



**Pensions  
Management  
Institute**

## **Managing International Employee Benefits**

April 2022

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This contains several short answer questions. Attempt **ALL** questions.

The total marks for this paper are 100.

### **Instruction to candidates**

**Answer all questions 1 to 6.**

**Answer either Question 7 or Question 8. Do not answer both questions.**

**Marks will only be given for one question. No extra marks given for answering both questions. If answers are provided to both questions, marks will be given to the question started first (unless the answer to that question is crossed out or deleted, in which case marks will be given to the question started last)**

1. Describe the key themes and features of employee benefits provision in Latin America (excluding Brazil) and Africa.

**(7 marks)**

2. Explain the barriers that a multinational may face when establishing regional or global insurance policies, and explain how the European Union (EU) 'Freedom of Services' principle in relation to life insurance can help overcome these barriers

**(5 marks)**

3. Describe the purpose of Social Security Agreements ("SSA") with respect to globally mobile employees, explaining the three principal SSA designs including an example.

**(5 marks)**

4. Explain the key features of :

a) The Consolidated Labour Law in Brazil

**(3 marks)**

b) Employer medical and other benefits in Brazil

**(5 marks)**

5. Set out the key features of the four main Group Savings and Supplementary Defined Contribution vehicles in China.

**(10 marks)**

6. You are the International Employee Benefits Manager of an international organisation. Your company has a new Risk Manager who has asked you to provide an overview on multinational pooling. Explain:

- what a multinational pool is;
- what a multinational account includes;
- the circumstances in which a dividend would be paid.

**(10 marks)**

**Please turn over**

**Answer either Question 7 or Question 8.**

7. You work for a global consulting and employee broking firm. One of the managers of large customer accounts has a meeting next week.

*The meeting is with the Chief Financial Officer of a large European and South American industrial company. The company has €2bn of retirement obligations in most major markets; 30,000 employees; and a captive. The average age of the workforce is 45. The company has large numbers of pensioners and former employees, and also has experienced a high number of workplace accidents. It has carried out significant numbers of mergers & acquisitions over the years.*

The customer account manager has limited knowledge of the international employee benefits market. He wants to know about the benefits issues that the company is likely to be facing; how the issues may vary by country; and to suggest ways for the company to improve the way the benefits are managed.

Write a paper summarising the key international benefits issues that the customer accounts manager should know about. The paper should also contain information on relevant trends and new ideas. [The paper should be at least 4 pages long].

At the end of paper, write three key messages that the customer accounts manager should use at the end of meeting. The key messages should summarise the key points and how your firm could help the company.

**(55 marks)**

**Please turn over**

8. You work for a global insurance and savings provider. One of the managers of large customer accounts has a meeting next week.

*The meeting is with the Global Chief People Officer of a new technology company with 3,000 employees in Europe and Asia. The average age of the workforce is 28. The Global Chief Policy Officer believes that managing Health and Wellbeing is very important, and is also responsible for the company's Environmental Social & Governance (ESG) policies. The company is expected to double in size, and enter 15 new markets, in the next 3 years.*

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**(55 marks)**

**End of Paper**