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Reconstruction of Recruitment Fee Regulations to Prevent Debt Bondage and Forced Labor Against Indonesian Migrant Workers

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Abstract. *The imposition of placement fees on Indonesian Migrant Workers may create debt before employment and increase the risk of forced labor, particularly when such fees are transferred through cooperation agreements, financing facilities, loans, or wage deductions. This study aims to analyze the weaknesses of Article 3 of the Regulation of the Minister for the Protection of Indonesian Migrant Workers/Indonesian Migrant Workers Protection Agency Number 17 of 2025 in preventing debt bondage and forced labor, as well as to formulate a reconstruction of placement fee allocation based on the Employer Pays Principle. This study applies a normative legal research method using statutory and conceptual approaches. Legal materials are analyzed qualitatively through grammatical, systematic, and teleological interpretation. The findings show that Article 3 provides exceptions that allow placement fees to be transferred to workers based on the law of the destination country, international law, inter-state agreements, or cooperation agreements. This provision weakens the prohibition on the imposition of placement fees as regulated in Article 30 of Law Number 18 of 2017. The reconstruction is directed toward affirming that all placement fees and recruitment-related costs shall be the responsibility of employers or recruiters, including the prohibition of fee transfer through debt-based financing and salary deductions.*

Keywords: *Employer Pays Principle; Forced Labor; Indonesian Migrant Workers; Placement Fees.*

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1. Introduction

Indonesia, as a state based on law, places the right to work and to a decent livelihood as part of constitutional guarantees.¹ Article 27 paragraph (2) and Article 28D paragraph (2) of the 1945 Constitution of the Republic of Indonesia grant every citizen the right to work, receive remuneration, and obtain fair and proper treatment in employment relations. These guarantees also apply to citizens who work outside the territory of Indonesia as Indonesian Migrant Workers. The state bears responsibility for protection from the moment prospective workers seek employment information, participate in the selection process, sign placement agreements, work in destination countries, and return to their regions of origin. Recruitment costs charged to workers may reduce workers' freedom when they have to borrow money, accept wage deductions, or depend on recruiters to obtain employment.²

Law Number 18 of 2017 concerning the Protection of Indonesian Migrant Workers regulates protection before, during, and after employment. This law positions migrant workers as subjects who have the right to protection from trafficking in persons, slavery, forced labor, violence, and treatment that degrades human dignity.³ The pre-employment stage has a decisive position because at this stage prospective workers receive job offers, fulfill document requirements, undergo training, sign placement agreements, and face financing obligations. Cost burdens at this stage may affect workers' position when working in the destination country.

Recruitment costs have a direct relationship with debt bondage and forced labor. The International Labour Organization states that around 20% of forced labor cases are related to debt bondage, which is often connected to recruitment fees and related costs. Payment of these costs also contributes around 15%, or USD 5.6 billion, of the annual illegal profits obtained from international migrant workers in forced labor.⁴ These data show that recruitment costs are not merely an administrative issue in placement. Costs paid by workers before departure

¹ Karinina Anggita Farrisqi and Farid Pribadi, *Perlindungan Hak Penyandang Disabilitas Untuk Memperoleh Pekerjaan Dan Penghidupan Yang Layak*, *Focus: Jurnal Pekerjaan Sosial*, Vol. 4, No. 2, 2021, page 149-155.

² Dewi Asri Puannandini et al., *Kesejahteraan Pekerja Sebagai Upaya Perlindungan Hak Asasi Manusia*, *Jurnal Media Akademik (JMA)*, Vol. 3, No. 7, 2025, page 1-15.

³ Berkas Anugrah Kurunia Situmorang et al., *Perlindungan Hukum Terhadap Pekerja Migran Indonesia Informal Menurut Undang Undang Nomor 18 Tahun 2017 Tentang Perlindungan Pekerja Migran*, *Jurnal Ilmiah Metadata*, Vol. 3, No. 2, 2021, page 669-693.

