Tax Lookout

An outlook on recent tax changes

November 2016

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Foreword

This issue of *Tax Lookout* considers the broad range of issues arising from people working cross-border, from how organisations can prepare themselves for the fast evolving mobility landscape, to how they can leverage on technology to improve effectiveness in tax risk management. It also explores the schemes and grants that are available to support local companies and Singaporeans to venture abroad.

Furthermore, we discuss the developments in international trade as we look at how globalisation has opened the door for an open trade policy, and the resulting challenges posed.

As our internationalisation efforts bring talents from around the world to Singapore, we celebrate diversity within our firm. In this issue, our people share their experiences of working away from home.

Hope you enjoy reading this issue of *Tax Lookout*.

Paul Lau
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The Modern Age Global Mobility

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Evolving Mobility Landscape

In an increasingly interconnected world, organisations are stretching harder to ensure they have manpower wherever and whenever they need. From our recent modern mobility survey, we understand that more organisations are moving more people and in more fluid ways. In addition to the common 'short term business visitors', a category of 'virtual workers' has emerged. These workers may or may not be travelling and can work effectively from anywhere in the world for the organisation. This is the outcome of both the technology revolution and the employee friendly changes to HR policies, which acted as catalysts for organisations to implement flexible work arrangements beyond borders. Consequently, complexities for organisations to ensure legal and regulatory compliance and consequential reporting have increased exponentially.

On one hand, business operations are becoming more fluid and on the other, the immigration, social security and tax authorities across the globe are gearing themselves to work cohesively and share information to match pace with the fast and disruptive business environment by introducing new regulations or processes for reporting. This constantly challenges organisations to ensure accuracy of compliance for its globally mobile employees.

It is increasingly important for companies to ensure that the appropriate amount of tax and social security contributions are being paid, and that filings are completed on a timely basis and appropriate work visas are obtained. Companies need to be aware of the hefty non-compliance penalties, in addition to the larger potential reputational damage which can affect them on a global scale.

Recent International Developments

Keeping itself up to date with the modern business environment, the Organisation for Economic Cooperation and Development (OECD), supported by the G20, has developed an action plan to address the virtual, digital and global operation of the organisations by introducing the Base Erosion and Profit Sharing (BEPS) action plan. While the BEPS action plan aims to ensure that profits are taxed where actual business activity is performed and where value is created, it puts substantial onus on organisations to revalidate their existing processes from a people, process, documentation and reporting standpoint as well through the following key changes:

BEPS Agenda	Impact on Global Mobility
Increased transparency and disclosure of employee reporting	• *Staffing details required for country-by-country reporting* • *Data presented should be consistent with other employee data shared with all relevant authorities.*
Lowering the Permanent Establishment (PE) threshold	• *Globally mobile employees pose significant PE risk* • *Increased risk of challenge from the tax authority as they tighten the terminology in the beneficial clauses of tax treaties*
Fundamental shift in transfer pricing and substance considerations whereby earning of profits is aligned with substance	• *Substance is often created by people* • *Focus on active day to day decision-making which means that profits will be taxed where the high value people are located. This should be supported with documentation and related economics*

Technology

Technology has emerged as a key driver to the operation of a business like any other core functions, such as tax, finance, HR or the business strategy, and in turn it also impacts each of these functions. Technology is no different from the global mobility function, as it brings standardisation and consistency of data and processes, leading to improved compliance and reporting capabilities in connection with their globally mobile employees.

On the other hand, regulators are equally informed of the development on this front, which has resulted in their demand for organisations to provide detailed, accurate and consistent data on their employees in a timely manner.

By having robust technology solutions and processes at all ends, organisations and authorities are increasingly working towards a mutually beneficial mode of reporting information which is commonly referred to as “Cooperative Compliance”. This will help both sides reduce significant amount of time and costs incurred on gathering, administration and review of information.

Getting Fit for Action

As more countries are adopting the BEPS action plan, authorities in the Asia Pacific region may also steadily move in this direction as some of their business counterpart countries or entities are bound by these measures, which creates a cascading impact for all parties. Singapore has announced its support of the objectives of the BEPS action plan and has recently formalised its commitment to implement Country-by-Country-Reporting from 2017.

Given that immigration and tax regulations are becoming increasingly complex and interlinked and can no longer be addressed as independent disciplines, it is imperative for organisations to review the overall mobility process from a holistic perspective rather than as independent operations. This is to avoid any unnecessary and unexpected risks that could potentially cost the organisation a great fortune in the future.

