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Global Mobility Handbook - 2009 Edition

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Global Mobility Handbook - 2009 Edition

Abstract

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Keywords

immigration, employment, taxation, social security, international trade

Comments

Required Publisher Statement

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BAKER & MCKENZIE

Global Mobility Handbook

2009 Edition

Global Mobility Handbook

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Baker & McKenzie's **Global Migration & Executive Transfers Update** is a quarterly publication focused on global mobility issues.

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Baker & McKenzie's *The Global Employer* is a quarterly publication covering labor, employment, employee benefits, and immigration topics of interest multinational employers in all of the major jurisdictions of the world.

For further details on any of the information in this handbook or to obtain copies of any of the related publications listed above, please contact either of the editors, your Baker & McKenzie contact partner, any of the contributing lawyers listed on the following pages, or any of the Global Migration and Executive Transfer professionals listed at *Bakerimmigration.com*. Further details on the firm, our people and our practice may be found at www.bakernet.com.

EDITORS' NOTE

This handbook is a product of the efforts of numerous lawyers throughout Baker & McKenzie, including the contributing lawyers listed on the next page. The editors are extremely grateful to these knowledgeable lawyers for their work and keen interest to provide readers with a clearer appreciation of the business and legal considerations associated with global mobility assignments.

We want to acknowledge the legacy of William Kuo, who laid the foundation for our global practice and this publication over the many years that he led efforts to develop and publish the firm's Immigration Manual.

Special thanks to our former colleague, H el ene de Bruijin-Jonker, who continues to be of invaluable assistance in the Netherlands and on this publication.

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SECTION 1

INTRODUCTION

Introduction

In today's economy, the global movement of employees is essential. Getting the right people to the right places at the right time, with proper support, is critical to the success of far-flung businesses. Human resource professionals and corporate counsel are confronted with a maze of legal issues that must be considered before moving employees across borders.

When can they go? How long can they stay? What can they do while there? Can they work? How can they be paid? What happens to their employment benefits during the trip? Who will be the employer during the trip? What are the tax consequences of the trip to the employer and the foreign employee? What about their family?

These issues confront employers dealing with short-term business travelers, as well as long-term, employment assignments. This is a global mobility handbook to help guide you.

The Global Mobility Handbook

The first section of this handbook identifies the key global mobility issues to consider regardless of the countries involved. Although the issues are inevitably intertwined, the chapters separately deal with immigration, employment, employee benefits, and taxation. The second section is organized by country. For each country, this handbook provides an executive summary, identifies key government agencies, and explains current trends before going into detail on visas appropriate for short-term business travel, training, and employment assignments. Other comments of interest to global human resource staff, as well as Baker & McKenzie local office contact details for further information are also provided.

Global Labor, Employment and Employee Benefits

There is often a gap between business necessity and practical reality when it comes to moving executives and other personnel to new countries. You have to anticipate and deal effectively with a host of interconnected legal issues and individual concerns.

Baker & McKenzie offers comprehensive legal advice on executive transfers – delivered locally around the world. We help employers plan and implement global transfers and provide on-site coverage to companies and employees in most major business communities around the globe.

Our network of Global Migration, Employment, Global Equity Services, and Taxation lawyers assists both pre- and post-transfer to ensure that employment contracts are complete and enforceable, that employee benefits meet needs and relevant legal requirements, and that tax planning is sound and defensible. Our knowledgeable professionals are qualified and experienced in the countries where you do business. This combines to give us the unique ability to develop and implement comprehensive global migration strategies and solutions to address the many needs of executive transfers globally.

