Nepal to GCC Migration Corridor Analysis 2026, Workforce, Wages and Remittances

Comprehensive analysis of the Nepal-to-GCC labour migration corridor, the second-largest single-country flow into the GCC after India and Bangladesh. Tracks Department of Foreign Employment (DoFE) labour-permit volumes 2014-2025, the post-pandemic rebound, destination-country distribution (Saudi Arabia, Qatar, UAE, Kuwait), trade and skill mix, the free-visa free-ticket policy implementation, fully-loaded wage corridors, remittance dependence (Nepal's remittance-to-GDP ratio is among the highest globally), and a 2030 forecast. Built from Nepal DoFE labour-permit data, Nepal Rastra Bank remittance statistics, ILO Kathmandu reports, World Bank KNOMAD data, and Mahad Manpower's Nepali-cohort placement audit (n=460).

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24.6%
Nepal's remittance-to-GDP ratio in FY 2024-25, the highest in South Asia and among the top five globally, with the GCC corridor supplying roughly 56% of total remittance inflow.

Key Statistics

436K Nepali labour permits issued for foreign employment in FY 2024-25 (across all destinations)
Source: Nepal Department of Foreign Employment (DoFE)

67% Share of Nepali labour permits in FY 2024-25 destined for the six GCC states
Source: Nepal DoFE destination breakdown

2.95M Total stock of Nepali workers active across the GCC states in 2025
Source: Nepal DoFE stock estimate, cross-referenced to GCC labour ministries

$11.4B Annual remittance inflow from GCC to Nepal (FY 2024-25, USD)
Source: Nepal Rastra Bank

24.6% Nepal's remittance-to-GDP ratio in FY 2024-25, the highest in South Asia
Source: World Bank KNOMAD / Nepal Rastra Bank

$540 Median fully-loaded monthly wage for a Nepali skilled-trade worker in the GCC (2025)
Source: Mahad Manpower Nepali-cohort audit (n=460)

38% Share of GCC-bound Nepali deployment heading specifically to Saudi Arabia in FY 2024-25
Source: Nepal DoFE destination data

17.4% Share of Nepali labour permits issued to women in FY 2024-25 (up from 4.2% a decade earlier)
Source: Nepal DoFE gender breakdown

The Nepal-GCC Corridor in Numbers

Nepal is the second-largest South Asian source country for GCC labour migration after India, with approximately 2.95 million Nepali workers active across the six GCC states in 2025 against an Indian total of roughly 7.6 million and a Bangladeshi total of approximately 3.4 million. In FY 2024-25, the Nepal Department of Foreign Employment (DoFE) issued 436,000 labour permits for foreign

employment, of which 67% were destined for GCC countries. The flow is structurally GCC-concentrated, India and Malaysia together account for the next-largest deployment block but combined run at roughly 22% of total. Within the GCC, Saudi Arabia is the single largest destination at 38% of Nepali deployment, followed by Qatar at 28%, UAE at 19%, Kuwait at 9%, Oman at 4%, and Bahrain at 2%. The Qatar share is structurally elevated relative to Nepal's overall workforce footprint, a legacy of the 2010-2022 World Cup build-out which absorbed roughly 700,000 Nepali workers at peak and established Qatar as Nepal's second-largest destination.

Free-Visa Free-Ticket Policy: How It Reshaped the Corridor

Nepal's most consequential recruitment-policy intervention is the Free-Visa Free-Ticket policy, first issued by the Ministry of Labour, Employment and Social Security in July 2015 and progressively strengthened through subsequent directives. The policy mandates that for placements to seven specified GCC destinations (Saudi Arabia, UAE, Qatar, Kuwait, Oman, Bahrain, and Malaysia), the destination employer must bear all visa, work-permit, and one-way airfare costs. The Nepali worker may legally pay only a capped service fee to the licensed Nepal recruitment agency (currently NPR 10,000, approximately USD 75) plus document costs (passport, medical, orientation training) of approximately USD 100-150. The policy aimed to eliminate the historic worker-pays-recruitment-cost burden which routinely exceeded USD 1,000 per placement. Implementation in practice has been imperfect, ILO Kathmandu and source-country survey data suggest 30-45% of Nepali GCC placements still involve some form of side payment by the worker (typically USD 300-700) despite the policy, but the codified ceiling has structurally lowered the worker-paid burden by approximately 60-70% relative to the pre-2015 baseline.

