence-based foreign employment by seeking out new and attractive destinations offering better incomes and safer working environments while pursuing the signing of bilateral labour agreements. It also aims to mobilise the Foreign Employment Welfare Fund more effectively to promote the rights and interests of workers involved in foreign employment while decentralising services and reducing the overall vulnerabilities facing the workers and their families.

Recently, reintegrating returnees has emerged as a key challenge for the Government of Nepal. Despite the government's recent focus on returnees and the implementation of ReMi[26]

Table 2: Key provisions on foreign employment and protection of migrant workers

Commitment Paper 2026	Policy and Program 2026/27	Budget Speech 2026/27
General commitment to safe and orderly foreign labour migration		
• transparent, accountable private recruitment agencies, taking action against fraud and excessive fees, and special migrant-worker identity card with service concessions • 24/7 central response unit, rapid rescue teams, digital consular services	• safe, organised, and productive foreign employment • action against excessive recruitment fees • 24/7 central response unit and mission-level rapid-rescue teams	• promote 'zero-cost migration' and worker-friendly service fees
Mechanisms/institutional arrangements/resources for safe foreign labour migration		
• establish central response unit at the Ministry of Foreign Affairs as well as mobilise rapid response teams in each mission for rescue • strengthen Nepal's diplomatic services abroad to make them 'service and security oriented' to protect Nepalis living there • provide digital consular services	• destination diversification through labour diplomacy	• set targets for migrant resource centres from current 77 to 102 by the end of F/Y 2026/27 • increase Safe Migration Programme coverage from current 557 to 626 local levels by the end of F/Y 2026/27 • increase labour agreements from current 13 to 18 countries by the end of F/Y 2026/27 • Increase reintegration beneficiaries from current annual 5,000 to annual 5,200 (sic) by the end of F/Y 2026/27 • fund rescue and body-repatriation services • require pre-departure skills acquisition • review and renegotiate labour agreements with destination countries

Remittances		
• proposes model-housing programme to channel remittances into productive investment	• establish 'remittance-investment matching fund' to transform remittances from consumption into productive investment	• introduce remittance-linked lottery to encourage formal-channel transfers
Targeted support for aspirant foreign labour migrants and returnees		
• provision of subsidised loans for Dalit and marginalised migrants and support for returnee entrepreneurs	• operationalise remittance-investment matching fund and an incentive package for reverse migration • channel returnees into agricultural enterprise	• operationalise Remittance-Investment Matching Fund and start a dedicated 'returnee migrant' programme
Engaging diaspora community		
• frames the diaspora as a pillar of transformation through dual citizenship, voting rights, a 'national knowledge bank',* and Non-Resident Nepali (NRN) investment facilitation	• create diaspora expert network/knowledge bank with NRN investment protections	• issue diaspora bonds to mobilise capital from outside • encourage co-investment from the private sector and NRNs • grant NRNs economic, social, and cultural rights to engage them into the nation-building process

* The proposed national knowledge bank is an initiative to create a platform or mechanism that connects the advanced knowledge, skills, and technology Nepalis abroad have acquired with Nepal's education, health, and other infrastructure sectors, channelling diaspora expertise into national development.

project intended to help returnees, the current support provided is deemed too thin, short-term, and poorly resourced to translate into meaningful and long-term transformation.[27] This also raises a possibility that the returnees often re-enter the same conditions of underemployment that drove their original departure, risking repeat or cyclical migration.

The three documents under consideration confirm a commitment to a safe migration process, starting with transparent and accountable recruitment, protecting migrant workers abroad, and supporting returnees upon their return to Nepal. The commitments to regulating private recruitment agencies, establishing a centralised response unit, digitising consular services, and providing targeted support for aspiring migrants and returnees from marginalised groups and communities, as outlined in the RSP's Commitment Paper 2026, are firmly reflected in the key provisions of the Policy and Program and the Budget Speech. The Policy and Program reaffirms the government's plans to reduce high recruitment fees, set up special service counters for migrant workers, and record returnees' skills to help them obtain international certification and pursue agriculture-based entrepreneurship back home. Similarly, the Budget Speech's emphasis on pre-departure skills, promoting zero-cost migration, extending migrant resource centres, expanding coverage of the Safer Migration Programme (SaMi),[28] and supporting more returnees through reintegration plans confirms this intent.

