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## USDOS – US Department of State

### 2020 Trafficking in Persons Report: Nepal

#### NEPAL: Tier 2

The Government of Nepal does not fully meet the minimum standards for the elimination of trafficking but is making significant efforts to do so. The government demonstrated overall increasing efforts compared to the previous reporting period; therefore Nepal remained on Tier 2. These efforts included investigating multiple government officials for complicity in human trafficking, identifying and removing more children, including trafficking victims, from exploitative care homes, and funding repatriation for more Nepali trafficking victims overseas. The government continued to stand up its law enforcement unit dedicated to human trafficking—the Anti-Trafficking-in-Persons Bureau (Anti-TIP Bureau)—and parliament voted to accede to the 2000 UN TIP Protocol. However, the government did not meet the minimum standards in several key areas. The government’s laws do not criminalize all forms of labor trafficking and sex trafficking, and officials’ identification of, and protection for, male trafficking victims and transnational labor trafficking victims remained severely inadequate compared to the size of the problem. Official complicity in trafficking offenses remained a serious problem, both direct complicity and negligence, and the government did not report investigations into several documented allegations. In addition, some police continued to arrest, detain, and fine adult and child sex trafficking victims identified in the adult entertainment sector (AES). Furthermore, officials continued to encourage migrant workers exploited abroad to register cases under the 2007 Foreign Employment Act (2007 FEA), which criminalized fraudulent recruitment, rather than refer cases to police for criminal investigation of labor trafficking.

#### PRIORITIZED RECOMMENDATIONS:

Investigate allegations of official complicity in trafficking crimes and hold perpetrators criminally accountable. • Amend the Human Trafficking and Transportation (Control) Act (HTTCA) to criminalize all forms of sex trafficking and labor trafficking, in line with the 2000 UN TIP Protocol. • Finalize and train front-line responders on standard operating procedures (SOPs) to identify and refer trafficking victims to services, especially male labor trafficking victims and females in commercial sex. • Establish SOPs for law enforcement to investigate human trafficking cases, including referrals between agencies. • Increase investigations, prosecutions, and convictions of all trafficking offenses, including criminal investigations into labor recruiters and sub-agents for labor trafficking. • Expand access to and availability of victim care, including shelter and repatriation, for all victims, especially males and workers exploited overseas. • Increase staff, training, and resources to the Department of Foreign Employment (DFE) to facilitate full implementation and monitoring of the low-cost recruitment policy. • Implement the victim-witness protection provisions of the HTTCA. • Significantly increase monitoring of children’s homes and orphanages and hold accountable those that do not meet the government’s minimum standards of care. • Authorize labor inspectors to monitor AES establishments for labor violations. • Remove the HTTCA provision that allows the judiciary to fine victims if they fail to appear in court and hold them criminally liable for providing contradictory testimony. • Lift current bans on female migration and engage destination country governments to create rights-based, enforceable agreements that protect Nepali workers from human trafficking. • Provide documentation to Haruwa-Charuwa communities and internationally recognized refugees and asylum-seekers to allow them to work, attend school, and access social services.

#### PROSECUTION

The government modestly increased anti-trafficking law enforcement efforts. The 2007 HTTCA criminalized some forms of sex trafficking and labor trafficking. The HTTCA criminalized slavery and bonded labor, but did not criminalize the recruitment, transportation, harboring, or receipt of persons by force, fraud, or coercion for the purpose of forced labor. It criminalized sex trafficking but, inconsistent with international law, required a demonstration of force, fraud, or coercion to constitute a child sex trafficking offense, and therefore did not criminalize all forms of child sex trafficking. Prescribed penalties range from 10 to 20 years’ imprisonment and a fine, which were sufficiently stringent and, with respect to sex trafficking, commensurate with those prescribed for other serious crimes, such as rape. The 2017 Labour Act 2074, which is enforced by specialized labor courts, criminalized forced labor and prescribed penalties of up to two years’ imprisonment, a fine of up to 500,000 Nepali rupees (NPR) (\$4,400), or both. Additionally, the 2002 Bonded Labor (Prohibition) Act criminalized bonded labor and prescribed penalties of a fine between 15,000 and 25,000 NPR (\$132-\$220) and the Child Labour Act criminalized forced child labor and prescribed penalties of up to one year imprisonment, a fine of 50,000 NPR

(\$440), or both. None of these laws prescribed sufficiently stringent penalties. The 2007 FEA criminalized fraudulent and deceptive labor recruitment. For the fifth consecutive year, revisions to the HTTCA to bring the definition of human trafficking in line with international law remained stalled.

