



KPMG South Africa and Intl SOS podcast

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Introduction

Mel: Hello to all joining us today. I am Melissa Duffy, a tax partner at KPMG in Johannesburg and I specialise in the cross-border movements of persons and/or their capital from a tax perspective, individuals' tax, employees' tax, exchange control for natural persons, family offices and private clients. .

In today's podcast, we will be talking about cross-border movements of employees and what additional support needs to be considered when you have employees in various locations around the world. Today I am joined by Dr Steven Lunt from Intl SOS who will talk about health and safety as relates to mobile employees . Welcome Dr Steven and thank you for joining us today. Can you please tell us more about yourself and your organisation?

Dr Steven: My name is Steven Lunt, I am the Medical Director for Assistance and Air Ambulance covering the Sub-Saharan Africa region at International SOS.

The International SOS Group of Companies is in the business of saving lives, protecting your global workforce from health and security threats. Wherever you are, we deliver customised health, security risk management and wellbeing solutions to fuel your growth and productivity. In the event of extreme weather, an epidemic or a security incident, we provide an immediate response providing peace of mind. Our innovative technology and medical and security expertise focus on prevention, offering real-time, actionable insights and on-the-ground quality delivery. We help clients meet their compliance reporting needs for good governance. By partnering with us, organisations can fulfil their Duty of Care responsibilities, while empowering business resilience, continuity and sustainability.

The group was founded in 1985, it is trusted by 12,000 organisations, including over half of the Fortune Global 500, multi-national corporate clients and mid-size enterprises, governments, educational institutions and NGOs. 10,000 multi-cultural medical, security and logistics experts stand with you to provide support & assistance from over 1,000 locations in 85 countries, 24/7, 365 days.

Mel: Thank you Dr Steven. If I may, I would like to set the scene as relates to the cross-border movements of an employee workforce. Expatriate employees work are typically employees who agree to be deployed in a new location or tax jurisdiction moving from their home location to a host location for a fixed period of time. Our clients also have employees who move from one location to another as a permanent international move. When employees move from one tax jurisdiction to another tax jurisdiction, there are tax and other regulatory considerations to be had. Does the home employer have to withhold employees' tax in the host location? What and how does the employee pay tax on in the host location for example, does the employee only pay tax in the host location on compensation delivered in that location? What are the corporate tax considerations? How do recharges of costs impact tax obligations? Do double tax agreements come into play? Are there exchange control regulations to be considered? What about social security? But over and over the tax and other regulatory framework considerations, what else should employers be considering?

Dr Steven: Gosh Mel -there's a lot to consider with cross border movements of employees. But at least KPMG is available to assist with all of the matters you just raised. <<Dr Steven to expand on why employers should use Intl SOS>>

International SOS has over 35 years experience in supporting expatriate employees who move to countries where they are unfamiliar with the environment. This is exactly how the organisation got started in fact, identifying this need. This puts them in a situation that can be stressful and make them more vulnerable to a number of health and security risks. In Africa, you have infectious diseases such as malaria, there are countries who have security challenges, traveling by road is also different to what expatriates may be used to in their home country, these are just a few examples.

We are able to help employers to ensure that their expatriate employees are safe and can get assistance through a simple call. This includes doing risk assessments of work sites and residential sites, ensure training of the employees so that they know how to protect themselves against malaria for example. We also are able to ensure that they have access to quality health care through our own clinics or through partners that we have selected and audited. In serious cases where appropriate level of care is not available in country we are able to evacuate patients to the nearest centre of excellence. All of that is done in line with the policies that would have been defined by the employer.

Mel: That's very interesting Dr Steven. There's just so much to consider when employees move cross border. If I recall correctly, Intl SOS don't only assist with long term secondments or deployments, Intl SOS covers employees who travel on business trips. Is that correct?

Dr Steven: That's correct we are able to assist international and domestic business travellers but also what we may refer to as the domestic workforce. This is a requirement that emerged with the pandemic where employers needed our support to assist employees as they are working from home for example.

Coming back to your question, we assist business travellers on their international and domestic trips. We provide pre-travel information and briefings, our assistance service is one call away around the clock, through our App travellers are able to confirm they arrived safely at their destination, we can locate travellers in real time so that we are able to alert them in case of any erupting threat. With the pandemic we have also seen a rise in calls from managers who are seeking our advice on how to handle certain situations with their team members. Its all about helping the employer fulfil their Duty of Care.

Mel: Can you please share some stories as to what your team has seen and assisted with on the African continent and how if at all, do you assist with COVID-19 vaccines or education about vaccines if at all?

Dr Steven: xxx I will describe briefly an AA evac

We do accompany our clients to better understand the situation around the COVID-19 vaccines, local legislations and regulations relating to the vaccines and especially with the education of the employees who are often bombarded with contradicting information on the topic.

We collect, analyse and interpret data from around the globe so as to provide credible and reliable information to our clients and their employees. Our medical experts are able to assist with workforce information, education and communication around the vaccine.

We use our extensive medical expertise and experience to design, build and roll-out vaccine-centred programmes, based on local regulations, required resources, availability of vaccines and supporting software. We embed clinical governance, escalation management and risk management.

We also offer complex vaccination programme management & coordination, vaccine procurement & supply chain logistics and vaccination rollout, tracking and certification solutions. These solutions are subject to government policies and regulations which will define our ability to assist.

Mel: From a tax perspective, one would need to determine in each location of medical costs would be treated? Could it potentially be a no-tax fringe benefit in one or both tax jurisdiction? Moreover, from an employee policy perspective, given the "new normal" and society having to embrace virtual working, we recommend that employers look for ways to review processes and policies to support remote work in a measured way.

Dr Steven : With our global footprints we are able to assist employees from wherever they are working from. We also work closely with the employer's insurance to help manage the costs while making sure the employee receives adequate treatment.

Since the pandemic we have adapted our services so as to cater for the whole workforce of an organisation whether they are domestic, travellers or international assignees.

Mel: Thanks to you our listeners for your time and attention. Should you have any queries, please do not hesitate to contact Intl SOS or KPMG. We would also love to hear from you as relates to topics of interest for future podcasts– please email : melissa.duffy@kpmg.co.za. Stay safe and take good care.