⁴ International Labour Organization, *Recruitment Fees and Related Costs at A Glance*, International Labour Office, Geneva, 2024, page 4



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may turn into debt that limits workers' freedom to refuse changed working conditions, report violations, or terminate harmful employment relationships.

The Employer Pays Principle places recruitment fees and related costs as the responsibility of employers or recruiters. The International Labour Organization explains that workers must not be charged recruitment fees, directly or indirectly, in whole or in part. This principle covers costs incurred for workers to obtain employment or placement, including recruitment service fees, documents, work visas, medical examinations, training, transportation, accommodation, insurance, and costs recovered through wage deductions. This principle provides a standard that every payment arising because a worker seeks employment must be borne by the employer or recruiter, not by the worker.⁵

Article 30 of Law Number 18 of 2017 concerning the Protection of Indonesian Migrant Workers prohibits the imposition of placement fees on Indonesian Migrant Workers. Article 72 letter a and Article 86 letter a prohibit and impose criminal sanctions for charging placement fee components that have been borne by prospective employers. These provisions provide a basis for protection, but proving violations still faces obstacles because workers often do not know the cost agreements between employers, placement companies, and business partners in destination countries. Workers also often do not have copies of cooperation contracts, cost details, or proof of inter-institutional payments. This condition makes the prohibition of placement fees require implementing regulations that are consistent with the principle that workers do not pay recruitment costs.⁶

Regulation of the Minister of Indonesian Migrant Workers Protection/Indonesian Migrant Workers Protection Agency Number 17 of 2025 concerning Placement Fees for Indonesian Migrant Workers has detailed the components of placement fees and placed them as the responsibility of employers.⁷ Article 2 paragraph (6) strengthens this direction by affirming that placement fee components are the responsibility of employers. However, Article 3 then opens exceptions for certain types of work or services when financing is regulated under the law of the destination country, international law, inter-state agreements, or cooperation

⁵ International Labour Organization, *General Principles and Operational Guidelines for Fair Recruitment and Definition of Recruitment Fees and Related Costs*, International Labour Office, Geneva, 2019, page 13

⁶ Musrin et al., Analisis Yuridis Perlindungan Hukum Terhadap Tenaga Kerja Indonesia Ditinjau Dari Undang-Undang Nomor 18 Tahun 2017 Tentang Perlindungan Pekerja Migran Indonesia, *Jurnal Syntax Fusion*, Vol. 2, No. 12, 2022, page 884-900.

⁷ Heru Herdiman et al., Kepastian Hukum Pembiayaan Dalam Upaya Penempatan Pekerja Migran Indonesia Di Luar Negeri, *CORPUS JURIS: JURNAL ILMU HUKUM*, Vol. 2, No. 1, 2026, page 31-42.



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agreements between placement implementers and employers or business partners. Cost components that are not borne by employers may be transferred to Indonesian Migrant Workers through government financing facilities or other financing sources. This provision becomes the central problem because it opens room for shifting cost burdens to workers and may weaken the prohibition on the imposition of placement fees under Article 30 of Law Number 18 of 2017.

Several previous studies have discussed placement fees and legal protection for Indonesian Migrant Workers. Qowi Dzulfarhad discusses excessive placement fees or overcharging by placement companies and positions it as maladministration that harms Indonesian Migrant Workers.⁸ Ranti Roezalia Sekti and Evi Kongres describe the legal vacuum in determining placement financing for Indonesian Migrant Workers, particularly because many institutions are involved in the process of determining costs.⁹ Ayu Triana, Rini Irianti Sundari, and Arinto Nurcahyono discuss legal protection for informal-sector migrant workers against the imposition of placement fees by placement companies, with emphasis on placement fee exemption and strengthening supervision over private Indonesian migrant worker placement companies.¹⁰ These studies have provided a foundation regarding placement fee issues, fee exemption, and supervision of placement companies. This study has a different focus because it examines Regulation of the Minister of P2MI/BP2MI Number 17 of 2025, which opens the possibility of transferring placement fees to Indonesian Migrant Workers based on the law of the destination country or cooperation agreements.