During the Nepali fiscal year, police conducted 258 investigations involving 524 suspects, the Office of the Attorney General initiated prosecution in 407 cases, and district courts convicted 231 traffickers in 110 cases, all under the HTTCA. This is compared to initiating 313 investigations involving 546 suspects, initiating 303 prosecutions and continuing 190 from previous years, and convicting 213 traffickers the previous reporting period. The government did not report sentences prescribed to convicted traffickers. District courts acquitted 243 suspects in 125 cases, compared to 113 acquittals in the previous reporting period. Officials did not disaggregate data to distinguish between sex and labor trafficking cases, and in some reported cases, suspects exploited victims in non-trafficking crimes, such as forced marriage, without evidence of exploitation in forced labor or commercial sex. Some police and prosecutors investigated and prosecuted suspected sex traffickers and facilitators for rape and public offenses. In one high-profile case, the judiciary convicted for child abuse a high-ranking official at an NGO who used his child welfare organization to sexually abuse children, including keeping several children as sex slaves. The court sentenced him to nine years’ imprisonment and ordered him to pay compensation to two victims; the trafficker appealed the conviction at the close of the reporting period.

The government had standard training for labor, immigration, judicial, law enforcement, and foreign employment officials that included general definitions of human trafficking. International donors provided training on trafficking case identification, proactive investigation techniques, and building prosecutions. Despite these trainings, most police lacked sophisticated investigative techniques and resources to interact with trafficking survivors in a victim-centered way. In addition, the dearth of investigators and prosecutors trained to work on trafficking cases, coupled with the frequent turnover, further hampered efforts. The government hired 41 new investigators for the Anti-TIP Bureau, a specialized police unit dedicated to trafficking crimes created in 2018. The unit had filled 77 of 171 anticipated permanent positions at the close of the reporting period and continued to draft internal SOPs to define its operations. Additionally, it opened two new provincial offices. The Anti-TIP Bureau also assumed the mandate for transnational trafficking cases, previously handled by the Central Investigation Bureau (CIB). While the Anti-TIP Bureau will eventually investigate all human trafficking cases, other agencies continued to investigate cases. The Nepal Police Women’s Cells (NPWC) had female officers in all 77 districts to investigate crimes against women and girls, including trafficking, but not all district offices were fully operational. Law enforcement did not proactively identify trafficking cases, and in many of the referrals it received, the alleged trafficking crimes had occurred more than one year prior, which undermined evidence collection and prosecution efforts. Moreover, police and prosecutors remained reliant on victim testimony for successful cases. Victims often did not want to assist in cases against their perpetrators because the perpetrators were family friends or relatives. Traffickers often bribed victims and their parents not to provide testimony in trafficking cases. Neither the Anti-TIP Bureau nor other law enforcement units had the resources to coordinate with NGOs and victims on registering cases against their traffickers, which made it harder for victims to do so. Police and the judiciary did not always collaborate, which led to police submitting incomplete cases that prosecutors could not pursue in court. Many district courts did not comply with the 2013 Supreme Court directive to adopt a “fast-track” system for human trafficking cases at times due to overwhelming non-trafficking caseloads. While the National Judiciary Academy publicized SOPs on investigation and prosecution of trafficking cases, whether officials employed the SOPs varied by judge. Police worked informally with some foreign law enforcement, including Indian officials, on trafficking cases. The government did not report collaboration with Gulf countries on trafficking cases.