To get ready and prepare for the challenges, an organisation should look into the following areas:

1. **Managing the traditional mobility risks i.e. immigration, social security and personal tax implications and staying connected with the frequent updates** – As rules become more complex and change constantly, together with the increasing requirement for transparency from the relevant authorities, emphasis should be placed on ensuring that relevant compliance is being done to avoid hefty penalties, unnecessary reputational risks and possible criminal charges against the organisation or its employees.
2. **Alignment of strategy** – Every measure should ensure alignment from the relevant stakeholders such as the Human Resource, Tax, Finance, Mobility and Management teams. This serves to redefine and support an effective implementation of the mobility structure by implementing procedures to track employees, undertaking risk assessment analysis at the outset, etc.
3. **Application and customisation of technology** – Technology will be an enabler to create a platform and eventually a robust infrastructure that provides the organisation with real time valuable data, and for flagging off critical information in advance. There should be flexibility to facilitate ever increasing reporting demands.
4. **Revisit the existing mobility policy and structure** – Timely reviews and revalidation of the employee assignment structures, roles and responsibilities and cross charges should be carried out to ensure alignment of substance, underlying documentation and the initial business strategy.

Mining the Support for Internationalisation

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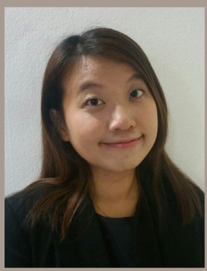

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For the past decade, Singapore enterprises have been encouraged to spread their wings and venture into international markets. By 2014, 50% of small and medium sized enterprises (SMEs) derived at least a part of their revenue from overseas markets.[1] This increased to 54% in 2015. Although the number of SMEs doing business overseas increased as a result of tough domestic trading conditions and the Government's support for internationalisation, fewer are generating a majority of their revenue from overseas activities. Competition, lack of knowledge and information as well as currency fluctuations were cited as the more common challenges faced by businesses venturing overseas.[2]

The Singapore government has various assistance programmes to help address these challenges for local companies.[3] In addition to fiscal tools, a plethora of enhanced deduction schemes, tax incentives and grants are available to help alleviate some of the costs faced by aspiring businesses. This article introduces some of these tools.

Double Tax Deduction for Internationalisation Scheme

The Double Tax Deduction for Internationalisation ("DTD") Scheme was introduced to provide support to businesses as they venture into the international markets. Under this scheme, businesses can claim double tax deduction on eligible expenses for specified market expansion and investment development activities such as:

- Overseas business development trips and missions
- Overseas investment study trips and missions
- Overseas trade fairs
- Local trade fairs approved by International Enterprise (IE) Singapore or Singapore Tourism Board (STB)
- Market survey and feasibility studies
- Studies on feasibility of investment and due diligence
- Design of packaging for overseas markets
- Product or service certification
- Overseas advertising and promotional campaigns
- Advertising in approval local trade publications
- Master licensing and franchising
- Overseas trade offices
- Production of corporation brochures for overseas distribution
- Advertising in approved local trade publications
- Posting of employees in new overseas entities (introduced in Budget 2015)

[1] SME Development Survey 2014, News release on 21 October 2014, DP Information Group website <http://www.dpgroup.com.sg/Attachments/143_SMEDS%202014%20Media%20Release%20FNL%20FNL%202.pdf> (accessed 30 August 2016)
[2] SME Development Survey 2015, News release on 11 November 2015, DP Information Group website <http://www.dpgroup.com.sg/Attachments/162_SMEDS%202015%20Media%20Release%20FNL.pdf> (accessed on 26 August 2016)
[3] Assistance for local companies, IE Singapore website http://www.iesingapore.gov.sg/Assistance (accessed on 30 August 2016)

With effect from 1 April 2012, businesses are allowed to claim double tax deduction on the first $100,000 of eligible expenses for the first four qualifying activities listed above without seeking prior approval. For qualifying expenditure on the first four activities that exceed $100,000 or other qualifying activities listed above, businesses may apply to IE Singapore or the Singapore Tourism Board for double tax deduction on a case-by-case basis.