This study aims to analyze the weaknesses of the Regulation of the Minister of P2MI/BP2MI in preventing debt bondage and forced labor against Indonesian Migrant Workers and to formulate a reconstruction of placement fee transfer based on the *Employer Pays Principle*. The novelty of this study lies in formulating a prohibition on transferring placement fees and recruitment-related costs to Indonesian Migrant Workers, including through cooperation agreements, financing facilities, loans, or wage deductions.

⁸ Qowi Dzulfarhad, *Perlindungan Hukum Pekerja Migran Indonesia Terhadap Biaya Penempatan Berlebih (Over Charging) Oleh Perusahaan Penempatan Pekerja Migran Indonesia*, *Jurist-Diction*, Vol. 5, No. 1, 2022, page 297.

⁹ Ranti Roezalia Sekti and Evi Kongres, *Kekosongan Hukum dalam Penentuan Pembiayaan Penempatan Pekerja Migran Indonesia*, *Jurnal Hukum Magnum Opus*, Vol. 5, No. 1, 2022, page 83-96.

¹⁰ Ayu Triana et al., *Perlindungan Hukum Pekerja Migran Indonesia Sektor Informal Atas Pembebanan Biaya Penempatan Oleh Perusahaan Penempatan Pekerja Migran Indonesia*, *Pagaruyuang Law Journal*, Vol. 9, No. 1, 2025, page 20-32.



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2. Research Methods

This study applies a normative legal research method using a statutory approach and a conceptual approach. The statutory approach is used to examine regulations concerning the protection of Indonesian Migrant Workers, placement financing, administrative sanctions, and the prohibition of forced labor and trafficking in persons. The conceptual approach is used to analyze the *Employer Pays Principle*, fair recruitment, debt bondage, recruitment fees and related costs, fee reimbursement, and placement supervision. Primary legal materials include legislation and international labor instruments. Secondary legal materials include books, scholarly journals, reports of the International Labour Organization, and previous research. All legal materials are analyzed qualitatively through grammatical, systematic, and teleological interpretation to identify weaknesses in the regulation of recruitment fees and to formulate a model for preventing forced labor against Indonesian Migrant Workers.

3. Results and Discussion

3.1. Weaknesses of Regulation of the Minister of P2MI/BP2MI Number 17 of 2025 in Preventing Debt Bondage and Forced Labor against Indonesian Migrant Workers

Placement fees are directly related to the position of workers before departing to the destination country. Prospective workers who enter the placement process with an obligation to pay fees begin their employment relationship with an economic burden. This burden affects workers' freedom when they face changes in work, wage deductions, document retention, or harmful treatment in the destination country. The regulation of placement fees must provide clear limits from the initial stage so that the labor migration process does not turn into a relationship of debt dependency.¹¹

Law Number 18 of 2017 has positioned financing as part of the protection of Indonesian Migrant Workers. This protective orientation is reflected in protection before, during, and after employment, as well as in the regulation of a financing system that favors prospective migrant workers and migrant workers. Article 30 serves as the main basis because it prohibits the imposition of placement fees on Indonesian Migrant Workers. This norm indicates that

¹¹ Adila Nursani et al., *Tindakan Kekerasan Terhadap Pekerja Migran Indonesia Perempuan: Faktor Penyebab, Bentuk Kekerasan, dan Strategi Penanggulangannya*, *Majelis: Jurnal Hukum Indonesia*, Vol. 3, No. 1, 2026, page 65–83.



