



Global Employer Services Alert Delivering Clarity

EPFO specifies standard procedure for issue of COC beyond period mentioned in SSA

Issue no: GES/21/2018

In this issue:

[Background](#)

[SP for an outbound employee](#)

[SP for an inbound employee](#)

[Comments](#)

[Deloitte tax @ hand App](#)

[Do you know about Dbriefs?](#)

Background

- The Government of India has signed Social Security Agreements (SSA) with many countries with a view to minimize / mitigate dual social security contributions.
- To obtain exemption from contribution in the host country, an outbound employee requires a Certificate of Coverage (CoC) from the Employees' Provident Fund Organization (EPFO). Similarly, individuals coming to work in India can obtain a CoC from their home country in order to avail exemption from Indian social security contributions.
- Such a certificate can be issued by the authorities for the period mentioned in the SSA. Where this is not the case, consent of the Competent Authority is required prior to issue of CoC.
- This process was not being diligently followed and certificates were being issued beyond the stipulated period without the approval of the Competent Authority.
- EPFO has now released a circular laying down the standard procedure (SP) for issuance of CoC for a period beyond that mentioned in the SSA.

Standard procedure (SP) for an outbound employee

- A joint application (from the employee and employer) for extension of CoC beyond the period mentioned in SSA has to be submitted to the concerned regional office of EPFO.
- The application will duly be forwarded through the head office to the social security authorities of the overseas country to obtain suitable approvals.
- The concerned regional office would issue the CoC for the extended period upon receipt of consent from the Competent Authority of the other country..
- For all issues relating to cancellation/amendment/extension of CoC, the original authority of the concerned regional office that issued the CoC shall be the competent authority.

Standard procedure (SP) for an inbound employee

The reverse process would apply in the case of a foreign national coming to work in India wherein the regional RPFC would have to provide the consent for issue of CoC for the extended period beyond that mentioned in the SSA.

Comments

Many SSAs provide for extension of CoC beyond the specified period, provided the same is within the extended time mentioned in the SSA. In the past, most RPFCs were providing the CoC for such period. Though with this circular, the process is not

expected to be long-drawn, one needs to wait and watch to see the kind of timelines that will be followed in such cases.

Deloitte tax@hand App

Current. Comprehensive. Convenient.

Download [tax@hand](#) app, a secure digital platform for timely global and regional news, perspectives, and resources. Do visit the tax@hand webpage [here](#).



Deloitte.

IOS



Download from App Store

Android



Download from Google Play

Website



Add to favorites

Do you know about Dbriefs?

Dbriefs are live webcasts that give valuable insights on important developments affecting your business. To register, visit the [Dbriefs](#) page.



Download the report





Deloitte makes an impact that matters

Deloitte refers to one or more of Deloitte Touche Tohmatsu Limited, a UK private company limited by guarantee, and its network of member firms, each of which is Deloitte refers to one or more of Deloitte Touche Tohmatsu Limited, a UK private company limited by guarantee ("DTTL"), its network of member firms, and their related entities. DTTL and each of its member firms are legally separate and independent entities. DTTL (also referred to as "Deloitte Global") does not provide services to clients. Please see www.deloitte.com/about for a more detailed description of DTTL and its member firms.

This material and the information contained herein prepared by Deloitte Touche Tohmatsu India LLP (DTTI LLP) is intended to provide general information on a particular subject or subjects and is not an exhaustive treatment of such subject(s). This material contains information sourced from third party sites (external sites). DTTL LLP is not responsible for any loss whatsoever caused due to reliance placed on information sourced from such external sites. None of DTTL LLP, Deloitte Touche Tohmatsu Limited, its member firms, or their related entities (collectively, the "Deloitte Network") is, by means of this material, rendering professional advice or services. This information is not intended to be relied upon as the sole basis for any decision which may affect you or your business. Before making any decision or taking any action that might affect your personal finances or business, you should consult a qualified professional adviser.

No entity in the Deloitte Network shall be responsible for any loss whatsoever sustained by any person who relies on this material.

©2018 Deloitte Touche Tohmatsu India LLP. Member of Deloitte Touche Tohmatsu Limited