Acknowledging the manpower challenges faced by Singapore businesses and the need to develop local talent, the scheme was enhanced in Budget 2015 to include qualifying salary expenses incurred for employees posted overseas to an overseas entity. This not only provides greater support for businesses expanding overseas but at the same time, encourages them to create additional opportunities for Singaporeans to gain overseas work experience.

Given the various legal forms that a Singapore company's overseas presence could take, including representative offices, branches, companies, partnerships and joint ventures, the scope of "overseas entity" for the purposes of the double tax deduction could be clarified. The definition of overseas entities should be wide enough to encompass various legal forms allowed by the foreign jurisdictions to allow more businesses to benefit from the scheme.

Currently, qualifying manpower costs under the DTD scheme are limited to the basic salary which excludes bonuses, commissions, taxes, allowances, overtime and other benefits such as relocation costs and benefits-in-kind.[4] However, such excluded costs are ancillary and could be significant. In fact, in most cases, start-ups may not be able to afford paying high basic salary and it is common for these start-ups to give their employees share-based awards or options or emphasise performance-based bonuses to increase the attractiveness of an overseas placement. In addition, overseas training and capital expenditure to enhance employees' familiarity with overseas markets are potential costs that have to be incurred by businesses venturing overseas.

Against the backdrop of the intention of DTD scheme enhancement, i.e. to provide support for businesses expanding overseas and creating skilled jobs for Singaporeans, it is worthwhile to consider whether relevant expenses such as relocation costs, overseas training, etc. could also be included as qualifying manpower costs.

Activities undertaken by businesses to meet the internalisation needs in today's context are increasingly taking different forms. For example, in today's world, online marketing such as search engine marketing, influencer marketing, video/ social marketing and customisation of website for overseas markets to achieve localisation are popular marketing tools. It would be beneficial for businesses if a wider spectrum of marketing activities and related costs for opening up the business to the international markets be included as qualifying expenses under the DTD scheme to support their internationalisation efforts.

[4] Double Tax Deduction for Internationalisation Frequently Asked Questions, IE Singapore website < http://www.iesingapore.gov.sg/~/media/IE%20Singapore/Files/Publications/Brochures%20Local%20Companies/GCP/DTD_FAQs_Oct2015.pdf> (accessed 30 August 2016)

Integrated Investment Allowance

Under the Integrated Investment Allowance (IIA) scheme administered by Economic Development Board of Singapore (EDB), businesses could enjoy additional capital allowances of up to 100% of the fixed capital expenditure (net of grants) incurred for productive equipment placed overseas on approved projects.

Development and Expansion Incentive

The EDB has a comprehensive programme to assist businesses in their expansion plans. Amongst others, the Development and Expansion Incentive (DEI) provides for reduced corporate tax rate, e.g. 5%, 10%, etc, on incremental income from qualifying regional/headquarters activities for up to 40 years.

The reduced corporate tax rate and the duration of the incentive awarded depend on the applicant's commitment level based on its projections for further expansion plans, e.g. the level of incremental business spending in Singapore, incremental headcount, investments, activities conducted in Singapore and other value-add proposition.

International Growth Scheme

The International Growth Scheme (IGS) administered by IE Singapore was introduced in Budget 2015 to support Singapore companies with high growth potential to expand overseas, while anchoring their key business activities and headquarters in Singapore. Businesses awarded the incentive will enjoy a concessionary tax rate of 10% for a period not exceeding five years on their qualifying incremental income from approved qualifying activities.

Internationalisation Finance Scheme

The Internationalisation Finance Scheme (IFS) administered by IE Singapore allows the sharing of default risks between IE Singapore and Participating Financial Institutions (PFIs), facilitating companies' access to financing for their overseas ventures. Companies can access up to $30 million in credit facilities to support their overseas expansion under IFS. Interest rates, repayment structures and collateral requirements would be determined by the PFIs.

Grants

Businesses that do not pay tax or are loss-making would not find the DTD scheme or tax incentives providing concessionary tax rates to be particularly useful. For such businesses, government grants to defray their operating expenses would prove to be more effective in encouraging such firms to expand overseas. In this respect, funding support of up to 70% for qualifying activities in areas of online marketing, market access, and manpower development may be obtained through IE Singapore's Market Readiness Assistance and Global Company Partnership frameworks.[5]

In addition to the above support that are focused mainly on the finances of such ventures, there are programmes and scholarships introduced by NTUC, EDB or IE Singapore for young executives to get the international exposure and to address manpower needs of aspiring businesses. These programmes seek to develop key leadership attributes and relevant competencies that could help young and promising Singaporeans assume leadership positions in their organisation. It also aims to get more multi-national corporations to groom our aspiring Singaporeans to helm Singapore companies in future.

