# MEMORANDUM OF UNDERSTANDING ON

#### LABOUR MOBILITY PARTNERSHIP

#### **BETWEEN**

THE REPUBLIC OF INDIA

**AND** 

THE KINGDOM OF DENMARK

## MEMORANDUM OF UNDERSTANDING ON LABOUR MOBILITY PARTNERSHIP BETWEEN THE REPUBLIC OF INDIA AND THE KINGDOM OF DENMARK

The Government of the Republic of India and the Government of the Kingdom of Denmark, hereinafter referred to as the contracting states;

Recognising the long-standing and friendly economic ties between the two countries and wishing to expand economic cooperation in the field of labour and employment;

Recognising further the mutual benefits of promoting orderly migration of workers from India to meet the growing demand for skilled and trained workers in the Danish economy and preventing illegal migration and the smuggling of people for financial benefits;

Recognising the need for promoting labour market expansion, employment facilitation and organised entry for the benefit of employers and the welfare and social protection of overseas Indian workers;

Recognising further the need for institutionalising such cooperation and desirous of concluding a memorandum of understanding for this purpose, agree as follows:

#### PART I

#### **DEFINITIONS**

#### Article 1

#### **Definitions**

- 1. For the implementation of this memorandum of understanding:
- a) "Employer" means any person providing or offering to provide employment in Denmark;
- b) "Employment" means the exercise of genuine and effective work under the direction of someone else for which a person is paid;
- c) "National" means:

as regards India: a person of Indian nationality.
as regards Denmark: a person of Danish nationality;

- d) "Recruiting Agent" means a person engaged in India in the business of recruitment for an employer and representing such employer with respect to any matter in relation to such recruitment including dealings with persons so recruited for desiring to be so recruited:
- e) "Recruitment" means the process of sourcing, screening and selecting individuals for a vacancy through any proper mean as advertisements, correspondences, interviews, negotiations and agreements;
- f) "Workers" means a qualified Indian national employed legally in Denmark in accordance with the national immigration rules.
- 2. Any term not defined in paragraph 1 of this Article shall have the meaning assigned to it in the applicable legislation of the respective contracting states.

- 3. Equal treatment provisions on social protection of qualified Indian nationals in this memorandum of understanding shall be in compliance with national social security law and bilateral agreements on social protection between Denmark and India.
- 4. The Ministry of Refugee Immigration & Integration Affairs in Denmark and the Ministry of Overseas Indian Affairs in India shall be the nodal ministries for the implementation of this memorandum of understanding to achieve the stated objectives.

#### Article 2

This Memorandum of understanding shall apply to cooperation between the two countries concerning the following branches of labour and employment within their national objectives and the relevant laws as may be applicable:

- (i) Labour market expansion;
- (ii) Employment facilitation;
- (iii) Organised entry and orderly migration;
- (iv) Exchange of information and cooperation in introducing best practices for mutual benefit.

#### Article 3

Unless otherwise specified, this memorandum of understanding shall apply to all persons who are or have been subject to the relevant immigration and labour and employment laws of either of the Contracting States, and other persons who derive rights from such person.

#### Article 4

Unless otherwise provided in this memorandum of understanding, the persons specified in Article 3, shall receive equal treatment with nationals of the receiving state in the application of the relevant labour and employment laws of that Contracting State.

#### **PART II**

#### **GENERAL PROVISIONS**

#### **Article 5**

The contracting states shall endeavour to promote orderly migration of qualified workers from India to meet the growing demand for the supply of qualified employment in the Danish economy and enhance the recruitment of workers from India in accordance with the principles of this memorandum of understanding.

#### Article 6

The contracting states shall undertake mutually beneficial studies for such recruitment and to identify emerging sectors in the Danish economy which require qualified workers to plug gaps in the labour market and shall from time to time exchange information and experience in this regard for the benefit of the employers in Denmark as well as the workers.

#### Article 7

Both states shall strive to promote direct contacts between the employers in Denmark and the state managed or private recruiting agencies in India without intermediaries to facilitate the regular and orderly recruitment of workers as may be required from time to time.

#### PART III

#### PROVISIONS CONCERNING FACILITATING EMPLOYMENT

#### **Article 8**

Without prejudice to article 16 every worker shall be employed under a formal employment contract duly signed by the employer and the worker. Such contract shall be governed by the relevant labour system extant and shall form the basis of the terms and conditions of such employment and enforcement thereof.

#### **Article 9**

Every contract shall be countersigned by an authorized recruiting agency, by whatever name called, if such recruitment is not done directly by the employer. The authorized recruiting agent shall ensure that the employer adheres to the terms and conditions of the contract.

#### **Article 10**

Both states to this memorandum of understanding shall strive to ensure that the terms of the contract are not altered and the contract is not substituted by the employer or his authorized recruiting agent to the detriment of the worker after the recruitment is made. The contract shall be made in the English language and in Danish if either of the parties to the contract so request.

#### PART IV

### PROVISIONS CONERNING WORKERS WELFARE AND SOCIAL PROTECTION

#### **Article 11**

The workers shall enjoy full rights and privileges accorded to any worker in Denmark in accordance with the provisions of the labour and social security laws of that country and as set out in Article 1.3.

#### Article 12

Both states agree to constitute within 3 month of the signing of this memorandum of understanding a Joint Working Group with 2-3 members from each side to be nominated through diplomatic channels. The Group shall meet once a year alternately in the two countries and shall have the following mandate:

- a. Study employment opportunities and suggest means for enhancing cooperation between states
- b. Interpret the provisions of the memorandum of understanding and oversee its implementation
- c. Create guidance material on rights and duties of employers and workers in order to minimize labour disputes and create information material about the existing system and create information material about the existing system for dispute settlement
- d. Suggest amendments to the memorandum of understanding for better achievement of its objectives
- e. Recommend measures to prevent misuse of visit visas by unscrupulous employers and recruiting agencies
- f. Recommend initiatives to address any issues that might arise in the context of this Memorandum of Understanding.

#### Article 13

Both states agree to cooperate in the fields of vocational training, standardize testing and certification especially training programs, methodology, studies and research, systems of measuring skill- level, and their methods of application in accordance with the requirements of the job market in both countries aimed at enhancing labour productivity. The Governments also agree to cooperate in mutually sourcing technically skilled personnel and benefiting from the training facilities available in both countries.

#### Article 14

The workers shall, within the parameters of the monetary regulations of Denmark, be able to transfer their savings in a convertible currency to India.

#### Article 15

The Indian mission shall, as a matter of course, be involved in the process leading to repatriation of any worker employed under this memorandum of understanding.

#### **Article 16**

This memorandum of understanding shall also apply to the workers who get employed in Denmark by virtue of conversion of visit visa or a green card to an employment visa after reaching that country.

#### Article 17

This memorandum of understanding shall come into force with effect from the date of reciprocating through diplomatic channels the compliance to the legal procedures as applicable in the respective countries. It shall be valid for a period of five years as from date of its operation and it shall automatically be renewed for similar periods unless any of the contracting states notifies the other contracting state, six months prior to the expiry date, of its intention to amend or to nullify the memorandum of understanding.

Signed in duplicate at Copenhagen on 29<sup>th</sup> September, 2009 in Hindi, Danish, and English languages all three texts being equally authentic. In case of divergence of interpretation the English text shall prevail.

For the Republic of India	For the Kingdom of Denmark
Minister of Overseas Indian Affairs	Minister of Refugee, Immigration
	and Integration Affairs