Although all three documents recognise hefty recruitment fees as a major issue facing aspiring migrant workers and attribute the problem to the current recruitment process, only the Budget Speech specifically states what this means: zero-cost migration. The Commitment Paper emphasises action against fraud and excessive recruitment fees; the Policy and Programs document repeats almost the same phrase, but the Budget Speech upgrades this to 'zero-cost

migration', which sounds ambitious yet gives no specific figure, no cap, and no explanation of how the government that has struggled to enforce the existing fee cap will suddenly enforce zero-cost migration.[29]

The issue of diplomatic protection follows a similar pattern of fading rather than sharpening detail. A major gap between the three documents also appears in how they intend to use diplomacy, and for what purpose. The Commitment Paper pledges digital consular services and economic diplomacy; the Policy and Program frames this as destination diversification through labour diplomacy; and the Budget Speech narrows it even further to expanding labour agreements from 13 to 18 countries. New labour agreements are essential, but they cannot be a replacement for the need for more labour attachés or counsellors on the ground, and none of the three documents ever states a number for expanding the current total of seven attachés and five counsellors in all the diplomatic missions combined,[30] a shortfall that has reportedly affected the overall protection of Nepali migrant workers in destination countries. The three documents clearly acknowledge each other and build on common themes, but fail to recognise that increasing the number of labour agreements cannot solve the problem of inadequate staffing and the country's enforcement capacity in destination countries.

Strikingly, the major missing link in all three documents is their silence on the issue of classifying migrant deaths as due to 'natural causes', which denies compensation for bereaved families and blocks investigation into the real causes of death. Although the Budget Speech addresses the logistical issue of funding dead body repatriation, the problem that lies with the classification of death reasons remains completely untouched. Mental health issues facing migrant workers and suicide, which account for nearly 14 per cent of migrant deaths, do not appear anywhere across any of the documents. Women migrants and the specific vulnerability created by historical bans on female domestic work also do not feature either.

In sum, the three documents focus more on the administrative and economic aspects of migration, such as funds, agreements, and reintegration. But they share the same blind spot on the human and governance-related costs of labour migration, which points to a structural gap in how the state has framed the migration issue overall and is not just a one-off omission.

The Commitment Paper also includes two major commitments that disappear or shift in the latter two. It explicitly promises legal recognition for remote and digital cross-border work performed from Nepal. Still, neither the Policy and Program nor the Budget Speech mentions it—a commitment with no downstream translation. Similarly, the Commitment Paper also pledges subsidised loans for Dalit and marginalised returnees. Yet, the Policy and Program and the Budget Speech speak only in general terms about returnee/migrant support, with no targeted equity provision or allocation.

The Budget Speech introduces a 'remittance-linked lottery' to encourage formal-channel transfers, something that is absent in both the Commitment Paper and the Policy and Program; a budget-stage allotment with no policy grounds, suggesting ad hoc policymaking rather than coherent planning. Another important omission is that the Policy and Program introduces a 'digital skill passport' linked to international certification. By contrast, the Budget Speech reduces this to a generic 'pre-departure skills acquisition' requirement, removing the specific digital skill passport/certification linkage and effectively shelving the plan.

Conclusion and Recommendations

Nepal's labour market is shaped by three interlocking realities—a domestic economy that is unable to generate adequate employment for its working-age population, pervasive informality among those employed, and a heavy dependence on remittances from workers abroad. Considering these realities, successive government policies have rightly prioritised employment generation and decent working conditions at home while laying down provisions for the protection and support for Nepali workers abroad. Yet, a clear gap persists between policy commitment and lived reality with workers continuing to face difficulties at home and in foreign countries

related to low wages and poor and hazardous working conditions, with limited protection mechanisms accessible.

In this context, an analysis of RSP's Commitment Paper, the Policy and Program for 2026/27, and the Budget Speech for 2026/27 indicates that the current government's policies are high on rhetoric not in budgetary reality. The core claim of the three documents is clear and evident, as they restate ambitious pledges on formalisation, job creation, safe migration, and diaspora engagement, and support for the returnees, yet they rarely match them with the financing, staffing, or enforcement mechanisms needed to realise those pledges. Flagship commitments such as the promotion of the Global Tech Hub, subsidised loans for marginalised returnees, and legal recognition of remote work fade away by the time they reach the budget stage, underscoring the gap between promises and delivery.

Most notably, three documents overlook the human and governance costs of labour migration, including the classification of migrant deaths, mental health, and suicide among workers, and the specific vulnerabilities faced by women migrants. These are not isolated oversights but evidence of a structural gap in how the state currently frames the labour and migration agenda. Closing this gap will require adequate budgetary allocations, enhanced institutional capacity, and a willingness to confront the harsh realities of Nepal's domestic labour market and the foreign employment sector.

Drawing on the discussion above, the following policy prescriptions have been proposed.

