# India-EU Seminar on Talent Mobility -Information Technology Sector

14th June 2019, Pune

New World.. Changing Priorities..

#### The New World

- Goods & Services are more globally connected more "knowledge"
- "New Norm" -
  - ▶ Need for diverse, skilled & trained workforce
  - ► Advent of new Multi-nationals & Trans-nationals companies
- Ability of companies to adapt to these changes
  - ► Regulatory, Technology & Talent
- Talent changes
  - ► Shortage of knowledge worker / talent
  - Population shifts / ageing population

#### What Needs To Be Done...

- Bridge the talent gap -
  - Demand vs Supply deficit
- Meet growing needs & expectations of multi-dimension workers
- ► Higher degree of collaboration between companies & government
- Higher degree of inclusion of technology
- Mobility strategy is holistic & multi-hue
  - ▶ Efficient, compliant & cost-effective New mobility models
  - ▶ Need to move talent globally Global Mobility
  - ► Attract, Retain & Deploy best talent

So, there is a need to change global mobility programs....

#### How Talent Moves...

- Short Term Business Trip
  - ► Short duration of travel of upto few weeks
  - Predominantly for meetings, discussions
- Short-term assignments
  - Longer than business trip but less than 1yr
  - ► Employee gets paid allowance in host country + salary in home country
  - Adv. Increased flexibility & cost effective
  - ▶ Dis.Adv Taxation, immigration limitation
- Long-term assignments
  - Longer than 1 year
  - Local payroll & social security contributions
  - ► Adv. Long term stability & business continuity
  - Dis.Adv Quota limitation, inability to move talent, high costs

#### What Is Expected

- Fast, Flexible, Efficient, Consistent process
- Consultancy & Advisory to Business
- Align assignments with changing business needs
- ▶ Delivery wide range of services to business & employees
- Diverse workforce short term / medium term / long term / permanent transfers / local hires
- Integrate mobility with talent identification and deployment, compensation / benefits, tax models
- Multi-Skill / Experience Positions
- "GIG" Economy

# **Europe Context**

#### An Overview

- EU Immigration for EU Nationals
  - Nationals from 27 of the 28 EU states + Switzerland + Norway + Liechtenstein Full freedom to travel, live and work in EU
  - Minimal impact on family reunion, employment & social security
- ► EU Immigration for Non-EU nationals
  - ▶ EU Blue Card
  - ► ICT Program EU ICT / National ICT Program
  - ▶ National Schemes HSM / White-Blue Card / Knowledge Migrant Program
  - Quota driven
  - Minimum salary, equal employment conditions
  - Limited duration
  - Availability of local employment contract / home employment contract

### And They Differ

EU Blue Card	EU ICT Directive
Non EU National	Non-EU National
Highly qualified / skilled workers	Managers, Specialists & Trainees
Payroll at host country	Payroll at home country
Local employment contract	Employment contract with home country
No minimum tenure with home company	3 to 12 months uninterrupted months for managers & specialists, 6 months for trainees
Renewal-able	Not possible after maximum validity

#### Lets Get More On EU-ICT Directive...

- ▶ 2014 European Council adopted a proposal to define conditions of entry, work and residence within Intra-Corporate Transfer construct
- Applies to third country nationals
- 25 member states had 30 months to implement
- ► Ireland, UK & Denmark opted out
- Synergy with previous initiatives of EU Blue Card & Single Permit Directives
- Posted Workers Directive 96/71/EC
  - Enforcement Directive 2014/67/EU
  - Directive (UE) 2018/957 revision of Directive 96/71/EC to be implemented by EU Member States by 30 July 2020