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placement financing must be controlled by the state so that workers do not bear the economic risks of the recruitment process.¹²

Regulation of the Minister of P2MI/BP2MI Number 17 of 2025 initially strengthens this direction. Article 2 classifies placement fees into pre-placement preparation costs and costs related to placement. These costs include training, competency certification, company service fees, local transportation, work visas, departure tickets, return tickets, accommodation, medical and psychological examinations, social security, apostille, and documents required for working in the destination country. Article 2 paragraph (6) affirms that these cost components are borne by the employer. This construction provides an initial basis that workers are not positioned as the paying party in the placement process.¹³

Exceptions are granted for certain types of work or services when cost arrangements are regulated under laws and regulations, including the laws of the destination country, international law, bilateral, regional, or multilateral agreements, or cooperation agreements between placement implementers and employers or business partners, as explained in Article 3. This formulation places many sources as the basis for exceptions without clear limits on when an exception may be used. As a result, a provision that initially places costs as the employer's burden may shift into a charge imposed on workers through another legal basis or agreement. The most fundamental weakness lies in Article 3 paragraph (2), which states that when placement fee components are not borne by the employer based on the exception grounds in paragraph (1), such costs become the burden of Indonesian Migrant Workers. This formulation allows the burden to shift directly from employers to workers. Article 3 does not position the state, placement companies, or recruiters as alternative bearers when employers are not charged. Workers eventually become the last party to bear the costs, even though they hold the weakest bargaining position in placement relations.¹⁴

¹² Henny Natasha Rosalina and Lazarus Tri Setyawanta, *Perlindungan Hukum Terhadap Pekerja Migran Sektor Informal dalam Perspektif Teori Bekerjanya Hukum di Masyarakat*, *Jurnal Pembangunan Hukum Indonesia*, Vol. 2, No. 2, 2020, page 174-187.

¹³ Ahmad Mubarak Munir et al., *Penguatan Pemahaman Calon Pekerja Migran terhadap Kebijakan Zero Cost dalam Proses Perekrutan Pekerja Sektor Perkebunan Sawit di Lombok Timur*, *Jurnal Pepadu*, Vol. 6, No. 4, 2025, page 780-786

¹⁴ Yonika Dani Nugraheni and Labib Muttaqin, *Limitations on the Types of Position of Migrant Workers Who Get Placement Fee Waiver Review from the Principle of Protection of Indonesian Migrant Workers*, *Jurnal Penelitian Ilmu-Ilmu Sosial*, Vol. 3, No. 2, 2022, page 120-138.



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The use of the law of the destination country as a basis for exception also creates a problem because the destination country may have different protection standards from Indonesian law. The prohibition in Article 30 of Law Number 18 of 2017 derives from national protection policy for Indonesian citizens working abroad. Implementing regulations should maintain this direction when workers are placed in countries whose financing rules provide weaker protection for workers. Article 3 instead opens the possibility that destination country standards may be used to transfer costs to workers. Cooperation agreements between placement implementers and employers or business partners also become a basis for exception. Such agreements are made by parties that control information, placement networks, and access to employers. Workers usually only receive the consequences of these agreements through placement agreements or financing documents. Article 3 has not required cooperation agreements to be reviewed first by the government in terms of debt bondage risk, prohibition of wage deductions, and conformity with the principle that workers do not pay recruitment costs. Agreements among placement actors may become an administratively valid means of shifting costs, while economically harming workers.¹⁵

Article 3 paragraphs (3) and (4) direct workers to use government financing facilities or other financing facilities when costs become the workers' burden. This formulation reveals another weakness because the issue of cost transfer is turned into an issue of access to financing. Loans or financing facilities may assist workers' departure, but they still create repayment obligations after workers begin working. Such obligations may push workers to accept wage deductions, additional working hours, or work that does not conform to the agreement because their income is concentrated on paying debts.

The obligation to include the components and amount of placement fees in the placement agreement gives workers room to know the costs charged to them and/or to the employer. The inclusion of costs may strengthen information for prospective workers, but it does not always guarantee that the cost burden is fair. Workers may sign the agreement because they need a job, have no alternative employer, or follow the recruiter's direction. Written consent in such circumstances does not fully indicate workers' freedom in accepting cost burdens. The authority to set limits on the amount of each placement fee component may control excessive costs. Nominal control still does not answer the main problem in cost transfer, namely the party that ultimately bears the costs. Even limited costs may become debt for low-income workers, especially when paid through loans, installments, or wage deductions. Preventing debt

¹⁵ Henny Natasha Rosalina and Lazarus Tri Setyawanta, *Op. Cit.*



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bondage requires a prohibition on transferring costs to workers, not merely limiting the amount of costs.

