

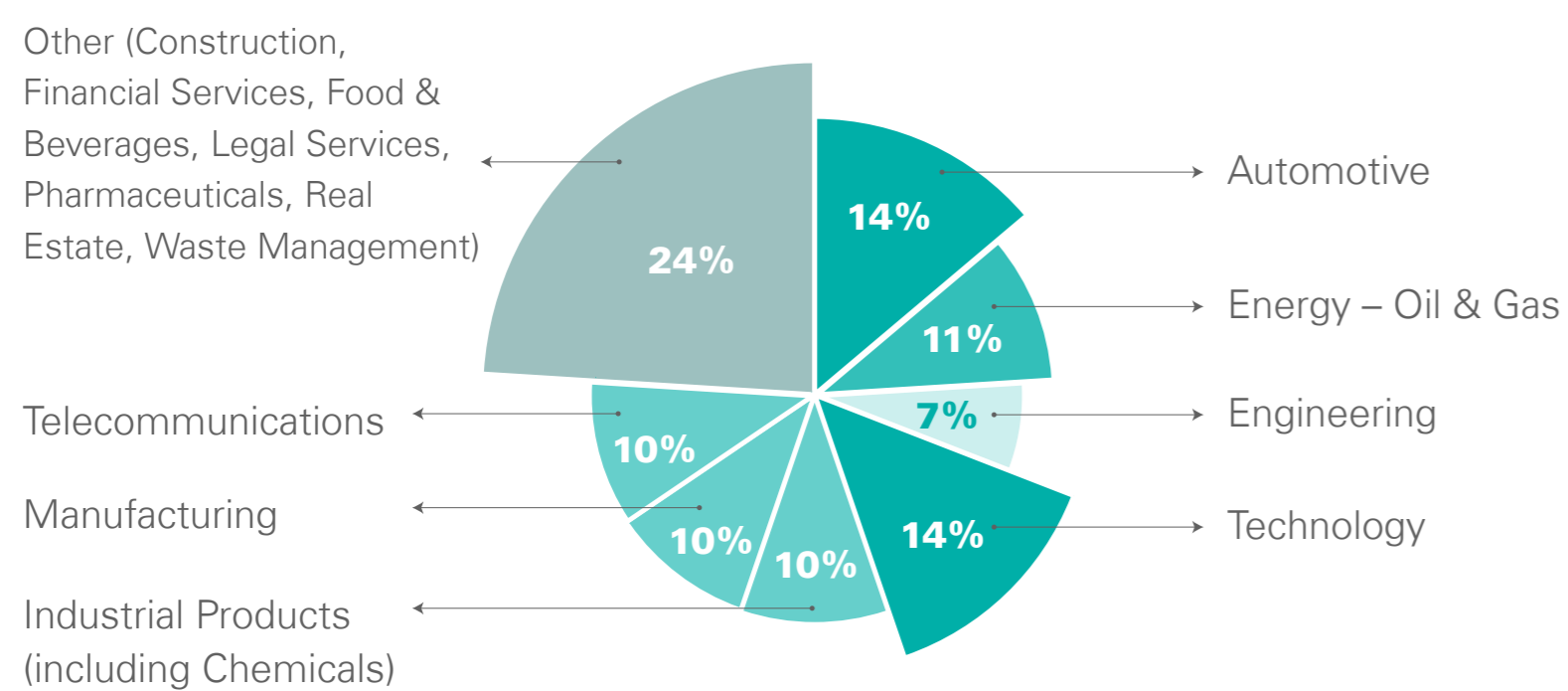


KPMG's Global Mobility Health Check survey results

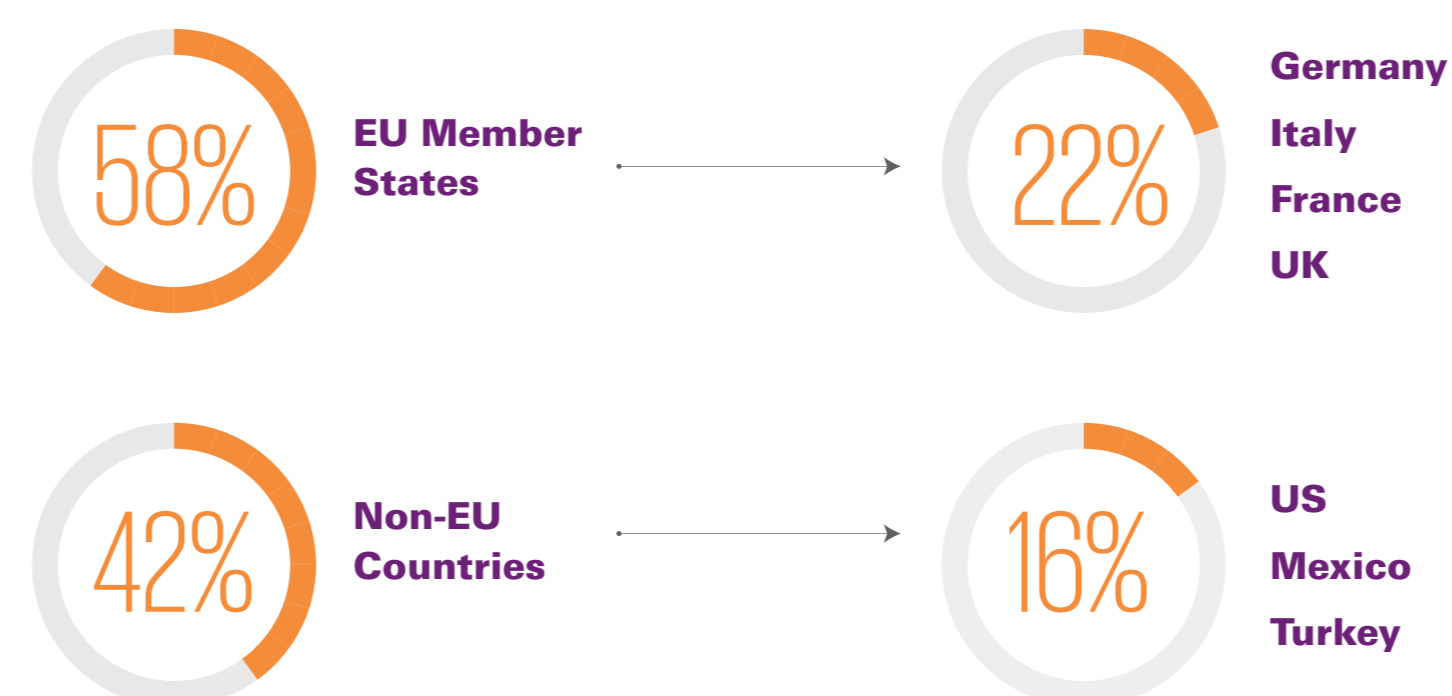
Romanian market trends

January, 2021

29 participants from 14 different industries



Host Countries



How can KPMG help ?

Polices

- Drafting or reviewing your global mobility policies in order to make sure:
- they cover all types of mobile workers, address the business's needs, are cost effective, and promote compliance and
 - they provide a clear guidance to global mobility responsible staff.

Drafting or reviewing your letters of assignment to ensure:

- existence of comprehensive letters of assignment/ transfer templates per policy type which provide a summary of final approved mobility packages and agreed terms and conditions, serving as a barrier to risk and
- compliance with provisions of the EU Posting Directive and domestic posting legislation. Note importantly that the new EU Posting Directive brings stricter requirements and higher penalties for non-compliance.

Staffing & program administration

Empowering key internal stakeholders by:

- Training key internal stakeholders and providing periodic legislative updates.
- Building and documenting internal processes intended to support assignment/transfer phase processes and standardize the global mobility tasks .

Cost management

- Preparing assignment cost projections to validate the overall projected individual and company tax impact and total assignment costs to the company.
- Developing and implementing savings strategies.

Compensation & benefits

Drafting or reviewing your global mobility policies and letters of assignment templates to:

- Customize the type and level of benefits in order to meet your mobile employees' needs and expectations.
- Ensure compliance with EU Posting Directive requirements and local posting of workers legislation.