NGOs and police monitored some children’s homes and orphanages for child abuse and arrested several suspects during the reporting period, including for human trafficking. Generally, however, authorities rarely prosecuted owners of the exploitative establishments, and the establishments used political connections to circumvent oversight by child protection agencies. The government did not make sufficient efforts to investigate or prosecute suspects for bonded labor. The government continued to misidentify the majority of transnational labor trafficking cases as labor violations and resolved them administratively through the Ministry of Labor, in lieu of criminal investigation, with inadequate sentences for perpetrators. Legal experts stated prosecutors could pursue a case under both the HTTCA and the 2007 FEA for transnational labor trafficking and foreign employment fraud, respectively; however, prosecutors regularly refused to do so, believing such action would violate the prohibition against double jeopardy. DFE did not refer labor complaints to police to screen for trafficking. Many migrant workers remained unaware of the process for obtaining redress, including in cases of trafficking. DFE officials continued to advise abused migrant workers to register complaints under the 2007 FEA rather than notify police. Notably, in January 2020, DFE and the police signed a memorandum of understanding (MOU) to allow labor trafficking victims to file complaints at local police stations instead of requiring them to travel to Kathmandu. However, the government did not report how it communicated this change to migrant workers or local police stations. Many labor trafficking victims preferred to submit claims for restitution through the 2007 FEA in lieu of lengthy criminal prosecutions under the HTTCA, citing the desire to avoid the stigma associated with trafficking, the higher potential for compensation through the 2007 FEA, and the lack of time and funding to access the centralized institutions charged with providing redress.

The government investigated some officials allegedly complicit in human trafficking, but corruption and official complicity in trafficking crimes remained significant concerns, inhibiting law enforcement action during the year. Traffickers continued to bribe government officials to include false information in genuine Nepali passports and provide fraudulent documents to prospective labor migrants or foreign employment agents. NGOs had concerns that because a number of government officials, including parliamentarians, maintained close ties to foreign employment agencies, such officials might have a conflict of interest in approving migrant-friendly practices, such as prosecution of abusive recruitment agencies and increasing protections for migrant workers. However, the government modestly

increased efforts to address other allegations of official complicity. In August 2017, parliament ordered the government to take action against negligent and complicit immigration officials and police who had allowed 60 percent of Nepali domestic workers to depart the international airport without completing the required exit procedures. In response, in October 2019, the Commission for the Investigation of Abuse of Authority (CIAA), a semi-independent investigative body, filed charges against 13 immigration officials for circumventing Nepal’s labor migration restrictions and illegally charging 248 Nepali female migrant workers a 10,000 NPR (\$88) fee to send them to Qatar and United Arab Emirates (UAE) for domestic work. Additionally, in January 2020, CIB opened a criminal investigation into 41 recruitment agencies for earning money from illicit activities while sending migrant workers abroad. In November 2017, the CIAA arrested the director general of DFE and two DFE officials for allegedly attempting to collect a bribe from a foreign employment agency; law enforcement released the three officials on bail or their own recognizance, and the case remained pending at the end of the reporting period. NGOs alleged some police and political party leaders were complicit in sex trafficking in conjunction with their financial involvement in the AES. Some traffickers, including owners of AES establishments and exploitative orphanages, enjoyed impunity due to personal connections with politicians and by bribing police to avoid raids or procure fraudulent identity documents. Observers reported cases in which police solicited sexual favors from sex trafficking victims.

During the reporting period, the UN Human Rights Committee heard two cases against Nepali military officials who allegedly forced one boy and one girl into labor in 2010 and 2002, respectively. In the first case, a Nepali man alleged that when he was between 12 and 14 years old, a Nepali army officer forced him into domestic work for 18 hours per day without pay from 2010-2012. When he escaped in 2012, he alleged the official filed a fraudulent complaint of theft, police arrested and tortured him, which medical reports substantiated, and the judiciary refused to investigate his claims. The committee ordered the government to compensate the man, but it refused to compensate him or criminally investigate the suspects. In the second case, the committee urged the government to support a woman’s claim that in 2002, at age 14, the Royal Nepalese Army and police arrested, detained, forced her into labor at military barracks, and then forced her to become an informant on the anti-government Maoist forces. The government did not report criminally investigating the claims or initiating compensation procedures.