Monitoring, evaluation, and administrative sanctions against the company. Monitoring, evaluation, and administrative sanctions against Indonesian Migrant Worker Placement Companies help enforcement when violations have been found. These mechanisms do not fully guarantee that prospective workers are free from cost burdens before signing placement agreements. In April 2026, the Ministry of P2MI/BP2MI showed that several placement companies were subject to temporary suspension of part of their business activities due to placement violations, including the imposition of placement fees on workers even though such components should have been borne by prospective employers or employers. This fact shows that the imposition of costs on workers still occurs and requires stricter preventive norms from the agreement and financing stages.¹⁶

The weakness of Article 3 lies in the availability of exceptions that may transfer placement fees from employers to workers. Article 2 paragraph (6) has placed placement fees as the employer's responsibility, but Article 3 opens the possibility of transfer through the law of the destination country, inter-state agreements, or cooperation agreements between placement implementers and business partners. Workers receive the consequences of financing without controlling the formation of the grounds for such exceptions. Article 3 also has not prohibited cost transfer through wage deductions, so costs that are not paid before departure may still be charged after workers begin working. This pattern may reduce net income, extend debt repayment, weaken workers' courage to report, and increase the risk of forced labor.

The formulation of Article 3 must be examined against the objective of migrant worker protection. Cost exception provisions must be subject to the prohibition on the imposition of placement fees under Article 30 of Law Number 18 of 2017 and the principle that workers do not pay recruitment costs. Regulation that allows cost transfer to workers makes fee protection unstable because the burden can shift through another legal basis or agreement. This weakness becomes the basis for reconstruction, namely the affirmation that all placement fees and recruitment-related costs shall be the responsibility of employers or recruiters, without any transfer to Indonesian Migrant Workers.

¹⁶ Kementerian Pelindungan Pekerja Migran Indonesia/Badan Pelindungan Pekerja Migran Indonesia, "Kementerian P2MI Tindak Tegas, Empat P3MI Terbukti Langgar Aturan Penempatan Pekerja Migran Indonesia", accessed on 24 April 2026, <https://kp2mi.go.id/index.php/berita-detail/kementerian-p2mi-tindak-tegas-empat-p3mi-terbukti-langgar-aturan-penempatan-pekerja-migran-indonesia>



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3.2. Reconstruction of Placement Fee Transfer Based on the Employer Pays Principle

The reconstruction of placement fee regulation must begin from the objective of protecting Indonesian Migrant Workers from the pre-employment stage. Costs arising from obtaining employment abroad must not be positioned as workers' risks, because workers are in a position of needing employment and depending on information from recruiters. The state must ensure that placement financing does not create a debt relationship between workers and parties that control access to employment. The prohibition on charging fees to workers serves as a preventive measure so that employment relations begin without economic pressure that can be used to control workers.

The Employer Pays Principle provides the basis that all recruitment fees and related costs are borne by employers or recruiters. This principle is in line with the view that labor is not a commodity that can be traded by charging costs to job seekers. The ILO defines recruitment fees as any fees or expenses arising in the process of obtaining employment, whether collected before departure, during placement, or after workers begin working. This formulation includes direct payments, wage deductions, deductions through third parties, loans, installments, or reimbursement of costs to agents. National regulation should adopt this standard so that terms such as administrative fees, training, documents, recruiter services, accommodation, or transportation are not used to shift the burden to workers.¹⁷