Given the size of Singapore's domestic market, it is evident that internationalisation is critical to business expansion. However, for the SMEs with limited resources, this is a tough process and there are a number of barriers to overcome. With the help of the government and more importantly being aware of the array of support measures that are available, such challenges can be strategically overcome and managed.

[5] Details are available on the International Enterprise (IE) Singapore website < http://www.iesingapore.gov.sg/Assistance/> (accessed 25 August 2016)

International Trade - on track or off the rails?

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The increasingly controversial debate on the pros and cons of open trade

A lone protester on a street corner in Tokyo calling out against the Trans Pacific Partnership (TPP) in 2013. Donald Trump, probably somewhat better known, doing the same in the 2016 US presidential election campaign. A Thai Customs official thinking out loud about the possibility of withdrawing from ASEAN. Fifty-two percent of British voters (or at least those that were allowed to vote and could be bothered) choosing to leave the European Union. Thousands of protesters gathering to disrupt every meeting of the World Trade Organization (WTO). It is not difficult to think that the world has turned its back on open, barrier-free (or at least duty-free trade) in merchandise.

That is, or should be, strange. There are fewer, if any, examples of anything that has created more wealth, lifted more people out of poverty, and generated more jobs, than the opening up of international trade in the last couple of decades. It would go well beyond the scope of this article to dive into numbers, but any straightforward internet search will provide more statistics than anyone could really care for to back such broad statements up.

Ironically, the angst about open international trade seems to have gone into overdrive precisely during a period, since 2013 or so, that international trade in merchandise has stalled. It picked up very quickly after the financial crisis of 2009, but has struggled to cope with a more general economic malaise in many countries, rich and developing, in the past few years. Slower economic growth has led to lower international trade flows. Where such flows were still increasing, politicians have regularly erected new barriers, often of the non-tariff kind such as quotas, licences and standards. And the customs authorities, struggling to meet the increasing revenue targets that their ministries of finance are setting in a world where the Ministries of Trade are happily negotiating new trade agreements, are ever more assertive in denying preferential access to their markets.

So why are so many voices still calling out against existing and further open trade? And what are the implications of that? Let's look at each of these questions in turn, as the answer to the first is instrumental in dealing with the second.

Two main reasons are emerging to answer the first question. The first, and perhaps most important one, is that benefits of opening trade have been very unevenly spread. Many businesses and workers that were in the right place, but more importantly were capable and willing to change, have benefited significantly from access to new markets while at the same time protecting their existing market share. However, businesses and workers that were not, or were somehow not in a position to change, have lost out dramatically, often going bankrupt and losing their jobs respectively. For example, some of the duty-free shops benefiting from pre-single-market Europe held out in the hope that their business would continue to be protected, despite years of warning to the contrary. Similarly, many manufacturers in Indonesia continued to hope or fight against the China-ASEAN Free Trade Agreement taking effect, again with years of warning to the contrary. In both cases, the end result was bankruptcies and unemployment, without a plan B. Generally for them, very little (if any) support and alternatives have been available or created. To rub salt in their wounds, erstwhile and new competitors that adapted to a changing world ran away with significant benefits. Obviously, all those affected negatively by such changes are not going to be friends of international trade.

The second reason so many people are voicing out against international trade is that it has proven an easy target for unfettered criticism and blame. It is not easy to point to the benefits of open trade in the short term in an intuitive and easily understandable way. A steady growth in average income and more affordable consumer products over time, for example, is a hard sell when a factory is closing down and jobs are lost. But not only is it not easy to explain the benefits, the proponents of freer trade have also mostly failed in making any arguments for them in the first place, other than vague warnings about the dangers of protectionism.

Let us assume for a second that an existing free trade agreement (say, NAFTA, between Canada, Mexico and the US) gets binned and tariff and non-tariff barriers are re-erected between those countries. Will that help the businesses and workers that were victims of NAFTA to start with? An easy question without an easy answer. However, it is very likely that many of those businesses and workers will not benefit, and actually will suffer even more. Although additional economic activity may be created within, say, the US, overall those most ready for such new reality will benefit most. That could still be overseas companies, who despite increased trade barriers can still be more competitive, or players inside the US that can be most efficient or productive, for example by using better technologies. In total, many economic theories suggest that all NAFTA member states would be worse off (although it is arguable how this should be measured), prices of consumer products would rise across the board, and overall employment in the countries combined would not change much. A poor worker that lost his job when NAFTA started, may now still not find a new job but face a significantly higher cost of living.