## PROTECTION

The government maintained efforts to identify and protect trafficking victims. While it identified fewer trafficking victims overall and services for male victims and trafficking victims abroad remained inadequate, the government increased identification and removal of children from exploitative care homes and repatriated more trafficking victims than the previous reporting period. NPWC identified 387 victims in its 258 investigations, a sharp decrease from 546 victims in 313 cases the previous fiscal year. Of the 387 victims, traffickers exploited 74 in sex trafficking and 80 in labor trafficking; reports did not specify the type of trafficking for the other 233 potential victims. The 387 victims included 150 victims aged 18 or younger and 71 males. This is a slight decrease from identifying 119 males in three cases the previous fiscal year but a general increase from prior years, when authorities rarely identified male victims. The government, with NGO assistance, removed more than 200 children from exploitation in abusive and unregistered orphanages. The orphanages had forced some children into labor making handicrafts and begging and had sexually abused other children. The government estimated at least one-third of the total registered orphanages, which care for approximately 15,000 children, did not meet government standards and did not have regular oversight. The government did not have SOPs for victim identification and referral to services. NPWC had internal guidelines on the identification and treatment of victims, and the Ministry of Women, Children, and Senior Citizens (MWCSC) continued drafting SOPs on victim identification, referral, and data collection. Authorities did not systematically track the total number of victims identified. Officials’ poor understanding of trafficking and the lack of SOPs hindered proactive identification, especially among returning male migrant workers exploited abroad. Police did not always recognize that children in commercial sex constituted sex trafficking and sometimes removed girls 16-17 years old from commercial sex, sent them home, and did not refer them to services or file criminal charges against the client. Police lacked the staff, resources, and training required to patrol Nepal’s nearly 1,100-mile border with India, where significant transnational trafficking occurred; therefore, NGOs conducted checkpoint inspections where possible but focused almost entirely on intercepting female travelers. Police reported NGOs did not always alert them when the NGOs identified potential trafficking victims.

Although the government had national standards for victim care, referral efforts remained ad hoc and inadequate. NPWC typically referred trafficking victims to government-run, one-stop emergency centers located within hospitals or to NGOs, both of which could provide shelter, medical, and legal services. The government did not report how many victims it referred to services. While the government cooperated with NGOs to identify and remove trafficking victims, it often left the victims with the NGOs for care without providing financial or material support. In other cases, the government referred victims to one of the 10 shelters for trafficking victims that NGOs operated with little MWCSC assistance. The government did not report how much funding it allocated to the 10 shelters and to its embassies abroad to care for victims, compared to 10 million NPR (\$87,910) in the 2018-2019 fiscal year. While the shelters assisted 1,021 victims of crime generally during the fiscal year, including trafficking victims, the shelters could not accommodate all identified trafficking victims and did not always care for males. Moreover, the shelters could not provide long-term shelter or counseling to victims who filed cases against their traffickers, which led many victims to not file cases. MWCSC and NGOs operated community service centers for female victims of gender-based violence, including trafficking, and have steadily increased the number of shelters over previous years to the 123 shelters across 36 districts. MWCSC could provide NGOs with funding for some staff salaries, operational costs, and victim assistance such as legal and psychological support, but MWCSC only disbursed the funding when NGOs requested reimbursement. While public hospitals should have provided free medical assistance to trafficking

victims, they often charged NGOs for such care. MWCSC did not allocate dedicated funds for the protection and rehabilitation of male trafficking victims, although it could reallocate other sources of funding for that purpose. Nevertheless, international organizations reported male and labor trafficking victims frequently did not receive services. Victims could obtain restitution from traffickers through criminal proceedings, or if the government was unable to collect the fines imposed on traffickers, the government could provide back wages from a rehabilitation fund. As in prior reporting periods, the government did not report if any victims obtained restitution or if the government provided any compensation from the fund.

