



GEB News

Special on Global Mobility

In this issue...

Global Mobility Webinar

Mobility Panel

The rise of international benefits plans

Mobility checklist - In collaboration with Europ Assistance

Are International Pensions fiscally deductible in Europe?

Trends ahead: Video interview with Ludovic Bayard and Raf Leemans

Q&A - Health strategy for mobile employees

New online service centre for expat Life & Disability plans

Mobility across Europe

India on the move



Overview on challenges and success factors including: benefits, compensation, tax strategy and relocation.

Generali Employee Benefits (GEB) has partnered with HR Grapevine for a webinar that discusses how Human Resources Managers can address the issues that come with moving talent internationally.

You can access the recording below to find out the experts views and suggestions on mobility management.

Speaker lineup:

- Pasquale Gorrasi, Head of International Lines, GEB
- Mario Ceron, Senior Advisor-Director, Executive and International Remuneration, KPMG Spain
- Nicolas de Limbourg, Partner, PwC Belgium
- Isabelle Premont, Managing Director, Map Relocation

Webinar recording

Mobile Employees and Expatriate Benefits

Definitions and challenges



Neither a member of their home-country plans – nor member of the host-country plans.

Topic:

Mobile employees are a key asset to companies' international growth, however they present opportunities and challenges that set them apart from locally hired staff.

HR managers need to contain costs, ensure their employees are not in a position of disadvantage in terms of access to social security, and find the right proposition to attract and retain them in a globally competitive labour market.

What to consider when planning your benefits and tax strategy? How to set up the right team and planning? Should you consider relocation support, and at what stages? Find the answers from our experts and follow the debate in the webinar recording.

Interested in more resources? Read the [2017 Guide to Global Mobility!](#)

Global Mobility Webinar

Mobility Panel

The rise of international benefits plans

Mobility checklist - In collaboration with Europ Assistance

Are International Pensions fiscally deductible in Europe?

Trends ahead: Video interview with Ludovic Bayard and Raf Leemans

Q&A - Health strategy for mobile employees

New online service centre for expat Life & Disability plans

Mobility across Europe

India on the move

[Back to main index](#)



The webinar experts share different perspectives on assignments' success. Benefits and compensation, tax and relocation services: assets for a mobility strategy that controls costs and creates value.

Mobile employees are key to companies' international growth, either by acting as spearhead in setting up operations in new countries, or by helping transfer skills and innovation. They present opportunities and challenges that set them apart from locally hired staff.



What are the main challenges for HR managers?

Pasquale Gorrasi,
Director International
Lines at Generali
Employee Benefits:

“To start with, they are on average more expensive than local employees. HR managers need to carefully balance the need to support growth with the need to rein in costs taking into account a variety of aspects: countries involved, employee status and assignment objectives among the others.

Another key aspect is attracting and retaining global talents. Employers need to ensure mobile employees are not in a position of disadvantage and that they are properly protected, along with their families, during the assignment abroad and in the transition after that. Insurance benefits are

key to employees who need to rebuild a support network, in terms of access to healthcare, pension rights and so on, when they move or relocate.”

How to get started?

Mario Ceron, Global
Human Resources
Director / Global Hr
Services, Rewards
& Mobility AdvisoR -
KPMG España:



“I recommend the companies I work with should start with a strategic reflection: before launching the execution it is important to gather intelligence on a variety of aspects and to translate this into action.

Key aspects to consider: the specific international growth objectives and type of growth chosen (organic or not); the countries involved; the compensation markets you want to compare yourself with and availability of compensation benchmarks, and other factors. HR Managers should conduct this exercise involving the company's leadership early in the process to obtain business and organisational direction. Consequently, and based on the corresponding analysis, they will be able to better assess and advise on the different compensation approaches and packages needed, what the compensation levels should be, etc. so that the right decisions are made on how to drive implementation, select tax planning strategies, manage the choice of suppliers, etc.”



What is the impact of tax considerations?

Nicolas de Limbourg, Partner, PwC Belgium:

“It is important to carefully consider the specific conditions of your expatriate employees from a

fiscal standpoint when defining the contract strategy. Elements that can be attractive when negotiating with local employees, such as variable pay or long term incentive plans, can be more difficult to apply in the context of a career on the international stage.