So if inequality of benefits and demagoguery are strong contributors to the arguments against free trade, what are its implications, and what should be done?

Firstly, reversing the opening of international trade is not going to solve the world's economic problems, neither at an individual worker's level nor at a macro-economic level. Secondly, open trade may be good overall, but it is not good for everyone. A more honest discussion about the latter may make it easier to argue for the former.

Although many countries have some programmes in place that may help those that lose out to stronger international competition, usually such programmes are inadequate or ineffective. Better and stronger support for those most at risk from being negatively affected would be a good start. This could be achieved either by preparing them for a new reality or helping them if - despite such preparation - they still lose out. Doing this consistently and transparently would by itself improve the image of open trade, as in many case it would lead to better jobs and higher wealth across a society.

In addition, spending more time and effort to demonstrate the positive effects, where they exist, of open trade in a more easily understood and transparent manner could also go a long way in improving the general public's image and understanding of them. Where there are negative effects, an equally honest and transparent public debate about either their necessity or alternatives could help take the sting out of many arguments against free trade.

For businesses, being ready for any possible future reality is a skill necessary for survival. Regardless of how the future of international trade will turn out, planning for likely scenarios remains crucial. Despite the uncertainty, much can be done to strategise for success. Consider the following examples:

1. ***From rhetoric to reality***

   Messages from quarters can be quite misleading, in every direction. The TPP was supposed to have been signed at least a dozen times before it was. The Trade Facilitation Agreement (TFA) was a done deal twice. And did the establishment of the ASEAN Economic Community kick in on 1 January 2015 or 31 December 2015? Nevertheless, much progress has been and continues to be made in both enhancing international trade and protecting borders. In many cases, simply the fact that a public discussion is taking place tends to attract attention and lead to increased levels of international trade because of better awareness and focus, even without or before any new trade agreements enter into force. Trade between Korea and the US grew much more strongly in the five years during which their trade agreement was waiting to be ratified than after it was implemented.

   The takeaway: Don't sit back and wait. Many companies, when they start looking in detail at what a new agreement promises for the future, find that there are already opportunities in place that they are not fully utilizing. Acting on such opportunities offers immediate benefits. If there are no such benefits to be had, a better understanding of how impending agreements will help or hinder their business allows companies to formulate a better strategy for engagement with the relevant authorities, either to influence the outcome of ongoing negotiations, or to assist in effective implementation of completed agreements.

2. ***Getting the best bang for a buck***

   From the authorities' perspective, the many demands from the business community for opening up for international business and the equally strong demands from their electorate to protect can be overwhelming. It is not always clear to them whether they are spending their time, efforts and political capital in the right areas. Being resource constrained, there are only so many negotiations and initiatives that can be pursued concurrently. Therefore, an improved level of trust and collaboration between the regulators, the business community and the public at large is crucial to keep trade facilitation efforts, through FTAs, the TFA or other agreements moving forward and having a positive impact.

   The takeaway: It may not always be natural for companies to spend time helping the authorities do their jobs. Nor is it always natural to do so as an industry, jointly with possible competitors. Nevertheless, this is the approach that can be expected to yield the best results. Working with the regulators as industry ecosystems, helping them understand the pressure points, offering solutions that help all players, and giving them comfort that such efforts will lead to real, measurable positive change for their economies is the way to go. Reductions in tariff and non-tariff barriers, mutual recognition of standards, intellectual property protection and more predictable trade flows are but some of the prizes that can be won.

The increasingly controversial and adversarial debate on the pros and cons of international trade require everyone to focus their minds on what is best not just for them, but for economies as a whole and the individuals within them. The politicians and businesses that grasp and act on this in the most considered, transparent and effective way may well be the ones to help further growth in international trade in the long run the most, whether they are free traders or protectionists!

Get to know us!

In this section, our people and new partners share their experiences of working away from home.

Falgun Thakkar

Tax Partner in Transfer Pricing

Falgun shares his recent experience of a 15-month secondment to PwC UK.