Home legal, tax, social security implications

- Amending the assignment letter templates so that they comply with the EU Posting Directive.
- Making the necessary home payroll adjustments related to each location and type of travel.
- Establishing the posted employee's tax residence.
- Preparing the annual tax returns which need to be filed by the posted employee.

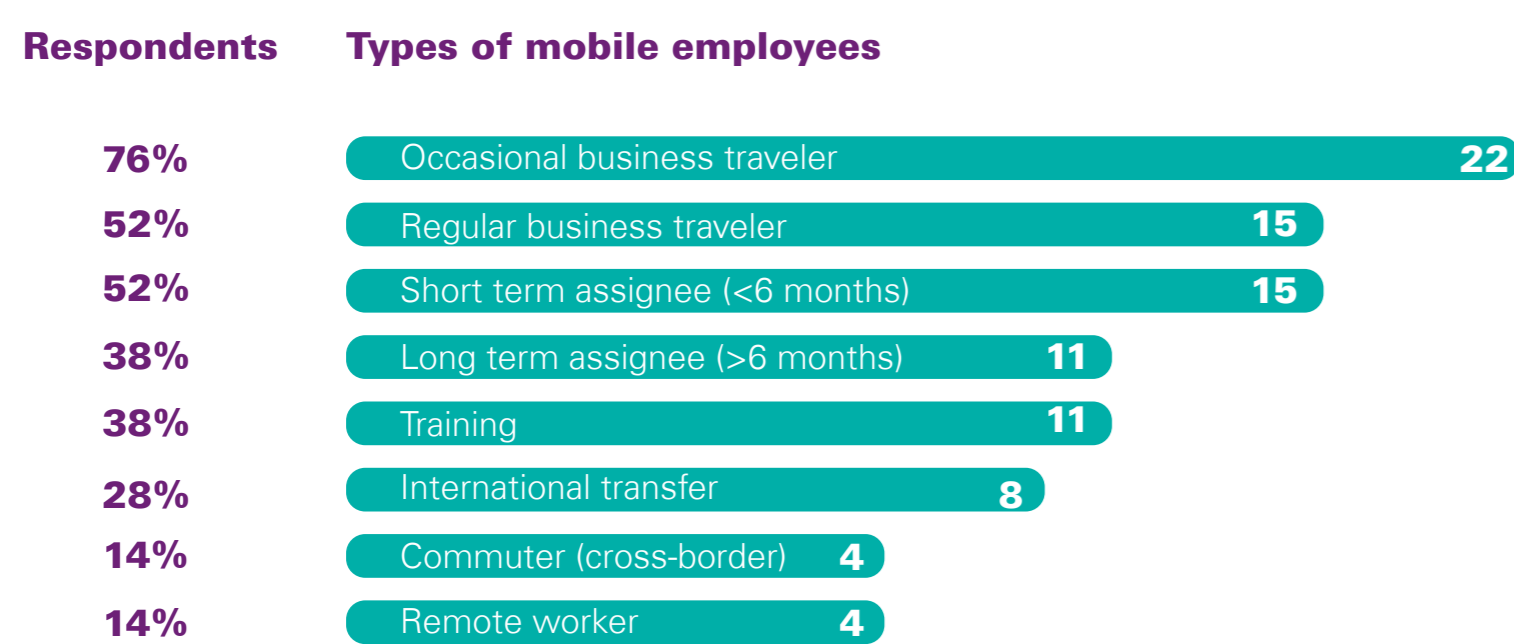
Host legal, tax and social security implications

- Immigration requirements in the host country.
- Compliance with the equal pay for equal work principle.
- Compliance with registration requirements as per the EU Posting Directive.
- Determining the applicable tax treatment in the host country.
- Obtaining the relevant social security certificates of coverage.

Technology

- Provide end-to-end or modular automation to effectively manage a broad range of aspects of international assignments.