Article 3 of Regulation of the Minister of P2MI/BP2MI Number 17 of 2025 needs to be redirected to Article 30 of Law Number 18 of 2017. The prohibition on charging placement fees under the law must become the binding basis for all implementing regulations. Exceptions based on the law of the destination country or cooperation agreements may only be accepted as long as they do not impose costs on Indonesian Migrant Workers. Cooperation agreements between placement implementers, employers, and business partners must be subject to the principle of *lex superior derogat legi inferiori*, because a ministerial regulation must not weaken the prohibition established by statute. This principle ensures that implementing norms remain within the line of protection set by lawmakers.¹⁸

¹⁷ Andika Wahab, Implementing Ethical Recruitment of Migrant Workers: Evidence from the Palm Oil Sector in Malaysia, *Otoritas: Jurnal Ilmu Pemerintahan*, Vol. 10, No. 1, 2020, page 24-42.

¹⁸ Sri Warjiyati et al., Benturan Norma dalam Implementasi Asas *Lex Superior Derogat Legi Inferiori*, *Jurnal Reformasi Hukum*, Vol. 28, No. 3, 2024, page 234-250.



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Placement fee components and recruitment-related costs must remain the responsibility of employers or recruiters, even when the law of the destination country, inter-state agreements, or cooperation agreements regulate financing differently. Differences in such arrangements can be resolved by charging the costs to employers, business partners, placement companies, or state assistance schemes that do not create repayment obligations for workers. Workers must not be positioned as the final bearers of costs when other parties are unwilling to pay placement fees.¹⁹

Government financing may still be used to support placement, but it must take the form of assistance or facilities that do not become workers' debt. Financing facilities that require workers to repay funds after working risk shifting the cost burden in another form. Such schemes may cause workers to enter the destination country with an obligation to pay installments from their wages. The reconstructed norm must state that government assistance, subsidies, or financing support may only be used to cover placement fees without any right to claim repayment from Indonesian Migrant Workers. This policy positions the state as a protector of citizens, not as a financing intermediary that still ends with a burden on workers.

The prohibition on cost transfer must cover wage deductions. Costs that are not requested before departure may still burden workers if they are recovered through wages after work begins. Wage deductions to recover recruitment costs reduce workers' net income and prolong their dependence on employers. The reconstruction of Article 3 must include a prohibition on direct and indirect charging, including through salary deductions, loans facilitated by recruiters, cost reimbursement agreements, or additional documents signed by workers before departure. This prohibition clarifies that payment under different names or at different times still constitutes cost transfer when it is ultimately borne by workers.

Placement agreements and cooperation agreements must contain a statement that all placement fees and recruitment-related costs are borne by employers or recruiters. Indonesian Migrant Worker Placement Companies must state the party paying each cost component, the basis of payment, and the prohibition on requesting reimbursement from workers. These details serve not only as information, but also as an examination tool for the ministry, BP2MI, regional governments, and Indonesian representatives in destination countries. Cost

¹⁹ Bassina Farbenblum, Governance of Migrant Worker Recruitment: A Rights-Based Framework for Countries of Origin, *Asian Journal of International Law*, Vol. 7, No. 1, 2017, page 152-184.



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recording helps examine whether a payment is truly borne by the employer or shifted to workers through third parties.²⁰

Compared with the Philippines, a migrant worker-sending country can regulate fee prohibitions more firmly for certain groups of workers. Philippine law provides that government services related to recruitment, placement, and assistance for migrant workers are provided free of charge, and their administrative costs are not imposed on workers. Philippine regulations recognize a no-placement-fee policy for migrant domestic workers and prohibit fee collection through salary deductions. This regulation shows that migrant worker protection can be strengthened by placing recruitment costs on parties that benefit from labor, not on workers seeking employment. Indonesia can draw lessons from the prohibition on direct collection and wage deductions, then adjust them to Article 30 of Law Number 18 of 2017.²¹

The reconstruction of Article 3 may be formulated as follows: “Placement fee components and recruitment-related costs for every type of work or service shall be the responsibility of the employer or recruiter. Provisions under the law of the destination country, international law, bilateral, regional, or multilateral agreements, or cooperation agreements shall not constitute a basis for charging fees to Indonesian Migrant Workers. The charging of fees to Indonesian Migrant Workers is prohibited, directly or indirectly, including through loans, repayable financing facilities, cost reimbursement agreements, wage deductions, or other forms of payment. Government assistance or other sources of financing may only be used as long as they do not create debt or repayment obligations for Indonesian Migrant Workers”.