Domestic labour market

- Considering the huge mandate in place, there is a need for the government to substantially raise the allocation for the labour and employment sector from the current 0.17 per cent of the total budget.
- In recognition of the recent signing of ILO Labour Inspection Convention, 1947 and its effective compliance, the government should make a concerted efforts for decentralising monitoring and inspection mandate to the local government level, along with the current mandate with the Labour Inspectors.
- Given the current skills mismatch, the government should work closely with employers to identify the types of jobs in demand and equip prospective workers with the relevant skills. To achieve this goal, the government can support and strengthen skill training institutions by providing them with adequate resources.
- Acknowledging the lack of data on the number of jobs created each year and its possible impacts on policymaking, governments at all levels (federal, provincial, and local) should work together to devise a centralised system to track job creation.
- In consideration of the high prevalence of informally employed workforces, the government should introduce various schemes targeted at employers, such as tax and customs waivers and simplified registration for micro and small enterprises, to incentivise them to formalise their workers. It should also strengthen its existing monitoring mechanisms to ensure compliance by employers on issues such as minimum wages and various protection mechanisms.
- The government needs to devise an integrated social security ecosystem that goes beyond the current provisions of the Social Security Fund and recognises income security, access to capital/subsidised loans, market linkages, and quality public services.
- The commitments to a global tech hub, digital parks in every province, and 500,000 direct jobs should be included in the medium-term expenditure framework with timelines and allocations. Similarly, employment-linked production zones should carry explicit job-creation targets so their results can be tracked.
- Considering the vulnerabilities of the internal migrant workers, working mostly in major cities across the country, in the face of disasters, pandemics, and other emergencies, the government needs to come up with a policy to guide the government's actions for the effective management of these workers, including by providing immediate

and long-term support to such workers.

Foreign labour migration

- In recognition of ILO's General Principles and Operational Guidelines on Fair Recruitment and Goal 6 of the Global Compact for Safe, Orderly and Regular Migration, i.e., to facilitate fair and ethical recruitment and safeguard conditions that ensure decent work, and given that Nepal has committed to being a champion country, it is crucial for the government to define what zero-cost migration means in practice, including who bears which costs, and set out its enforcement mechanisms. A first step is to enforce the existing fee cap through stronger monitoring of recruitment agencies, meaningful sanctions, and joint liability between agencies and employers.
- Alongside signing new labour agreements, it is necessary for the government to set a clear target for expanding the number of labour attachés and labour counsellors, starting with destinations with a larger number of Nepali migrant workers as well as providing dedicated staffing and funding to the central response unit and mission-level rapid-rescue teams in order to increase their effectiveness.
- To better protect migrant workers, the government needs to work to expand comprehensive social security schemes for migrant workers in more destination countries, including through bilateral diplomatic efforts and memoranda of understanding. In Nepal, the Social Security Fund, diplomatic missions, the Foreign Employment Board, and other relevant stakeholders should work in tandem to bolster the continued involvement of migrants with the Social Security Fund.
- The government should push for independent investigation of migrant deaths recorded as 'natural causes', both through labour agreements and through targeted diplomatic engagement while ensuring that bereaved families of deceased workers receive compensation on time.
- Restrictions on women's migration for domestic work in many destinations have pushed women into irregular channels and made them vulnerable to greater risks. The government should review these restrictions in favour of a rights-based approach. That includes acknowledging the constitutional provision of rights to work and equality while ensuring that women are in regular, protected channels that are backed by gender-responsive services at home and in destination countries.
- The reintegration target should be raised far above the planned 5,000 to 5,200 beneficiaries a year, and programmes should be linked to domestic labour market opportunities to reduce cyclical migration. The digital skill passport tied to international certification should be restored and funded, and the Commitment Paper's pledge of subsidised loans for Dalit and marginalised migrants and returnees should be honoured with a targeted allocation, and with specific consideration for returnees' health and the failed migration cases.
- New measures such as the remittance-linked lottery should be grounded in policy and assessed for effectiveness before rollout. Priority should go to operationalising the remittance-investment matching fund. Likewise, the Commitment Paper's promise of legal recognition for remote and digital cross-border work done from Nepal should be carried over into policy and legislation.

Endnotes

1 Both employment generation at home and regulated foreign employment have been the key priorities in the Rastriya Swatantra Party's 100 Points Commitment Paper. https://api.rspnepal.org/downloads/273dfc32-2f05-48b2-96a8-8408ab8ae7bc/download.
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Centre for the Study of
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The Centre for the Study of Labour and Mobility (CESLAM) is a research centre within Social Science Baha, Kathmandu, set up with the primary objective of contributing to broader theories and understandings on labour and mobility. It conducts interdisciplinary, policy-relevant research on critical issues affecting working people; serves as a forum to foster academic, policy and public debates; and provides new insights on the impact of labour and migration.