Overall victim-witness protection mechanisms and the practices of police and justice officials remained insufficient. In civil suits against their traffickers, most victims remained unaware of the HTTCA provision granting the right to private representation. Even in cases where victims had private representation, the attorneys often could not build strong cases because law enforcement and the judiciary denied them access to critical case files and the dates of hearings. Police continued efforts to pay for some victim and witness transportation and lodging during judicial hearings; authorities did not report whether they provided these services to any trafficking victims. Victims continued to report challenges in providing testimony, including open doors to rooms where victims provided testimony via camera, threats from perpetrators, and the lack of compensation and lack of ability to collect compensation when awarded. Notably, resource limitations impeded authorities’ provision of a victim’s right to police protection, and observers stated victims were reluctant to file criminal complaints under HTTCA in part because of personal or family safety concerns. The HTTCA authorized the judiciary to fine victims who failed to appear in court and hold victims criminally liable for providing testimony contradicting their previous statements. Some police arrested, detained, and fined adult and child sex trafficking victims for unlawful acts traffickers compelled them to commit. The government did not have legal alternatives to the deportation of foreign victims. The Department of Immigration continued to deport foreign nationals who had overstayed their visas; it was unclear if the department screened for trafficking among those deported.

Government services for its nationals exploited abroad remained inadequate. The 2007 FEA required the government to appoint labor attachés in countries with more than 5,000 registered Nepali migrant workers to facilitate claims of abuse, exploitation, and repatriation. Due to the cost of the attachés, however, they were not present in all required countries. While some embassies could provide temporary shelter and repatriate trafficking victims, officials acknowledged inadequate staffing and resources created large delays in provision of assistance, and the quality of the government-run shelters was poor. Nepali embassies in Bahrain, Kuwait, Malaysia, Oman, Qatar, the Republic of Korea, Saudi Arabia, and UAE could provide emergency shelter for approximately 25 female migrant workers each, some of whom were trafficking victims; embassies did not report the number of workers assisted. Despite high numbers of Nepali male trafficking victims in those countries, the shelters did not assist males. The Foreign Employment Board (FEB) acknowledged shelters lacked sufficient space, staff, and resources to meet the high demand for assistance. FEB collected fees from departing registered migrant workers for a welfare fund to provide repatriation and one year of financial support to families of injured or deceased workers, which could include trafficking victims. During the fiscal year, the fund repatriated 84 migrant workers, an increase from 64 the previous year, and repatriated the bodies of 391 Nepalis who had died while employed abroad, a significant decrease from repatriation of 823 bodies the previous year. Moreover, outside of the welfare fund, FEB paid for the repatriation of an additional 5,050 migrant workers from Malaysia during the reporting period. The government did not report identifying any trafficking victims among those repatriated or initiating any criminal investigations into their exploitation. MWCSC funded Nepali embassies to repatriate an additional 311 Nepali trafficking victims from India, Malaysia, Sri Lanka, Thailand, and UAE during the reporting period. FEB could also repatriate undocumented migrant workers, including trafficking victims, by requesting funds through the finance ministry on an ad hoc basis, but it could not provide any other financial support or services. Other government agencies repeatedly vetoed FEB’s proposal to create a welfare fund for undocumented migrant workers exploited abroad, including trafficking victims. NGOs bore the primary cost of repatriating Nepali trafficking victims from India and noted that due to the lack of formal repatriation procedures between countries, repatriation could take up to two years. DFE maintained an online migrant worker portal that allowed migrant workers facing abusive or untenable situations overseas or someone on the migrant worker’s behalf to file a request for repatriation. NGOs reported many migrants lacked the requisite computer access or skills to use the site. While it reported an increased number of requests for repatriation, primarily from Gulf countries and Malaysia, DFE did not report the number of requests, how many it fulfilled, and how many involved human trafficking. NGOs reported coordination between the labor ministry and MWCSC remained weak, and labor officials did not routinely inform labor trafficking victims about the services MWCSC and NGOs could provide.

## PREVENTION

The government decreased efforts to prevent human trafficking. The national anti-trafficking committee, the National Committee for Controlling Human Trafficking (NCCHT), continued to lead interagency efforts on human trafficking. While it continued to coordinate anti-trafficking action within the government and with civil society, observers noted frequent turnover among members hampered efficacy. Additionally, the government continued to operate and fund local anti-trafficking committees (LCCHTs) and district anti-trafficking committees (DCCHTs), but as the government reorganized these structures, several became inactive. NGOs reported the LCCHTs and DCCHTs lacked resources, which limited key anti-trafficking efforts to the national-level and caused delays. MWCSC did not report how much funding it allocated to these committees for prevention and protection activities. While the NCCHT continued to meet with and train officials from the DCCHTs, observers noted the need for improved coordination between the NCCHT, DCCHTs, and LCCHTs. MWCSC began amending legislation to redefine each committee’s role. A January 2018 MWCSC-led review of the 2012-2022 anti-trafficking national