#### The Salient Features Are...

- Role in Managers / Specialists / Trainee
- Seniority upto 3 months for Managers & 12 months for specialists
- 3 yrs validity limit for managers / specialists
- Condition no less favorable than posted workers / third country national / others including salary
- Cooling off period after the limit is met
- No specific quota limitation
- Can require a notification for duration of 90 days / or beyond 90 days
- ► Evidence of professional qualifications and experience as required by the host entity must be provided.
- Allow family reunification with minimum obstacles
- ► Filed with the Consulate / Embassy outside the member state of the member where the longest duration of stay

#### And Now...Intra-EU Mobility

- ► TCN with an ICT permit issued in any member state of first residence can enter, stay and work in one or more additional member states with little or no interruption to their assignment
- In this way the administrative burden associated with work assignments in several member states may be greatly reduced.
- Implementation is partial and evolving
- Two Types
  - Short Term Mobility
    - Period of 90 days out of 180 days
    - No / Minimal immigration requirements
    - May require notifications from the sponsoring host entity
    - ▶ Can work immediately in the second state or after notification
  - Long Term Mobility
    - ▶ Beyond 90 days
    - Can allow basis the validity of the ICT permit or seek secondary work permit at the second member state

### Lets Compare...

Country	Minimum Seniority (months)	Payroll	Minimum Salary (Euro p.m.)	Timelines (weeks)	Work at client locations	Action for Short Term Mobility
Spain	3	Outside	~3,300	4-6	Yes	Notification
The Netherlands	3	Outside	3,300 for trainees; 4,400 for < 30 yrs Market salary > 30 yrs	12-13	Yes	Notification
France	3	Not relevant	2,400 to 2,600	3-4	No	Notification
Italy	3	Outside	Same as regular WP	7-8	No	Notification
Bulgaria	12	Outside	Market rate	13-14	Yes	Notification
Hungary	3	Outside	Market rate	8-9	Yes	Notification
Germany	6	Outside	Market rate	4-5	Yes	Notification
Poland	3	Outside	2400 to 3500	12-13	Yes	Notification
Belgium	6	Outside	Market rate	4-6	Yes	Notification
Sweden	3	Outside	СВА	12 weeks	Yes	Notification

### **India Context**

#### **India Context**

- Significant progress on Immigration Programs
- Multiple visa types depending on need
  - Conference Visas, Medical Visa,
  - Business Visa -
  - ► Employment Permit -
    - ► Highly skilled / qualified professional,
    - ▶ Minimum salary of 25,000 USD p.a.,
    - ► Registration mandatory @FRO/FRRO
    - ▶ No change of employer
- E-visa highly effective and business friendly

# Challenges

#### Challenges

- Delinking / Linkage of implementation of the Short-Term Mobility with the ICT directive ??
- Social Security applicability in second member state
- Certificate of Coverage for second /third country
- Movement of family for short term mobility
- Overlap of parallel national schemes
- Different processing timelines & varied documentation
- Accredited sponsor program available for only few countries
- Reciprocity

Asks?!

#### **Asks**

- ► For large organizations : GOI can make rules as we already have certifications which can reduce the documentation Pls note as per CMM level 5 Background check is a must .
- ▶ GOI -can take up with EU the strict laws and checks and inspections we are subject too -hence the notion that EU needs to recheck can be avoided .
- ➤ Salary to be paid for a job is the prerogative of the company. Ideally EU should set only a certain Minimum range: for skilled, unskilled, partly skilled /etc. Taking a salary figure from Market is not a right approach. How do we know that all companies are taking same figure?
- Lot is open to interpretation of different companies. Does this support mobility needs to be relooked.
- Need for social security for expats coming in?
- Need to differentiate mobility and migration with immigration.
- Tax too complex !

#### **Asks**

- "Fast Track Corridor" for companies, at least those who are registered in one of the EU countries. The parent country can "certify" the company once and then conduct periodic audits, but the visa / WP as such should be granted within a very short SLA.
- GOI also needs to make process for WP to India easier too much bureaucracy and too time consuming currently
- Provide options to obtain multiple CoC for the same individual / employee
- Reduce the timelines to obtain CoC

## Thanks