Remittance Dependence: Nepal's Macroeconomic Reliance

Nepal's remittance-to-GDP ratio of 24.6% in FY 2024-25 is the highest in South Asia and among the top five worldwide. Total remittance inflow stood at USD 12.0 billion across all corridors, of which the GCC supplied approximately USD 11.4 billion, or roughly 56% of total. The GCC-Nepal remittance flow has grown at a 13.2% nominal CAGR since 2018, outpacing both wage growth and worker-volume growth, the differential reflects the structural shift toward higher-skilled trade deployment and the wage-corridor reset that affected all GCC blue-collar segments through 2020-2025. Remittance is now the single largest source of foreign-currency earning for Nepal, exceeding the combined value of merchandise exports, tourism, and FDI. The macroeconomic reliance creates two structural vulnerabilities, a sustained downturn in GCC labour demand would translate within 6-9 months into measurable foreign-exchange pressure, and the demographic profile of returnees (typically aged 35-42, returning to rural source districts with limited reabsorption capacity) creates a labour-market reintegration challenge that current Nepali domestic policy has not fully addressed.

Trade and Skill Mix of Nepali GCC Deployment

The trade composition of Nepali GCC deployment differs measurably from the Indian comparator. Helper-and-unskilled roles still represent approximately 28% of new Nepali permits in FY 2024-25 (against 11% for Indian deployment to the GCC), reflecting a shallower certification pipeline at the source. Mason and steel-fixer roles together represent approximately 18%, security guard 9%, cleaner and housekeeper 8%, driver 7%, electrician 5%, plumber 4%, welder 4% (predominantly 3G certification rather than 6G), HVAC technician 3%, and the remainder spread across other trades. The share of certified skilled trades has grown from approximately 14% of Nepali GCC deployment in 2019 to roughly

22% in 2025, the trajectory is upward but the closing of the certification gap with India will take time, Nepal's Council for Technical Education and Vocational Training (CTEVT) has expanded blue-collar certification capacity meaningfully since 2021 but throughput remains modest relative to deployment volume.

Wage Corridor: The Nepali-Indian Differential

For identical role specifications, Nepali workers earn approximately 8-12% below Indian-equivalent fully-loaded packages across the GCC. The 2025 median Nepali skilled-trade fully-loaded wage stands at USD 540/month against the Indian-equivalent USD 590, a differential of roughly 9%. The differential reflects three drivers, source-country recruitment-fee differential (Free-Visa Free-Ticket policy notwithstanding, the perceived employer cost-base for Nepali recruitment is lower), a shallower certified-trade pipeline (lower share of NSDC or equivalent certification reduces the certification-premium-eligible share of the workforce), and historical wage-band positioning that remains sticky even as policy and capability converge. The differential is narrowest in skilled trades where individual certification carries verified technical content (6G welder, HVAC technician), where the gap compresses to 4-6%, and widest in unskilled and semi-skilled roles where supply elasticity dominates, where the gap can run to 14-18%. From a worker-decision perspective, the wage differential is partially offset by Nepal's lower recruitment-cost burden, making the net economic outcome of a typical 24-month contract broadly comparable across the two source countries.

Female Migration: The Fastest-Growing Sub-Segment

The share of Nepali labour permits issued to women has risen from 4.2% in 2014 to 17.4% in FY 2024-25, the steepest growth trajectory of any demographic sub-segment in the corridor. The flow is concentrated in domestic-worker placement (the largest single sub-segment, primarily to UAE, Kuwait, and Israel), care-giver and nanny roles (particularly UAE), and hospitality and cleaning roles. Female migration has remained politically sensitive in Nepal following high-profile abuse cases through 2010-2014 that triggered a temporary deployment ban; the ban was progressively lifted between 2014 and 2017 with stricter pre-deployment vetting, age-floor requirements (24+ for domestic-worker roles), and source-country embassy attestation. The current framework provides materially stronger protection than the pre-ban era, but the realised enforcement gap (passport retention, weekly rest day, contract substitution) remains a concern flagged by the ILO Kathmandu office and Nepal-side source-country embassies. The female sub-segment of the Nepali GCC corridor is the area where source-country policy has the most leverage and where the next decade of reform progress will likely concentrate.

Recruitment Channels and Lead Times

Nepali GCC deployments are processed through DoFE-licensed recruitment agencies (approximately 870 active licences in 2025), with end-to-end lead time from employer offer letter to worker arrival typically running 36-48 days, marginally longer than the Indian comparator. The chain involves: destination-country employer offer and visa issuance (8-12 days), Nepali agency document collation including pre-deployment medical, orientation training, and CTEVT-skill-test where applicable (10-14 days), DoFE labour permit issuance (5-7 days), destination-country visa stamping at the relevant Kathmandu embassy or consular section (7-10 days), and final mobilisation (5-7 days). Major GCC main contractors increasingly route Nepali recruitment through framework agreements with Kathmandu-based partners holding active deployment track records and CTEVT-certification pipeline access, framework agreements typically lock per-trade fully-loaded wage rates for 12-18 months and

provide priority access to certified intake. Mahad Manpower's Nepali-cohort deployments span 8 employer accounts, primarily in Saudi Arabia and Qatar, ranging from main-contractor giga-project mobilisations of 100-200 workers per tranche to specialist subcontractor placements of 15-30.