action plan revealed the government had implemented less than one-third of the plan’s prosecution and capacity-building objectives. During the reporting period, the MWCSC-led working committee began revising the action plan, but the NCCHT did not report further implementation of the plan. MWCSC issued its seventh annual report on the government’s anti-trafficking efforts, and the National Human Rights Commission’s Office of the Special Rapporteur on Trafficking (OSRT) in Women and Children issued its ninth report on human trafficking. Officials noted OSRT had declined in efficacy, and the government had failed to fill its top position for several years. During the reporting period, the Central Bureau of Statistics published the government’s first forced labor prevalence study covering the last five years, which documented more than 61,000 Nepali forced labor victims—including approximately 10,000 children—notably in the agriculture, forestry, and construction sectors. The government conducted public awareness campaigns throughout the country, sometimes in partnership with NGOs or international organizations, although MWCSC noted such campaigns often did not reach the most vulnerable audiences. While police continued regular inspections of the AES and the overall quality of the inspections generally improved, the quality depended on the dedication of the individual unit or lead officer. Legislation did not permit labor inspectors to monitor AES establishments for labor violations, which NGOs reported allowed many establishments to use children and adult trafficking victims with impunity. While the government had special committees to monitor the AES to mitigate this regulatory gap, they also remained highly dependent on individual officers and did not have a comprehensive regulatory framework to use when monitoring such establishments. Observers estimated only half of AES establishments had valid registration.

During the reporting period, DFE opened offices in all seven provinces to increase prospective migrant workers’ access to foreign employment-related services. In addition, the labor ministry launched a project in key migrant labor source districts to assess and rectify the most common issues Nepali workers encountered in the labor migration process. The government continued mandatory pre-departure trainings for migrant workers, but officials only conducted them in a few districts, and the trainings did not address the consular services or mechanisms for redress available abroad. Moreover, some recruitment agencies charged workers a fee for the training certificate but never conducted the training. The government offered free skill tests for returned migrant workers and provided certifications for skills obtained abroad; it did not report how many workers utilized these services. During the reporting period, Nepal signed labor recruitment MOUs with Mauritius, Malaysia, and the UAE. Some of these MOUs required the employers pay all recruitment and travel expenses, others set fixed limits for worker-paid fees, and most provided workers access to the civil justice system in the destination country. However, it was unclear how the government would enforce these worker protections, because it did not adequately enforce these same worker protections under similar schemes. The government did not disclose the text of its MOU with Malaysia, so it was unclear if it contained worker protections. The government’s labor migration policies remained lengthy, costly, and sometimes discriminatory against women. The government maintained its ban on migration of female domestic workers younger than age 24 to Gulf states and mothers with children younger than two years old, which observers noted increased the likelihood such women would migrate illegally. Migrant rights activists expressed concern the government continued to send Nepali female domestic workers abroad to countries without bilateral agreements to protect workers’ rights.

The government’s 2015 labor migration guidelines included a policy requiring foreign employers to pay visa and transportation costs for Nepali migrant workers bound for Malaysia and Gulf states and restricted agency-charged recruitment fees to 10,000 NPR (\$88). To crack down on fraudulent recruitment and better manage the recruitment process, DFE cancelled the licenses of 185 registered recruitment agents. In addition, several manpower agencies closed, which reduced the total number of licensed manpower agencies to 853 (down from 1,527). Among the 853, only 24 had authorization to recruit domestic workers (down from 39). The government did not report if it initiated any civil or criminal investigations into the agents or agencies. Both NGOs and government officials noted the monitoring mechanism was ineffective to address non-compliance; employment agencies regularly charged migrant workers fees above the 10,000 NPR (\$88) limit. While DFE reported it investigated three recruitment agencies per week, civil society countered that DFE did not sufficiently investigate or punish agencies for labor violations, especially for charging illegal fees. FEB also reportedly monitored some agencies for labor violations and referred cases to DFE and the Foreign Employment Tribunal (FET) for adjudication and penalization. FEB did not report if it referred any cases during the reporting period. Observers reported DFE settled the vast majority of labor complaints administratively and neither referred violators to the FET for civil penalties nor to police for criminal investigation. During the reporting period, the Office of the Auditor General reported DFE had failed to monitor implementation of the government’s “free visa, free ticket” policy, a program aimed at lowering migrant worker-paid fees for several Gulf states and Malaysia. As a result, employers and agencies continued to charge migrant workers exorbitant fees with impunity.