Q: What made you choose to take up the secondment?

A: The key driver was the opportunity to work in a global environment with some of the sharpest minds in the PwC Network. It was also a good platform for me to enhance my existing network by interacting with people with whom I had worked whilst I was there. And of course on a personal front, I wanted to take a challenge of experiencing a new culture and environment for my own growth.

Q: What do you miss most about home? How often did you come back?

A: The most important thing that I missed about home was the people here both within and outside of PwC. Fortunately, a lot of my friends from PwC Singapore and from outside of PwC visited me when I was there and I also had an opportunity to come back home once. The other thing that I really missed was having warm food for lunch!

Q: What issues did you deal with by moving away, and how did you deal with culture shock (if any)?

A: The biggest challenge for me was the change in the weather and day light pattern (from a sunny wonderland to cold and rainy short days instantly). Over a period of time, I learnt that one should stop trying to understand London weather and just accept and live with it (an advice given to me by a Londoner). Professionally, the biggest challenge was to establish a goodwill with wider network of partners and try to hunt for new work to build my portfolio. But the London office was very helpful and I got a good support from my existing network there to help me going. Culturally, no shocks as such but it was amazing to learn about British humour and the local slang. Also, trying to understand them was one of the most challenging aspects (on my last day there, the team actually gifted me two books that they thought would finally help me with the common expressions).

Q: What advice would you give to a friend who is considering to undertake an overseas posting/ secondment?

A: Go with an open mind and just absorb the culture, practices, and the whole experience. It may seem difficult initially but at the end of the secondment, you would look back fondly at the people you meet there and the lessons that you learn there which will make you a better person for the future.

Brendan Egan

Tax Partner in Financial Services

Brendan recently joined PwC Singapore as Insurance Tax Leader.

Q: Please provide a short description of where you are from, and your experience of working away from home e.g. on secondment (if any).

A: I'm originally from Australia and have lived and worked in Singapore and Hong Kong for the past 25 years. During this time, I travelled extensively with my career throughout Asia and wider afield, including the Middle East, Africa and Europe. This has allowed me to gain great insight into the local culture and the way business is undertaken. It was also to great way to get out of my comfort zone. As a result, I have gained valuable experience in developing alternative perspectives and solutions.

Q: What vision do you have for the firm in relation to your role?

A: The business world is changing at a rapid pace with corporate consolidations, market penetration and disruption by new entrants, and the regulatory changes as to how business is conducted and taxed. This means that there are many challenges, and hence many opportunities to remain competitive, and to be acknowledged as "the Firm" and leader in the Singapore insurance market.

Q: Tell us something interesting about yourself.

A: From a professional perspective, I have had many great opportunities with the organisations that I have worked for to develop my knowledge and skills. One such opportunity earlier in my tax career was the drafting of a taxation ruling which established the basis of taxation of the general insurers carrying on business in Australia. The ruling brought certainty to the tax treatment of the industry and subsequently was incorporated into the Australian tax legislation.

Personally, living in Hong Kong from 1994 to 2000 was a unique experience. I witnessed its transformation from a British colony to a Special Administrative Region under Chinese rule. One particular memory from that period was attending a reception at the Governor General's House, hosted by Chris Patten, the last Governor and Commander-in-Chief of Hong Kong. And yes, I did get to meet Whisky and Soda, the Governor's silky terriers!

Asia is also a very big part of my life. Both Peter Allen's "I still call Australia home" and Kit Chan's "Home" never fail to tug at the heart strings and there is always the dilemma of choosing between pavlova or chendol!

Rose Sim

Tax Partner in Financial Services

Rose rejoined PwC Singapore as a Financial Services Tax Partner, hoping to share her commercial experiences and bring greater value to clients.

Q: Please provide a short description of where you are from, and your experience of working away from home e.g. on secondment (if any).