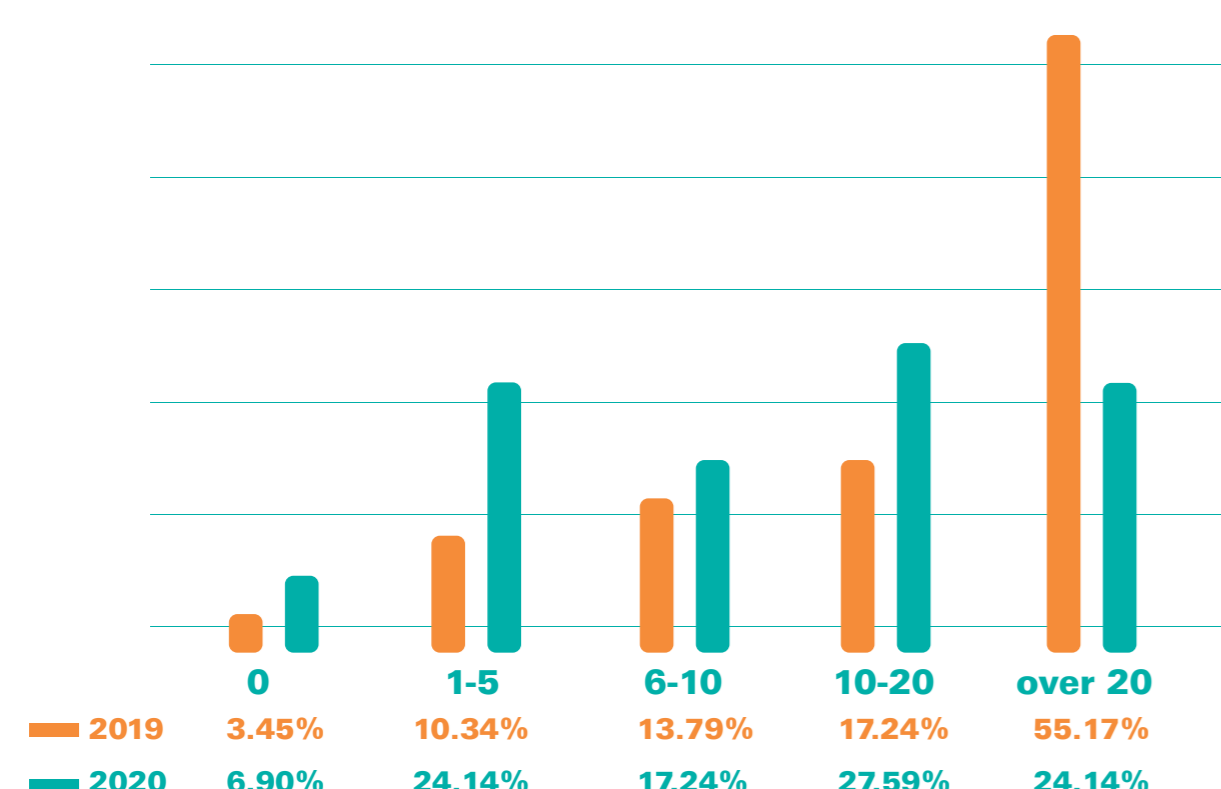
Types of mobile workers



Most of today's mobile employees are occasional business travelers

Mobile workers in 2020 vs. Mobile workers in 2019

As expected, the number of mobile employees in 2020 is significantly lower than in 2019. Less than half of the respondents who had over 20 mobile employees in 2019 continued to have over 20 mobile employees in 2020 as well.



Key findings



Polices

The Romanian market does not seem to be mature enough in terms of global mobility policies and procedures.



Staffing & program administration

There seems to be little connection between global mobility and talent or career management.



Cost management

Many of the companies participating in the survey are not able to estimate costs prior to the assignment taking place and have no savings strategies in place when it comes to global mobility.



Compensation & benefits

The most popular benefits include transportation, accommodation, assignment allowances and private medical services.



Home legal, tax, social security implications

Most respondents confirmed that they are aware of the necessary home payroll adjustments related to each location and type of travel. However, many of them do not have assignment documentation in place for all types of travel and if they do, this is not always aligned with the requirements of the Posting of Workers Directive.



Host legal, tax and social security implications

Most, but not all, respondents are aware of the implications in the host country. However, a significant number of respondents do not seem to be aware of the Posting Directive requirements or the equal pay principle.



Technology

The majority of respondents confirmed that they do not have a technology solution to manage their mobile employees.



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