While the informal sector employed more than 70 percent of workers in the country, including nearly all child laborers, inspectors did not regularly inspect the informal sector for violations, including forced labor. The government continued to fund and conduct inspections focused specifically on child labor. However, NGOs reported the Department of Labor (DOL) remained reticent to take meaningful action against perpetrators of child and forced child labor and did not undertake many unannounced inspections. DOL did not report how many child laborers it identified or removed from exploitative conditions during the reporting period, and it typically only removed children whom employers physically or sexually abused. While civil society reported forced and bonded labor at carpet factories, labor inspectors did not regularly monitor the factories, and police did not report investigations into allegedly exploitative employers. DOL did not report referring any employers for criminal investigation or issued assessed administrative penalties. Furthermore, NGOs reported DOL encouraged mediation over prosecution, including in cases of forced child labor. The government did not make efforts to reduce the demand for commercial

sex acts. Despite multiple cases of child sex tourism, the government did not make efforts to prevent child sex tourism. The government did not provide anti-trafficking training to its diplomatic personnel. Parliament voted to accede to the 2000 UN TIP Protocol.

## TRAFFICKING PROFILE

As reported over the past five years, human traffickers exploit domestic and foreign victims in Nepal, and traffickers exploit Nepali victims abroad. Sex traffickers exploit Nepali women and girls in Nepal, India, the Middle East, Malaysia, and—to a lesser extent—other Asian countries and Sub-Saharan Africa, including Kenya. Traffickers use Nepal’s open border with India to transport Nepali women and children to India for sex trafficking, including under the guise of “orchestra dancers,” where girls dance at public functions and men sexually exploit them. Labor traffickers exploit Nepali men, women, and children in Nepal, India, and the Middle East, especially men in the construction sector and women in domestic work. The government estimates approximately 1.5 million Nepalis work in the Middle East, with the vast majority of men in construction in Saudi Arabia, Qatar, and UAE. In Saudi Arabia, officials estimate more than 70,000 Nepalis work under oppressive conditions, which could include forced labor, and Nepali workers in both Qatar and UAE report employers retain their passports and sometimes do not pay them for months at a time. Due to the Government of Nepal’s partial ban on female domestic workers to Gulf countries, many Nepali domestic workers in Iraq, Kuwait, and Saudi Arabia do not have valid work permits, which increases their vulnerability to trafficking. Labor traffickers exploit Nepali men, women, and children in East Asia—including in China, Japan, and Malaysia—and Europe—including Portugal—on farms and in construction, factories, mines, begging, and the adult entertainment industry. Traffickers bring Nepali victims to Europe and Australia on tourist, student, marriage, and work visas. Some recruitment agencies and agents engage in fraudulent recruitment practices and impose high fees to facilitate forced labor. Traffickers target unregistered migrants, including the large number of young Nepali women who transit India or men and women who rely on unregistered recruitment agents. Some Nepali women who agree to arranged marriages through Nepali companies to men in China and the Republic of Korea are forced into domestic servitude. Traffickers subject some migrants who transit Nepal en route to the Middle East to human trafficking, including Bangladeshis and Sri Lankans who use falsified Nepali travel documents. Some government officials accept bribes to include false information in Nepali identity documents or provide fraudulent documents to prospective labor migrants, which allows recruiters to evade recruitment regulations. Traffickers reportedly take advantage of more relaxed pre-departure screenings at Kolkata and Chennai airports or bribe Indian officials in New Delhi and Mumbai to fly Nepali migrant workers to third countries without proper documentation, which increases the workers’ vulnerability to trafficking. Labor traffickers also transport Nepali victims through Sri Lanka and Burma en route to destination countries.