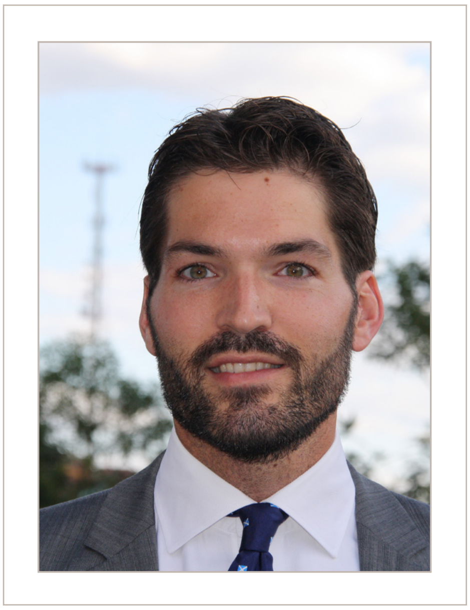
A: I am 100% born and bred in Singapore. As many of you may know, I left PwC to join UBS in 2004. While I have not been to any formal overseas secondment, having worked in a global organisation with regional responsibilities, I have had the privilege of working with many colleagues who were from diverse cultural backgrounds. In one of my assignments to Korea, I find the different working practices and cultural differences intriguing. I realised that it is important to be flexible, keep an open mind, and not be too quick to jump to conclusions. It was a great learning journey. I have made a few good friends along the way and of course, have fond memories of eating the Samgyetang and walking in the parks enjoying the lovely autumn colours.

Q: Tell us something interesting about yourself.

A: I enjoy baking. I am pretty new to making bread - love the idea of making bread from scratch and without a bread machine!

Frederik Boulogne

Senior Tax Manager in Global Structuring



Frederik is currently on secondment from PwC Netherlands since October 2015.

Q: What do you miss most about home, and how often do you go back?

A: I go back three times a year. I miss my family and friends, the fresh air and the liveliness of my home-town, Amsterdam.

Q: What is your favourite food in Singapore?

A: I enjoy the abundance of food choices around the office. I must admit that I generally stick to Indian or Japanese food as I am too clumsy to eat noodles with chopsticks.

Q: Where is your favourite spot in Singapore?

A: When I run along the Esplanade and I see Marina Bay Sands on the left and the Central Business District on the right, I realise I am in a bustling city!

Liam Collins

Tax Partner in Financial Services

Liam is originally from Melbourne, Australia and has been living in Singapore with his family for 2.5 years.

Q: What made you choose to be based here?

A: Singapore is such an important jurisdiction for businesses in Asia and many of my long-standing clients from Australia had established or were establishing regional headquarters here, so it made sense to move here to work with those clients and learn first-hand how business is done in Singapore. In addition, I've been able to use a base here in Singapore to try to better understand how business works in Asia, albeit that I still have a lot more to learn!

Q: What do you miss most about home? How often do you go back?

A: I really miss the variable weather that Melbourne provides - while being able to go for a swim pretty well any time is one of the many great things about Singapore, there's something to be said for experiencing a few days a year of 20 degrees with a cool breeze. I also miss Melbourne coffee, but we've recently found a few really terrific coffee shops in Singapore, so the Melbourne coffee cravings aren't as bad as they used to be! We go back for a holiday there about twice each year.

Q: What issues did you deal with by moving away, and how did you deal with culture shock (if any)?

A: The biggest issue was being away from our families, but Facetime and cheap deals on flights so they can come and visit make it pretty easy to stay in touch. We didn't feel there was a huge culture shock between Melbourne and Singapore, partly because the Australian expat community is so strong and inclusive up here (and not to mention how many Singaporean colleagues studied in Australia, so there are lots of cultural similarities in the first place). At the end of the day, Australians and Singaporeans are quite similar - they all want the best for their children, believe in hard work and a fair go for everyone and strive to have a positive impact on those around them, so it really should be no surprise that we found it very easy to settle in here quickly.

Q: What is your favourite food in Singapore?

A: Chendol. There is no better way to cool down. My kids are even more addicted than I am.

Q: What advice would you give to a friend who is considering to undertake an overseas posting / secondment?

A: Go for it. The experiences to grow personally and professionally from an overseas secondment are incredible and while you'll inevitably be outside your comfort zone for some of it, there's no better way to grow as a person and better understand the world in which we live.

Matija Necemer

Senior Tax Manager in Corporate Tax Advisory

Matija is originally from Vancouver, Canada. This is the first time that he has worked away from home.

Q: What made you choose to be based here?

A: Although, from a pure work perspective, my home office may have had a slight preference for me to be based in the US, I felt a city in the US wouldn't have had the cultural differences I was looking for. Given the increasing investment from Asia into Canada, specifically the west coast, Singapore appealed to me not only because I felt being exposed to the emerging markets in the region would benefit my career, but because it would allow me to experience living and working in a place culturally different from my own.

