

EY Seminar in collaboration with the Swedish Chambers of Commerce for Russia & CIS - Moving employees between Sweden and Russia

On December 8, EY held a seminar in association with the Swedish Chamber of Commerce for Russia and the CIS. The seminar “Moving employees between Sweden and Russia” covered the top areas important to consider in a global working world, HR, Talent & Reward, Tax, Social Security and Immigration. The topics during the evening were specifically tailored to relate to the movement of employees between Sweden and Russia and was highly topical since there has been and will be considerable changes in areas concerning employees locally hired and on assignment in Russia.



The event started when the guests arrived with Swedish Christmas treats such as “Glögg and pepparkakor” and was then followed by an hour long presentation held by EY’s subject matter specialists, Dan Rådman Executive Director and Head of EY’s Nordic Talent & Reward team and Hans Erich Simonsen Executive Director within Tax Global Mobility. Both Dan and Hans Erich have previous experience working in and with Russia and could share with the audience their personal experience, recommendations and trends.

The presentation was kicked off by Barry Page Head of Human Capital in the Nordics who welcomed the participants on behalf of EY and introduced the speakers as well as Heinz Sjögren Chairman of the Swedish Chambers of Commerce for Russia & CIS who before handing over to Dan said a few words of the current situation in the Russian employment market. The first part of the presentation focused on HR and Talent & Reward and included an overview of the Russian and Swedish labor markets as well as of the trends regarding salaries and incentive programs. The audiences were given an overview of how the two countries differ and what to pay particular attention to when moving employees to Russia. For example the total reward structure with more aggressive incentive levels in Russia compared with Sweden. The second part focused on compliance matters related to income tax, social security and immigration as well as labor law. Included was information about when tax liability occurs for assignees posted to Russia, information about visa requirements as well as information about minimum working conditions in Russia and its neighboring countries.

In addition there was also information about the opposite situation – when employees are posted from Russia to Sweden. There has been and continues to be changes in domestic immigration legislation in both Sweden and Russia which was mentioned as one of the main areas that will become even more apparent during 2015. In Sweden the Migration Board have announced a number of legislation changes lately, the sharp increase in penalties for non-compliance as well as the new guidelines issued by the Swedish migration board regarding minimum wages as well as work rights were covered. The biggest potential effect will however be the Migration Board’s plan to introduce changes to the current certification fast track route which will play a vital role for processing times for companies transferring or hiring employees in Sweden in the coming months and years.

Companies who send employees either to or from Sweden and Russia will need to keep a close eye on these developments and look over their current policies and internal processes.

After the presentation, Christmas refreshments were served and many interesting discussions arose where the participants shared their different experiences from transferring employees between Sweden and Russia. EY's subject matter experts were also available for individual discussions with the participants and to share experiences and advice. The hope for the evening was for the participants to meet and network with professionals from other organizations and to discuss the topics relevant to them, when the last participant left around 20:00 pm it seemed as though this had been achieved.

EY's Human Capital team work with questions such as these from a global perspective on a daily basis, some of the matters they are able to assist organizations with includes:

- Incentive plan design, implementation and maintenance
- Salary benchmarking and recommendations
- Reward structure design
- Work- residence permits to Sweden, Russia and globally
- Tax assistance
- Social Security advice and compliance support

For questions about the subjects discussed, please contact EY on:

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