We need to take into account multiple scenarios and perspectives: the country of origin and of destination. Tax treaties established between countries offer advantages to avoid or mitigate the risk of double taxation, by establishing that an employee is entitled to pay taxes in the country of residence. However in the context of an international career, it is possible that an employee find herself filling more than one tax return in order to catch up with revenues due in a country left 3 or 4 years before, or even up to 20 years earlier when it comes to pension.

The role of the tax advisor is to help understand what works best for the company and the employee in the short and the long term, by taking into account the employee status, countries involved and how to translate sustainably benefits proposition across countries that may have different practices and standards.”

What helps prevent an assignment failure?

Isabelle Premont, Managing Director, Map Relocation:

“We should not underestimate the role played by so called soft aspects, such as inter-cultural

adaptation, access to support services and support for the accompanying family. Global statistics show that between 12-18% of assignments fail because of issues related to family adjustment and cultural adaptation in the new country.



Companies often arrange pre-assignment meetings with the employees and their family to assess how ready they are to move abroad, and to anticipate and discuss support needed. I'd like to point out that this exercise is also extremely useful at repatriation stage as a similar effort of adaptation is needed even when returning to your home country after a while. There is also increasing attention on benefits for the spouse/ accompanying person such as retirement/ disability pension, support for higher education or for entering the job market.”

Pasquale Gorrasi:

“It should be evident that the success or failure of an assignment depends on a number of elements. HR managers have to consolidate in an integrated solutions several angles, ranging from transition challenges - including social, cultural and financial aspects - to benefits with a focus on employees but also on their dependents, and to fiscal and benefits and compensation strategies. We are increasingly called on to simplify this complexity. We hope you will find in this special resources and tools that can help make it easier for companies and employees to conduct their business on a global scale.”

Global Mobility Webinar

Mobility Panel

The rise of international benefits plans

Mobility checklist - In collaboration with Europ Assistance

Are International Pensions fiscally deductible in Europe?

Trends ahead: Video interview with Ludovic Bayard and Raf Leemans

Q&A - Health strategy for mobile employees

New online service centre for expat Life & Disability plans

Mobility across Europe

India on the move

[Back to main index](#)



International approach to managing expatriate benefits: advantages, resources and tips to get started based on Generali's experience in over 100 countries.

Companies have been increasingly operating across borders. Consequently, the number and variety of employees working abroad has grown exponentially.

Today there are several types of expatriate arrangements: from the traditional executive assignments to intra-regional mobility schemes, short-term exchanges and the so-called local plus contracts.

How these can be re-conducted to a common strategy and measuring framework?

How to align HR managers and employees perspective.

HR managers have been navigating an increasingly complex mobility landscape. They

need to **control costs** and minimize the **administrative burden** of dealing with multiple jurisdictions. Responding to their duty of care and in line with the organisation's culture and values, they further need to deliver **globally consistent** benefits programmes, ensuring that employees on the move are as equally protected as locally-hired workers. Finally they seek to establish an attractive package to compete for global talents.

However reconciling the above needs can be difficult to accomplish. Mobile employees may fall in the gaps of conflicting regulations between their country of origin and their new destination. They may risk losing their entitlement to social security in their home countries, and at the same time may not qualify for benefits in the host country, even when contributing to local schemes. When it comes to retirement, they may need to reconnect contributions accrued when they move or relocate.



[Global Mobility Webinar](#)

[Mobility Panel](#)

[The rise of international benefits plans](#)

[Mobility checklist - In collaboration with Europ Assistance](#)

[Are International Pensions fiscally deductible in Europe?](#)

[Trends ahead: Video interview with Ludovic Bayard and Raf Leemans](#)

[Q&A - Health strategy for mobile employees](#)

[New online service centre for expat Life & Disability plans](#)

[Mobility across Europe](#)

[India on the move](#)

[Back to main index](#)



Why international plans and how do they work?

International plans for expatriates respond to the need for a new approach to mobility programs that better fits today's diversified and global workplace. International plans are typically established centrally at global level and often not following local practices. This approach ensures portability and coordination, while allowing for greater flexibility and tailored design.

