



GLOBEX UPDATE

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Events, developments, and opportunities in the international marketplace

KENYA MAKES CHANGES THAT CAN AFFECT LONG TERM WORK PERMIT APPLICANTS

New procedures have been introduced by Kenyan Immigration Authorities that can impact employees seeking long-term work permits. Applicants looking to work in industries that are regulated by the Kenyan government will need verification clearance by those regulatory entities. These new changes have been known to affect employers in the Oil and Gas and the Information and Media industries, which can add delays in receiving the necessary permits for foreign employees. Immigration authorities may request that the respective agency that provided the clearance letter provide additional verification that it in fact provided the clearance and in some cases, also requested banking documentation. Employers with foreign national workers that require long-term work permits should start the initial application and/or renewal process as early as possible to circumvent any delays in assignment start dates that could be caused by additional documentation/verification requests from Kenyan Immigration Authorities. One option for employers would be to consider short-term assignments since they may not be impacted by the new procedures.

INDONESIA INTRODUCES NEW SOCIAL SECURITY PENSION PLAN

Indonesia has rolled out a new statutory social security pension plan which will operate in addition to existing BPJS Employment retirement provisions. Some key aspects of the new plan include a new defined benefit plan reflecting a revalued career average approach, the normal retirement age has been set at age 56 but will increase to age 57 in 2019, and then by an additional year every three years until it reaches 65 in 2043, pensions will be increased annually based on the prior year's inflation rate and a monthly death benefit is payable to the surviving spouse, or in the absence of a spouse, benefits are payable to the children or parents of the deceased. The combined contribution rate (employer and employee) for this new pension benefit is slated to increase to 8% of pay over the coming years. Employers will need to factor the additional statutory costs into their financial projections to accommodate for the new pension mandate.

Success Stories

- Completed worldwide benefits and cost analysis for multinational private equity firm
- Implemented aggressive market review process for new Help Desk client, enabling them to achieve significant cost savings in each of their Asian locations over the past year.
- Implemented benefits program for tech firm in France

ITALY AMENDS PARENTAL LEAVE PROVISIONS

New legislation in Italy has made key changes to the parental leave regulations. Previously, employees could take parental leave up until the child's 8th birthday but new stipulations have raised the age limit to age 12. Parental leave will also now be available to parents of adopted or foster children. Employee's will still receive a maximum of 30% salary for six months and would be available to parents until the child reaches age six. Leave can be taken on an hourly basis and does not need to be stipulated by any employer or collective bargaining agreement. The new law also allows an employee to make a one-time request to transfer to part-time work rather than to take parental leave over the same period. However, working hours may not be reduced by more than 50%.

Recruiting and retaining key talent around the world remains a formidable challenge for HR management. More and more, a company's success depends on the ability to offer a competitive benefits package while remaining within budget. Globex Partner Brokers can offer their clients access to a range of products, capabilities and resources custom-tailored to helping multinationals optimize their employee benefits around the world. Contact any member of the Globex Health & Benefits Team to learn more.

PLEASE NOTE OUR NEW TELEPHONE AND FAX NUMBERS



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