This formulation positions the *Employer Pays Principle* as the operational basis for pre-employment protection. The reconstructed Article 3 no longer functions as a gateway for cost transfer, but as a norm for preventing debt bondage. Employers and recruiters may still prepare cooperation agreements, but such agreements must not transfer costs to workers. Placement companies may also continue to include cost components in placement agreements, but such inclusion must show the paying party and prohibit reimbursement from workers. This reconstruction enables the prohibition under Article 30 of Law Number 18 of

²⁰ International Labour Organization dan ASEAN Secretariat, *Research on Migrant Workers' Rights-Based Standard Employment Contract for Domestic Work in ASEAN*, ILO and ASEAN Secretariat, Jakarta, 2023, page 32.

²¹ Graziano Battistella et al., *Protecting Filipino Transnational Domestic Workers: Government Regulations and Their Outcomes*, Philippine Institute for Development Studies, Discussion Paper Series No. 2011-12, 2011, page 11-12.



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2017 to operate more firmly in preventing forced labor against Indonesian Migrant Workers.

4. Conclusion

The weakness of Regulation of the Minister of P2MI/BP2MI Number 17 of 2025 lies in Article 3, which opens the possibility of transferring placement fees from employers to Indonesian Migrant Workers. Article 2 paragraph (6) has placed placement fees as the responsibility of employers, but Article 3 provides exceptions based on the law of the destination country, international law, inter-state agreements, or cooperation agreements between placement implementers and employers or business partners. This formulation positions workers as parties who may bear the costs when employers are not charged. Transfers through financing facilities, loans, installments, or wage deductions may create debt before and during employment. This burden weakens workers' position to refuse changed work, report violations, or leave harmful employment relationships. Article 3 therefore has not fully operated as a norm for preventing debt bondage and forced labor because it still opens room for shifting costs to the weakest party in placement relations. The reconstruction of placement fee transfer must be directed toward affirming that all placement fees and recruitment-related costs are the responsibility of employers or recruiters based on the Employer Pays Principle. Article 3 of Regulation of the Minister of P2MI/BP2MI Number 17 of 2025 needs to be amended so that the law of the destination country, international law, inter-state agreements, or cooperation agreements cannot be used as a basis for charging fees to Indonesian Migrant Workers. This prohibition must cover both direct and indirect charging, including through repayable financing facilities, loans, cost reimbursement agreements, and salary deductions. Government assistance or other sources of financing may be used as long as they do not create debt for workers. This reconstruction aligns Article 3 with Article 30 of Law Number 18 of 2017 and strengthens the protection of migrant workers from the pre-employment stage so that the placement process does not become an entry point for debt bondage and forced labor. Recommendations: The government needs to reconstruct Article 3 of Regulation of the Minister of P2MI/BP2MI Number 17 of 2025 by affirming that all placement fees and recruitment-related costs shall be the responsibility of employers or recruiters based on the Employer Pays Principle. Provisions under the law of the destination country, international law, inter-state agreements, or cooperation agreements must not be used as a basis for charging fees to Indonesian Migrant Workers. This prohibition must cover both direct and indirect charging, including through repayable financing facilities, loans, installments, cost reimbursement agreements, and salary deductions. Government assistance or other sources of financing may still be used to support placement, but they



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must take the form of assistance without any right to claim repayment from workers. This reconstruction will strengthen Article 30 of Law Number 18 of 2017, close the space for transferring costs to workers, and prevent the emergence of debt bondage that may develop into forced labor.

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