Returnee Reintegration: The Structural Open Question

Approximately 380,000 Nepali workers returned from GCC employment in 2025, a number broadly matched by new outbound deployment. The returnee cohort presents a structural reintegration challenge that current Nepali domestic policy has not fully addressed. Typical returnee profile, male, aged 35-42, with 6-12 years of GCC experience in skilled or semi-skilled trades, returning to rural source districts (predominantly Province 1, Lumbini, Madhesh) with limited local labour-market reabsorption capacity at comparable wage levels. The Nepal Returnee Workers' Reintegration Programme launched in 2022 provides skill-recertification, micro-enterprise grants, and limited credit access, but throughput remains modest at approximately 28,000 returnees annually against the 380,000 inflow. The emerging policy debate centres on whether returnee skill-base transfer (welding, electrical, HVAC) into Nepal's domestic infrastructure pipeline (post-2015-earthquake reconstruction continuing, hydropower expansion) can absorb meaningful share of the returnee cohort at GCC-comparable wage levels, the available evidence is mixed and the policy infrastructure remains under-developed relative to the scale of the returnee flow.

Forecast 2026-2030

Base-case forecast (60% probability) projects Nepali GCC labour-permit issuance growing modestly from 292,000 in FY 2024-25 to 320-340,000 by FY 2029-30, a CAGR of roughly 2.0-2.8%. Growth is anchored by Saudi giga-project absorption (NEOM, Red Sea, Diriyah continuing to draw Nepali skilled trades), Qatar North Field LNG mobilisation (peak through 2027-2028), and ongoing UAE construction pipeline. Stock of Nepali workers in the GCC grows correspondingly to roughly 3.15-3.25 million by 2030. Bull case (20%) sees accelerated NEOM mobilisation combined with a sustained Qatar pipeline, pushing 2030 stock to 3.40-3.50 million. Bear case (20%), driven by oil-price-induced GCC capex rephasing, sees stock stabilising at 2.85-2.95 million through 2030. Across all scenarios, the trade mix continues shifting toward certified skilled trades, by 2030 helper and unskilled roles are forecast to represent under 18% of new Nepali GCC permits against the current 28%. Female-share growth is projected to continue, reaching roughly 22-24% of total by 2030 if current source-country policy direction holds.

Implications for the Recruitment Industry

For recruitment partners working the Nepali corridor, three operational implications follow. First, CTEVT-certification pipeline access is the primary leverage point, the certified-trade wage premium is real, and Nepali workers passing through CTEVT-attested skill testing command the closing-end of the Nepali-Indian wage differential rather than the opening-end. Second, the Free-Visa Free-Ticket policy is enforced at point of permit issuance through DoFE attestation of employer-borne cost certification, partners running models that involve worker-side cost recovery face documented compliance risk and structurally inferior employer-account access. Third, the female sub-segment requires materially different operational protocol from the male blue-collar deployment, source-country embassy pre-attestation, age-floor verification, destination-country domestic-worker bylaw compliance check, and post-arrival monitoring framework. Partners able to operate both segments compliantly will see meaningful share gain through 2026-2030, partners running male-construction-only models will see Nepali volumes

contract relative to total GCC opportunity.

"The Nepal corridor is the GCC's second-largest South Asian flow, and yet it is dramatically less covered than the Indian or Bangladeshi corridors in the trade press. That asymmetry will not last. Nepal's remittance-to-GDP ratio is among the highest in the world, the certification pipeline is finally maturing, the Free-Visa Free-Ticket policy has materially closed the worker-paid-cost gap with the Indian comparator, and the female sub-segment is growing faster than any demographic in the broader GCC labour market. The next five years will reshape this corridor more than the last fifteen."

Obaidur Rahman, Mahad Manpower

Nepali Skilled-Trade Wage Matrix 2025, Fully-Loaded USD/month by GCC Destination

Trade	Saudi	UAE	Qatar	Oman	Kuwait	Bahrain
Mason	$485	$525	$555	$445	$475	$465
Steel-Fixer	$525	$555	$585	$485	$505	$495
Carpenter	$510	$540	$565	$465	$490	$480
Welder (3G)	$595	$640	$680	$555	$575	$565
Welder (6G)	$945	$1,020	$1,080	$885	$910	$895
Plumber	$555	$585	$615	$515	$535	$525
Electrician	$595	$635	$665	$555	$575	$565
HVAC Technici...	$695	$735	$760	$635	$665	$650
Driver (heavy)	$535	$575	$595	$485	$510	$500
Helper / Unsk...	$355	$385	$405	$330	$345	$340
Cleaner / Hou...	$365	$395	$415	$340	$355	$350
Security Guard	$385	$415	$435	$365	$380	$370
Cook / Commi	$495	$535	$555	$455	$475	$465
Foreman / Cha...	$845	$895	$935	$770	$805	$790

Fully-loaded values include basic pay, overtime (50 h/month at 1.5x), food allowance, accommodation, transport, and prorated end-of-service. Nepali skilled-trade wages run approximately 8-12% below Indian-equivalent rates for identical roles, primarily reflecting source-country recruitment-fee differential and a smaller certified-trade pipeline. Source: Mahad Manpower Nepali-cohort placement audit (n=460), 2025 medians.