Q: What issues did you deal with by moving away, and how did you deal with culture shock (if any)?

A: I wouldn't say that I experienced much of a culture shock when I arrived. There is no language barrier and everyone is friendly so it was easy to make friends and integrate into the team. But, as we all know, Singapore isn't exactly the cheapest place in the world. I think it took me a bit of time to discover where to even buy simply things such as food and household items at affordable prices. I think I was buying the most expensive version of everything at the beginning!

Q: What is your favourite food in Singapore?

A: I think I've eaten many of the 'must try' foods in Singapore. But places I find myself going back to are the low-key neighbourhood Chinese food spots. The more secluded and the more locals, the better!

Q: What advice would you give to a friend who is considering to undertake an overseas posting/ secondment?

A: I would say go for it! The life long friends, colleagues and client contacts that I've made during my short time here are invaluable and I very much look forward to staying in contact with them all.

Andrew Fairfoull

Tax Partner in Value Chain Transformation

Andrew is currently on secondment from PwC UK since 2015.

Q: What is your role in PwC?

A: I lead the Value Chain Transformation team in Singapore and for the region. Teaming with advisory and with colleagues across tax and legal we help multinational businesses transform their operating models to deliver the optimal business and tax outcome.

Q: What vision do you have for the firm in relation to your role?

A: We have the best people and the broadest reach of service offerings, so we need to leapfrog rival firms to take the global no. 1 spot in this market. Adding Strategy& has given us a strategy through execution ability which marks us out from the competition and gets us to the C-Suite quicker. Our task is to put this capability together and operate globally, collaborating to get our best credentialed people in front of clients wherever they are based. As a VCT Centre of Excellence, Singapore can play a key role in this.

Q: What do you like about Singapore?

A: The cultural diversity and the food that comes with it.

Q: What is your favourite food?

A: Black pepper crab, of course.

Q: Where is your favourite holiday destination?

A: Cederberg mountains in South Africa, for incomparable peace and beauty in a true wilderness.

Pearlyn Chew

Senior Tax Manager in Financial Services

Pearlyn was in the international tax practice for financial services in PwC US, New York office on an 18-month secondment.

Q: What made you choose to take up the secondment?

A: Although I have spent some time overseas (in the US coincidentally) on an international exchange programme during my undergraduate years, I have always wanted an opportunity to also experience working overseas. During my time with PwC Singapore, my specialisation has been primarily in the asset and wealth management industry. Hence, when the opportunity came from New York where some of the biggest fund managers are based in, I felt that this was a good fit for me.

Q: Where is your favourite spot in New York?

A: Rockafella Centre during Christmas season. Joyful people ice skating beneath the stunning and dazzling Christmas tree is indeed a very lovely sight.

Q: What advice would you give to a friend who is considering to undertake an overseas posting/ secondment?

A: I think that it is definitely worth the experience especially if you have the support of your family. Working overseas has given me the opportunity to travel and learn about various cultures, but also allow me to experience how diversity may impact an organisation's efficiency and provide a competitive advantage in the marketplace.

Lim Kexin

Tax Director in Financial Services

Kexin is currently on her third year of secondment to the international tax practice for financial services in PwC Indonesia, Jakarta office.

Q: What made you choose to take up the secondment?

A: I had previously done a short secondment working on thought leadership initiatives in PwC UK. When the opportunity came up for another secondment, I felt a strategic emerging market experience, especially in the dynamic ASEAN region, would be a great complement to expand my horizons.

In PwC Indonesia's Jakarta office, I worked on a wide range of Indonesian direct and indirect tax issues. The dynamic environment and multi-faceted issues faced by clients allow me to take an active role in supporting Indonesian regulatory, customs, transfer pricing work and other firm-wide assignments to provide differentiated practical and holistic advice.

I believe the hands on regional experience in Singapore and Indonesia will be priceless in enhancing my ability to be a trusted business advisor for the days to come.

Q: What do you miss most about home? How often did you come back?

A: One of the best parts about going on a regional secondment is that I get to live in 2 countries. I fly in and out of Singapore every two to three weeks to spend quality time with my family, catch up on hawker food, support the Institute of Singapore Chartered Accountants initiatives where I am Council Member of and keep in touch with industry developments.

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If you would like to discuss any of the issues raised, please get in touch with your usual PwC contact or any of the individuals listed below:

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