

Short Term International Assignment Policy



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1 Introduction

[Global Company Name] recognises that to achieve continued growth and success, we need to promote the transfer of ideas, best practices and leadership, and share client and customer contacts on a global level. Despite technologies to connect our employees on a daily basis, there are circumstances where it is desirable to physically move an employee to another country to meet the challenges of a new role and deliver successful projects. [Global Company Name] has developed policies and processes to enable [Global Company Name] to move its employees, across borders and continents. The short term assignment policy is part of the portfolio of policies to govern the temporary relocation of employees abroad.

International assignments are integral to the success of a global organisation. The ability to move our employees between countries quickly, compliantly and cost effectively with minimal upheaval to the employee contributes to the continued growth of our business.

1.1 What is an International Short Term Assignment?

An international assignment is a temporary work position located in another country and requires our employee to temporarily relocate to fulfil this role. The international assignment is deemed to be short-term if it is for a period of between 3 months up to one year. Most international short-term assignments in [Global Company Name] are a maximum of 12 months in duration.

A short term international assignment is often a resourcing response to an immediate and specific tactical business need, where an employee or team of employees are required to complete a short term urgent task. There is less emphasis on selection of candidates compared to an international long term assignment.

If for business purposes the duration of the assignment is extended beyond the 12 months period, the home country Human Resources Manager will assess whether the employee is better accommodated by moving to the long term assignment terms to fulfil the remainder of their assignment in the host location.

Whilst an international assignment may be extended in duration, no assignment should exceed 5 years in total. If the need for an employee assignment exceeds 5 years, then the employee should be offered a local contract in the host country.

1.2 What Is The Purpose Of The Policy?

The purpose of the policy is to give clear guidance on the employment agreement between [Global Company Name] and employee for the duration of their short term assignment.

This policy applies to all employees within [Global Company Name] who are selected to undertake a short term international assignment. This is for a specific period of time where they are required to relocate on a temporary basis to another country to fulfil their role.

1.3 What Does The Policy Cover?

This policy covers compensation and assignment related benefits and reimbursements through the life-cycle of a short term international assignment. Additionally it details how this policy dovetails with the employee's current employment terms and conditions and global company policies. This policy should be read in conjunction with the employee's current home country employment terms and conditions.

1.4 What Are The Objectives?

The key objectives of [Global Company Name's] short-term international assignment policy are:

- Global approach – apply the same policy across all assignments regardless of home or host locations
- Simple to administer, easy to understand and deliver, timely reimbursements/payments
- Fair and consistent – all employees at the same grade are treated the same
- Minimise financial hardships or gains to the employee

2 Eligibility

2.1 Who Is Eligible?

All full-time permanent employees of [Global Company name] who are requested by their employer to undertake a project in another country are covered by the short term international assignment policy. In some cases, the individual's level of experience and years of service with a company may impact the ability to apply for the employee's work permit. The host country immigration laws may restrict the application of a work permit for someone who has limited experience in their field of expertise and has not been employed with [Global Company Name] for very long. The host country immigration legislation ultimately determines if the employee is eligible for a short term international assignment in the host country.

2.2 Who Is Not Eligible?

This policy does not apply when an employee makes a personal request to relocate or be assigned to another country.

This policy does not apply when an employee permanently transfers between two employment sites either within the same country or two different countries.

This policy does not apply when an employee temporarily works in another work site or location within the same country.

This policy does not support accompanying dependants. Due to the short nature of the assignment and the frequency of travel home trips, the expectation is that the employee retains their family and home life in their home location and minimises the disruption to their families life for this short period.

3 Policy Selection and Interpretation

All policy interpretations will be provided by the home country HR Manager. All decisions around the applicability of policy will be provided by the home country HR Manager.

[Global Company Name] may change or revise this policy and practices from time to time. The contents of the policy shall not be interpreted as creating an employment agreement or contract with an employee.

This policy will supersede any verbal or written statements made on international assignments within [Global Company Name].

3.1 Cash in Lieu

International assignments are a high-cost employment arrangement for any company. They are a necessary and worthwhile investment in our employees and the future of the business. The policy details and allowances have been developed to address the specific additional costs associated with an assignment to ensure that the employee is not financially impacted by accepting the assignment.

In keeping with the spirit of the policy, the employee is expected to work with [Global Company Name] to minimise assignment costs where possible. The employee should make the same cost-efficient decisions as they would if they were spending their own money. This means that if the spend on an item is less than originally budgeted, there will be no cash in lieu of the saving made to the employee.

If an allowance is not required by the employee due to personal circumstances, the benefit no longer applies. The employee does not have the option to receive the value of the benefit in cash. For example, if the employee chooses to live with a relative in the host location during the assignment, they will not receive a cash allowance equivalent to the host housing rental costs.

3.2 Authority to Approve Exceptions

In exceptional circumstances there may be a request relating to an assignment that is different to the policy. An exception to any provision of this policy may not be made without advance approval. All applications for exceptions must be made in the form of a business case to the home country HR Manager who will seek approval from the Global HR Leader. This decision will be final.

4 Definitions

The following terms are used throughout the body of this document, and the meaning of each word is described below.

Employee – the employee who has been selected to take an international assignment.

Employer – the home country employer of the employee. This is the Company entity that the employee has their existing employment contract with.

[Global Company Name] – this is where the Company name should be inserted into the document.

Home country; home location – The country where the employee is employed out of, and in most circumstances, is resident in.

Home country HR – the contact person in the home country who is facilitating the international assignment.

Host country; host location – The country that the employee is assigned to work on a temporary basis for the duration of the assignment. In some circumstances the employee will work from multiple locations; however the host location is defined as the place where primary work is located and the majority of the time will be spent.

Host country HR – the contact person in the host country who will be a point of contact for the employee for the duration of the assignment.

International assignment – A specific temporary period of time when the employee is assigned to work in another country.

Per Diem - A sum of money provided for each day working on an assignment.

Travel Time – the definition of travel time is:

Travel time between home
employer address to port of exit
(airport/station) + Travel time of
plane/train/boat + Travel time between port of
entry (airport/station) to host
location site

5 Conditions of the Policy

The conditions of the policy are that the employee remains on the headcount and payroll of their home country and in most circumstances remains tax resident in the home country with home country tax and social deductions for the duration of the assignment. The employee retains their current salary and in most circumstances they retain their current grade and job title. The home country company entity continues to be the legal employer of the employee. Their existing home country employment contract, terms and conditions continue to apply for the duration of their assignment. The employee continues to be governed by home country employment/labour law.

The policy focusses upon the travel costs that are reimbursed by the company, the compensation and benefits that the employee is eligible for over the duration of this working pattern and the legislation relating to tax and social security that should be adhered to.