For employees away from their home country, **portability** makes an important difference as it ensures access to protection and social security (from healthcare to pension) wherever they are based now, and wherever they'll move to in the future.

HR professionals can manage a single plan that operates across geographies rather than separate contracts across the globe. Central administration and pricing favour global overview and financial synergies, offering a single entry point to the experience of all mobile employees worldwide.

Finally international plans allow for greater **flexibility** compared to domestic solutions. The benefits design can better adapt to each company goals and budget and support the integration of varied benefits for different employees in the same plan. Beside traditional expatriate benefits (medical, life and disability, retirement) it is easier to plug in more personalized and innovative offering such as: business travel and travel intelligence services, benefits for spouse and

families, tailored savings plans, and preventive health and wellbeing programs designed to support healthier and longer working lives.

How to address needs for local compliance?

There can be cases when locally administered insurance policies are necessary to get working permits or are favored by regulators.

By working with a global benefits network companies can easily adapt to different contexts and regulatory requirements, taking advantage of the network ability to bridge global governance and control, and centralized pricing, with adaptability to local conditions and full local compliance.

How to get started?

When setting up their mobility strategy, companies need to identify the right questions to be raised, in order to shed light on their workforce and on the environment where they operate. We share in the next article an example of a mobility checklist prepared in collaboration with Generali leading unit dedicated to expatriates assistance (Europ Assistance) that integrates key aspects to consider when managing expatriation risks. While each company has to further develop this framework based on its specific conditions and needs, we hope this can help get the conversation started and put your mobility strategy on the right track.

Global Mobility Webinar

Mobility Panel

The rise of international benefits plans

Mobility checklist - In collaboration with Europ Assistance

Are International Pensions fiscally deductible in Europe?

Trends ahead: Video interview with Ludovic Bayard and Raf Leemans

Q&A - Health strategy for mobile employees

New online service centre for expat Life & Disability plans

Mobility across Europe

India on the move

[Back to main index](#)

Mobility checklist

In collaboration with Europ Assistance



Travel:

- ✓ Is there a contact/check-in procedure in place when the employee arrives?
- ✓ What steps have been taken to address the privacy concerns of tracking employees via cell phones or other technologies when they travel to another country?

Cultural:

- ✓ Do employees understand the cultural differences they may be facing?
- ✓ Are they prepared for the different nuances, values, and cultural norms in which they will be operating?
- ✓ What dos and don'ts will reduce potential misperceptions?
- ✓ How will employees adapt if they are members of a minority and are subjected to prejudice?

Security Risks:

- ✓ What is the political climate?
- ✓ What is the business environment?
- ✓ What is the state of crime and justice?
- ✓ Is the risk worth the possible reward for working in this country?

Medical:

- ✓ What health risks are associated with this location?
- ✓ What is the state of medical care in the country and how accessible is it?
- ✓ Are agreements in place with accredited local facilities to get prompt treatment for routine and specialist care and in time of emergency?
- ✓ Are medical evacuation arrangements in place?
- ✓ Do travellers have the proper immunizations?



Work Location:

- ✓ What are the health and safety standards at the work location?
- ✓ What are the health standards at the long-term residence?
- ✓ What are the safest ways to travel from work to residence?
- ✓ What vacation time does the employee receive while working in another country?
- ✓ What happens in time of disaster or civil unrest?

Your Unique Workforce:

- ✓ Where they come from and where are they going to be relocated?
- ✓ What is their status?
- ✓ What are their expectations?
- ✓ Do they have any special medical needs?

Benefits Benchmark:

- ✓ Are benchmarking services available to assess how your own company performs against competitors?

[Global Mobility Webinar](#)

[Mobility Panel](#)

[The rise of international benefits plans](#)

[Mobility checklist - In collaboration with Europ Assistance](#)

[Are International Pensions fiscally deductible in Europe?](#)

[Trends ahead: Video interview with Ludovic Bayard and Raf Leemans](#)

[Q&A - Health strategy for mobile employees](#)

[New online service centre for expat Life & Disability plans](#)

[Mobility across Europe](#)

[India on the move](#)

[Back to main index](#)

Are International Pensions fiscally deductible in Europe?



The answer is no, but find out when it is really convenient for you to look at the international scale.