Frequently Asked Questions

Q. How many Nepali workers are in the GCC?
A. Approximately 2.95 million Nepali workers are active across the six GCC states as of 2025, the second-largest South Asian source-country presence after India (7.6 million) and ahead of Bangladesh (3.4 million). The flow is GCC-concentrated, with 67% of Nepal's annual labour permits destined for GCC countries.

Q. Which GCC country receives the most Nepali workers?
A. Saudi Arabia at 38% of Nepali GCC-bound deployment in FY 2024-25, followed by Qatar at 28%, UAE 19%, Kuwait 9%, Oman 4%, Bahrain 2%. Qatar's share is structurally elevated relative to Nepal's broader workforce footprint, a legacy of the World Cup build-out.

Q. What is Nepal's remittance-to-GDP ratio?
A. 24.6% in FY 2024-25, the highest in South Asia and among the top five globally. Total remittance inflow stood at USD 12.0 billion, of which the GCC supplied roughly USD 11.4 billion (56% of total). The GCC-Nepal flow has grown at 13.2% nominal CAGR since 2018.

Q. What is the Free-Visa Free-Ticket policy?
A. Nepal's recruitment-cost policy, first issued in July 2015, mandating that for placements to seven specified destinations (the six GCC states plus Malaysia) the destination employer bears all visa, work-permit, and one-way airfare costs. The Nepali worker may legally pay only a capped service fee (NPR 10,000, around USD 75) plus document costs. Implementation is imperfect but the policy has reduced worker-paid costs by 60-70% versus the pre-2015 baseline.

Q. How do Nepali wages in the GCC compare with Indian wages?
A. Nepali fully-loaded wages run approximately 8-12% below Indian-equivalent rates for identical skilled-trade roles, with a 2025 median of USD 540/month (Indian comparator USD 590). The gap is narrowest for genuinely-certified specialty trades (6G welder, HVAC, around 4-6%) and widest for unskilled and semi-skilled roles (14-18%).

Q. How fast is female migration from Nepal to the GCC growing?
A. The female share of Nepali labour permits has risen from 4.2% in 2014 to 17.4% in FY 2024-25, the steepest growth of any demographic sub-segment in the corridor. The flow is concentrated in domestic-worker, care-giver, and hospitality roles, primarily to UAE, Kuwait, and Israel. Forecast share by 2030 is 22-24% if current policy direction holds.

Q. How long does a Nepali GCC work permit take to process?
A. Typical end-to-end lead time is 36-48 days from employer offer letter to worker arrival, slightly longer than the Indian comparator. The chain includes employer offer and visa issuance (8-12 days), Nepali-agency documentation including medical and orientation (10-14 days), DoFE labour permit issuance (5-7 days), destination-country visa stamping (7-10 days), and mobilisation (5-7 days).

Q. Can I cite this Nepal corridor data in my own research or article?
A. Yes. This research is published under Creative Commons CC-BY 4.0. You may freely cite, quote, and embed the data in articles, blog posts, academic papers, and policy research provided you link back to the original report at mahadmanpowers.co.in/research/.

Methodology

This Nepal corridor analysis is built from five primary data layers. First, Nepal Department of Foreign Employment (DoFE) labour-permit data, providing monthly issuance volumes by destination country, gender, age, and trade classification. Second, Nepal Rastra Bank (the central bank) remittance bulletins, providing monthly inflow data by source country and corridor. Third, ILO Kathmandu office reports on Free-Visa Free-Ticket policy implementation and field-survey enforcement-gap estimates. Fourth, World Bank KNOMAD migration and remittance database, used for cross-corridor benchmarking. Fifth, Mahad Manpower's Nepali-cohort placement audit covering 460 verified placements 2022-2025 across 8 GCC employer accounts, used for trade-level wage matrix construction and lead-time benchmarking. Wage figures use the standardised fully-loaded methodology (basic + overtime at 50 h/month x 1.5 + food + accommodation + transport + prorated end-of-service). Forecasts are scenario-based with explicit probability weightings tied to GCC capex schedule risk. Where internal Mahad numbers diverge from DoFE or ILO published figures by more than 8%, the divergence is flagged inline. Data cut-off: 28 April 2026.

Sources

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