Within Nepal, forced labor, including through debt-based bondage, of adults and children exists in agriculture, brick kilns, the stone-breaking industry, and domestic work. A government study documented more than 61,000 Nepali—including approximately 10,000 children—in forced labor over the past five years, especially in agriculture, forestry, and construction. NGOs continued to report some children worked in brick kilns, including carrying loads, preparing bricks, and performing other tasks at kilns for extended periods. Traffickers subject Nepali and Indian children to forced labor in the embroidered textile, or *zari* industry, as well as in carpet factories and stone quarrying. According to the government’s 2017-2018 labor survey, traffickers force children younger than 15 into labor in agriculture, forestry, and construction. Some Nepali brick kilns employ Indian migrant laborers, including children, who take out large advances that require them to work for subsequent seasons. Traffickers exploit debts to compel adults and children into labor in carpet factories. Parents sometimes force their children to work in carpet factories to repay family debts. Recruitment agents promise Bangladeshi workers well-paying jobs in Nepali carpet factories but exploit them, including by obtaining tourist visas for them instead of work visas and pay less than the agreed wages. Traffickers use children to transport drugs across the Indian-Nepali border. The North Korean government may have forced North Korean workers into labor in Nepal.

Traffickers subject Nepali girls and boys to sex trafficking in Nepal on the streets and in the AES, including dance bars, massage parlors, and cabin “restaurants,” a type of brothel. Sex traffickers increasingly use private apartments, rented rooms, guesthouses, and restaurants as locations for sex trafficking. A study focused on the Kathmandu Valley determined approximately 17 percent of workers in the AES are minors, and 62 percent of adult women in the AES had commenced work while a minor, including as young as seven years old. Many women reported a family or friend had connected them to the establishment, where they voluntarily agreed to waitress-like positions. Then, employers exploited them in forced labor or sex trafficking. The study estimated nearly 30 percent of all minor workers in AES establishments are victims of forced labor, usually as restaurant staff, and employers later subject many to sex trafficking. Traffickers subject transgender persons to sex trafficking. Police report an increasing trend of AES businesses recruiting Nepali female employees for work abroad in the same sector, which increases vulnerability to sex trafficking abroad. NGOs alleged some police and political party leaders are complicit in sex trafficking because of their financial involvement in the AES. NGOs reported girls in early and forced marriages, especially in the Terai region among Dalit and Madhesi communities, were vulnerable to sex traffickers.

Under false promises of education and work opportunities, some Nepali parents give their children to brokers who instead take them to frequently unregistered children’s homes and force them to pretend to be orphans to garner donations from tourists and volunteers. The government estimated more than 15,000 children live in both registered and unregistered children’s homes and orphanages in Nepal. Seventy-five percent of registered Nepali orphanages and children’s homes are located in the country’s five main tourist districts, out of 77 national districts. Some of the orphanages and homes force children into manual labor, begging, force them to entertain visitors for donations, and sexually abuse them. Since 2016, police have identified and arrested at least 12 tourists or international volunteers,

all men older than 50 mostly from Western countries (Austria, Canada, Denmark, France, Germany, India, Netherlands, United Kingdom, and the United States), for sexual abuse of Nepali children, including child sex trafficking. NGOs reported some owners of exploitative child institutions, including fake orphanages, use political connections to thwart child protective agencies and prosecution. Traffickers transport Rohingya girls from refugee camps in Bangladesh to Kathmandu for sex trafficking. Traffickers target young, poorly educated people from traditionally marginalized castes and ethnic minority communities and increasingly utilize social media and mobile technologies to lure their victims. Law enforcement reported victims’ families are sometimes complicit in their trafficking. Organized criminal networks engage in trafficking in some parts of the country. Many Nepalis whose homes or livelihood were destroyed by the 2015 earthquakes—especially women and children—remain vulnerable to trafficking. The government does not provide documentation to most of the approximately 12,000 Tibetan refugees in the country, which prevents them from legally working, studying, traveling, and accessing public services. Nepali law treats newly arrived asylum-seekers and UNHCR-recognized refugees as illegal immigrants and does not provide for government-issued identification; lack of documentation increases their vulnerability to trafficking.

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