Companies operating across Europe can find it a challenge to deal with the variety of country-based pension systems. To complicate this picture, recent trends show that countries are raising the exit tax of second pillar pensions or increasing the retirement age. Employers worry that national governments could “catch up” and take back advantages negotiated at the entrance, and they enquire about the opportunity to replace national plans with international ones.

While this is certainly possible, it is our responsibility to inform our clients of the **pros and cons** of this approach, so that they can take the best informed decisions and ensure the success of their employee benefits strategies.

Pension system regulations vary widely across Europe, thus presenting companies with a fragmented scenario. A multinational company willing to offer pension plans to workers across Europe, will need to buy or create separate plans for each country where it operates. However these plans can differ widely from one country to the other, making it difficult to ensure **consistent value** to employees of the same organisation.

How to ensure that, to make an example, your employees in **Greece** will have the same treatment as if they were based in **Norway**? International Pension Plans could provide a solution.

These plans allow creating a consistent framework and a unique design to cover employees that reside fiscally in different countries or that may need to move and relocate during their career. The resulting equal treatment in benefits across geographies creates value for a company's **Employee Value Proposition** and can be instrumental in attracting and retaining staff at local and global level.

Among the other advantages to consider, IPPs are more flexible, and simplify risk management and plan administration by enabling companies to manage one unique plan rather than separate contracts per country. Finally, IPPs are generally less taxed at the exit (retirement stage) because they were not granted fiscal advantages before.

However, when assessing risks and benefits, it is important to note that IPPs are not recognised by national legislations. This means that though they are absolutely legal (employers have the right to invest in IPPs) it will not be possible to obtain **deductibility** of contributions. As a result, if an employee receives a salary of 2500 euros and place 300 euros in an international pension plan, she will be taxed on the total of her salary (2500) and not on the remaining 2200, as it would be the case if she were using a national pension plan.

In conclusion, we need to make a choice between fiscal deductibility of national pension plans in our worklife, or the flexibility of the IPP and its lighter taxation at the exit.

At this stage, it is not possible to get both within an IPP and it is not foreseen an evolution within the European labour market towards fiscal deductibility of non-national pension plans.



Global Mobility Webinar

Mobility Panel

The rise of international benefits plans

Mobility checklist - In collaboration with Europ Assistance

Are International Pensions fiscally deductible in Europe?

Trends ahead: Video interview with Ludovic Bayard and Raf Leemans

Q&A - Health strategy for mobile employees

New online service centre for expat Life & Disability plans

Mobility across Europe

India on the move

[Back to main index](#)

Trends ahead: Video interview with Ludovic Bayard and Raf Leemans



There are over 56 million expatriates worldwide, as global talents play a key role in companies' expansion into new markets and overall international growth.

In this video interview, produced by the magazine Finance Director Europe, Raf Leemans Senior Director International Compensation & Benefits at The Rezidor Hotel Group, and Ludovic Bayard, GEB General Manager, share their experiences and views on trends and challenges ahead.

What are the key highlights?

- Expatriate employees are crucial to transfer the expertise and company's culture into new territories.
- Balancing the need to support growth and the need to manage benefits costs is a hot topic for the leadership.

How to choose your benefits providers?

- Benefits providers are called on to reduce

and simplify complexity.

- Working with a global network makes it easier for companies to operate across countries.

Among the advantages to look for:

- One entry point to contracts geographically dispersed
- Seamless continuation of benefits when employees relocate

What are the main challenges ahead?

- Supporting employees to have longer as well as healthier working lives

Stepping up investment on prevention at work, with healthcare and well-being programmes, and, beyond the work environment, ensuring sustainable retirement conditions.

Watch the video here:





Start with analytics, says Stuart Leatherby from Generali Global Health.

Stuart Leatherby – Commercial Director at Generali Global Health – talks about the issues employers should think about when supporting their employees moving overseas particularly in relation to their health.

- **It is all very well for a paternalistic employer to put a healthcare strategy in place, but first they need to understand what their employees – and bottom line – will benefit from.**

It's not all about the hard buck. It's the benefits that come from a good healthcare strategy, rather than paying lip service to it. And it's not just paternalistic, it's **good management** to seek employee health wellbeing and engagement. The aim is to retain staff and make sure you are providing employees with a healthy working environment and a work life balance in which they can flourish. There are important benefits for both the employee and the company with the right kind of healthcare strategy. It can be a win-win situation.

- **How do employers get to grips with the main health and wellbeing issues facing their workforce, and pick the right products to meet their needs?**

Start with the analytics. Look at any healthcare data relating to employees, normally that will be anonymised. Employers can achieve that by looking at health insurance plans and at utilisation of types of services. Employers can look at absence management systems. Also, there is much empirical evidence around absenteeism and presentism to understand what are the types of issues facing employees in any given location. If employees are in Shanghai in China



for instance, or another big city, respiratory illness might be an issue. In others, it might be digestive diseases or transmitted diseases like malaria. In the UK, the emphasis is much more on

muscular-skeletal conditions. Employers need to use the **healthcare analytics** they can get from their own business and supplement that with imperial evidence from external sources, and then develop a wellness strategy around this.

- **What healthcare and wellbeing products are on the market for those companies that want to look after their staff, but don't have a huge budget?**

There are a number of informational wellness tools available. They usually include smoking cessation programmes, or information about dealing with stress or diabetes. As these tools are informational, they tend not to provide any interactive features. There are many applications that can be plugged into a company's intranet or website and modest cost.

Then there are other more sophisticated services like health **risk assessment** tools. These allow employees to get a **health snapshot** of themselves, and understand their level of risk for developing particular conditions. Then there **applications** that are more interactive, but still relatively low cost, include the likes of Virgin Pulse. These work with wearables and employers can create activity based initiatives that can be designed around the needs of a



group and offer engaging programmes for their employees.

- **How can employees be easily engaged with staying healthy?**

People respond best and get more engaged when **rewards** are available, ie with applications that offer points for undertaking activity. Those points can be used to buy items or experiences, which is an effective effort and reward mechanism. This type of engagement is easier to achieve with employees, if they see that there are benefits specifically available for them.

- **What factors, other than physical health, impact on an employee's overall wellbeing – and how can the employer help in looking after these issues as well?**

Stress and depression are good examples. This particularly applies to expats as they can experience **loneliness and isolation**.

But there are a number of things that can be used by employers to help with these types of conditions. International **Employee Assistant Programmes** (EAP), for instance, helps to deal with some of issues associated with settling in different environments.

Logistical problems can also be an issue. The ease of accessing medical facilities, for example, can worry people who have moved to an unfamiliar environment. So, **virtual doctor** services can help to deal with this type of issue, particularly when the individual is in a remote location.

Quality of care can be enhanced with benefits such **second medical opinion** services. This type watch the video here: of facility means that international workers can be sure of the best advice, even if they are in a location doesn't that doesn't have high standards of healthcare.

New online service centre for expat Life & Disability plans



How it works and why it is going to make your life easier.

Easy-to-use and readily available information can help benefits professionals take the most out of their plans and make informed decisions.

This is why Generali has stepped up its digital service offering with a new online platform and service centre that makes Expatriate Life & Disability insurance simpler and smarter.

This platform enables clients anytime and anywhere to view information on their plans and on a particular member, monitor claims and medical underwriting, and create ad hoc reports.

Watch the video online for a quick introduction to this new tool:



Key features include:

Plans at a glance:

- Overview of all plans in a portfolio (detailing coverages, sum assured, etc)
- Access to member details, underwriting decisions, premiums due and transactions

Claims monitoring:

- Full view of all claims and their status
- Pending claims and outstanding items required
- Claims paid or in payment

Medical underwriting:

- Pending cases, and status from Personal History Questionnaire
- RAG rating system to promptly identify and address issues

Reporting and Data management:

- Ability to export data, access a repository of all relevant documents, change and update plan/member information with no need for paper gathering!

For more information on Generali Worldwide Employee Benefits Online Service Centre, contact internationallines@geb.com

Global Mobility Webinar

Mobility Panel

The rise of international benefits plans

Mobility checklist - In collaboration with Europ Assistance

Are International Pensions fiscally deductible in Europe?

Trends ahead: Video interview with Ludovic Bayard and Raf Leemans

Q&A - Health strategy for mobile employees

New online service centre for expat Life & Disability plans

Mobility across Europe

India on the move

[Back to main index](#)



Where European workers and retirees have been moving to? A look back at what happened in 2015.



The 2016 annual report on intra-EU mobility, published by the European Commission, presents mobility data and trends across Europe over 2015. Find out below what paths mobile workers have been taking, destinations and origins, retirement trends, and more:

Countries to move to:

In 2015 about **11.3mnl** working age and **8.5mnl** active citizens were on the move across the EU-28 (about 3.6% of the total active population).

Where from:

- Germany, Italy, Poland, Portugal and Romania represent more than half of all movers in EU.

Where to:

- Main destinations remain unchanged: Germany (2.7mnl), UK (2.1mnl), Spain (1.4 mnl), Italy, France and Switzerland (about 1mnl each).
- While countries with highest inflows relative to the local population are: Luxembourg, Switzerland, Cyprus, Ireland and Belgium.
- Since 2009, Germany and Austria have seen the largest increase in inflows (+219% and +86% respectively), followed by Finland (+60%), UK (+57%) and Denmark (+54%).
- **Germany and Austria** attract an increasing number of workers from both South and Eastern Europe, whereas the inflow from southern Europe to UK has been declining since 2014.



Return:

- Return mobility to the **EU-13** countries (13 countries that entered the EU in 2004: Bulgaria, Croatia, Cyprus, Czech Republic, Estonia, Hungary, Latvia, Lithuania, Malta, Poland, Romania, Slovakia and Slovenia) as well as **Italy and Spain** has been increasing.
- Reasons behind range from the introduction of restrictions to access the labour market to evolving economy in host / home countries. At individual level, both work-related factors as well as social and family issues can lead to the decision to return.
- Most of the returnees in 2015 were young (20 to 34 years old).



Global Mobility Webinar

Mobility Panel

The rise of international benefits plans

Mobility checklist - In collaboration with Europ Assistance

Are International Pensions fiscally deductible in Europe?

Trends ahead: Video interview with Ludovic Bayard and Raf Leemans

Q&A - Health strategy for mobile employees

New online service centre for expat Life & Disability plans

Mobility across Europe

India on the move

[Back to main index](#)



Retiring in a different country:

- There were about **1.4mln** retired EU-28 movers.
- Countries with the largest share of mobile retirees are in order: **France** and **Germany, UK, Spain, Switzerland** and **Belgium**. In most of those countries mobile retirees have been working there and stayed after retirement.
- Differently, countries such as **Cyprus, Malta, Portugal** and **Spain** attract retirees who had never previously worked there.
- Mobile retirees arrive mainly from **Germany and UK**. They prefer different destinations with UK citizens concentrating in **Cyprus, France** and **Spain**, and **German** retirees rather heading towards **Croatia** and **Greece**.
- In 2015 states received cross-border reimbursement for health care for over 370,000 retirees.
- Most of mobile retirees choose to stay in the last country where they resided and worked, with only a small percentage returning to their country of origin.



Findings from: [2016 Annual Report on intra-EU Labour Mobility](#) *Final Report December 2016, Elena Fries-Tersch, Tugce Tugran and Harriet Bradley, European Commission*

Global Mobility Webinar

Mobility Panel

The rise of international benefits plans

Mobility checklist - In collaboration with Europ Assistance

Are International Pensions fiscally deductible in Europe?

Trends ahead: Video interview with Ludovic Bayard and Raf Leemans

Q&A - Health strategy for mobile employees

New online service centre for expat Life & Disability plans

Mobility across Europe

India on the move

[Back to main index](#)



A fast growing global player.

A set of records.

With its **15.8 mln** people working in other countries, India is today the world's largest exporter of labour – followed by Mexico, Russia and China.

Europe and South-East Asia have been gaining pace, but major destinations since the 90's remain: US, UK and Canada and the Gulf countries.

About **3.5 mln** of Indians live in the UAE: this is the world's second largest migration corridor.

Labour outflows make India the world's largest recipient of migrant workers remittances.

Students from India are expected to be the largest group of mobile students in the world by 2024. They go to the US but also increasingly to Australia and New Zealand.



Brain gain



A growing number of Indian migrants is returning and setting up business ventures in India. The rapid expansion of the IT industry and overall economic growth is attracting Indian as well as foreign nationals.

This trend looks set to continue, also thanks to recent favourable policies from the government. FDI investments are on the rise (**30% year-on-year rise** between April-September 2016). Services and telecommunications are attracting most investments.

Cost of living and working in India



On a global scale India is among the **cheapest** places where to live according to the recent report on Cost of Living from the Economist Intelligence Unit. Bangalore, Chennai, Karachi, Mumbai and New Delhi rank among the 10 cheapest cities in the world.

However expatriate packages are among the most expensive in the Asia Pacific Region, according to ECA International. Main cost drivers are incentives often included in the package and the impact of taxation.

Additional benefits included in the package by multinational companies for top management and international workers can lead to a significant salary increase up to 50%-70%.

New Delhi is the most expensive location for expatriates in India, followed by Mumbai and Chennai.

Global Mobility Webinar

Mobility Panel

The rise of international benefits plans

Mobility checklist - In collaboration with Europ Assistance

Are International Pensions fiscally deductible in Europe?

Trends ahead: Video interview with Ludovic Bayard and Raf Leemans

Q&A - Health strategy for mobile employees

New online service centre for expat Life & Disability plans

Mobility across Europe

India on the move

[Back to main index](#)



Expatriates and social security:



It's only in **2008** that India made cross border workers subject to the national social security system, with a reform act that introduced the category of **international workers**,

and clarified related benefits coverage and withdrawal conditions.

These terms apply to both foreign workers coming to India and Indian nationals going abroad to work in one of the countries where a Social Security Agreement (SSA) is in place.

India system is regulated under two national schemes Employees Provident Fund Scheme (EPF) and Employees Pension Scheme (EPS). Workers entering the system after September 2014 and earning more than 15,000 INR per month only contribute to the EPF. A contribution of **12%** is deducted from the employee monthly salary, and matched by the employer contribution.

SSAs help achieve equal treatment of workers and avoidance of gaps or double coverage, and allow for exemptions and more flexible terms including:

- Detachment: exemption from contribution in the host country and inclusion in home country scheme while abroad,
- Exportability of benefits including pension benefits, and
- Totalisation of benefits: benefits earned can be received in another country and part of the length of service related requirements

India has Social Security Agreements in place with: Belgium, Germany, Switzerland, Denmark, Luxembourg, France, South Korea, Netherlands, Hungary, Sweden, Finland, Czech Republic and Norway.

SSAs signed but not yet operational involve: Canada, Japan, Austria, Portugal and Australia.

Sources:

- India in Business – [Ministry of External Affairs](#)
- Pew Research “[India is a top source and destination for world's migrants](#)”
- [Deloitte India](#)
- The Economist Intelligence Unit – [Worldwide Cost of Living Report 2017](#)
- ECA International “[Expatriate pay and benefits packages in India](#)”
- PwC “[Indian social security For cross-border assignments](#)”
- [UN International Labour Organisation \(ILO\)](#)
- [World Bank - India](#)



In a snapshot:



Demographics:

- Large: With its over **1.2bln** population, India is the 2nd most populated country in the world, right after China (over 1.3bln)
- Young: About **60%** of Indians are aged between **15 and 59**
- In line with global trends, urban population is growing (up to 30%).
- English is widely spoken and is the major language of politics and commerce - though more than **1500** languages and dialects are spoken across the country.
- Its large, youthful and skilled labour force contribute to making India an attractive investment destination.

Economy:

- Overall performance is characterised by a globally competitive knowledge-based services on one side and a large agriculture component on the other.
- Services have been driving growth and are today the major contributor to GDP growth (**over 49%**).
- The current government has promoted liberalisation and regulation more open to FDI – see article on [Insurance Act in 2015](#) – as well as the strengthening of the manufacturing sector (see the initiative [Make in India](#))
- Informal sector still accounts for **90%** of total employment and the need to promote quality jobs is a concern

Source: [Axco](#)

Head Office: Simona Frisoli - Marketing & Communication Manager
Tel: +32 2 537 2760 Fax: +32 2 537 5266 e-mail: frisoli@geb.com
Editorial office: Generali Employee Benefits - Brussels
email: marketing@geb.com website: www.geb.com