Global Migration Services

- **Short-term work assignments** and business visitors
- **Transfer of staff** to existing operations, including employees with specialist and technical skills, executives and managers and new employees hired from overseas
- **Short-term specialist visas** for training assignments, work experience and working holidays, entertainment, sporting and media events
- **Business migration** and inward investment
- **Large-scale transfers**, including transfers relating to “major change” projects
- **Coordination among members of our global team** to obtain foreign visas from consular offices or to execute transfers to several different jurisdictions
- **Employment, employee benefits and taxation advice** in relation to transfer of staff and auditing to ensure compliance with employers’ obligations to prevent unauthorized employment
- **Transfer-related immigration matters**, including permanent residence, citizenship and relocation of spouses and other dependents
- **Establishment of new business operations abroad**, including the transfer of senior personnel to establish operations and related corporate and securities and taxation advice
- **Ancillary transfer issues**, working with a range of professionals in relation to shipping of personal belongings and customs and excise duties

- **File management**, maintaining employee records for visa renewals, provision of status reports and planning and coordination of global immigration requirements
- **Client care**, including electronic bulletins on major changes in local immigration law and practice, a quarterly newsletter outlining global developments and regular seminars and workshops for clients on a broad range of issues

Further Information

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Baker & McKenzie's **The Global Employer** is a quarterly publication covering labor, employment, employee benefits, and immigration topics of interest to multinational employers in all of the major jurisdictions of the world.

SECTION 2

MAJOR ISSUES

Immigration

Executive Summary

Immigration laws, like other laws, differ from country to country. Although the specific names for the visas and the requirements differ, there are common patterns and trends - especially for countries balancing the interest of engaging in global commerce with protecting local labor markets and national security.

Treaties and bi-lateral agreements often give special privileges to citizens from specific countries (*e.g.*, benefits for European Union and European Economic Area citizens with the EU/EEA region; benefits for citizens of Canada, Mexico and the United States under the North American Free Trade Agreement). Be careful not to overlook these sometimes hidden gems when considering alternatives.

This chapter identifies these common patterns and trends. In the Country Guide Section, there is more specific, country-by-country information.

Current Trends

It invariably takes longer than expected to secure all of the authorizations required before a foreigner can go abroad for business. Planning in advance of advance planning is best, if such a thing is possible.

The best laid plans go often awry. Sometimes short-term business travel is the only way to meet an immediate need. But the visas that are quickly available for such trips generally are not intended for productive work or long-term assignments.

In the interest of national security and with concerns of protecting local workers, many countries are more actively enforcing prohibitions against unlawful employment. Penalties against employers are as common as penalties against foreign employees. And these penalties are increasingly including criminal, rather than just civil, punishments (see, *e.g.*, Kazakhstan and the US). The potential damage to an employer's reputation with the government agencies, impact on future visa requests, and potential bad publicity makes it especially important to obey the spirit, as well as the letter, of the law in this area.

With these points in mind, do not plan to use business travel status for family members to accompany the employee and then try to enroll children locally in

schools. Shipping of household possessions and pets is also ill-advised at that stage. Many countries will require the foreigner ultimately to depart and apply for the proper visa at a consular post outside the country - often in the country where the foreigner last resided.

Business Travel

Visitor Visas

Multinational corporate groups routinely have employees visiting colleagues and customers in different countries. How easily this can be accomplished often depends as much on the passport carried by the employee as it does the country being visited. The length of the trip and the scope of activities undertaken can be key, with visa solutions for short trips (*i.e.*, under 90 days) generally more readily available.

Travel for tourism and travel for short-term business visits is often authorized by the same visa. But that is generally true only when the scope of the intended business activity does not raise to the level of productive employment in the country being visited.

Sourcing compensation locally during the visit is routinely prohibited, but the focus usually extends beyond the duration of the trip or the source of wages. Visiting customers, attending meetings, negotiating contracts, *etc.*, are commonly permitted. Providing training, handling installation or post-sales service, *etc.*, are commonly prohibited.

Visa Waiver

Most countries have provisions that waive the normal visa requirement for tourists and short-term business visitors. These visa waiver benefits tend to be reciprocal and are limited to citizens of specific countries (*i.e.*, those that extend similar benefits to local citizens). Additional requirements (*e.g.*, departure ticket) are sometimes imposed. Further, the countries that enjoy visa waiver privileges frequently changes, making it important to check for updated information with a country's consular post before making travel arrangements.

Training

Companies with experienced staff in one country invariably want to bring newer staff from abroad for training. This is especially true when the research and development work happens in one country, the manufacturing in another, post-sales installation and support handled by regional centers, and the ultimate users spread around the world.

Many countries offer specific visas designed for training assignments (*e.g.*, Brazil, Japan). Some of these authorize on-the-job training that involves productive work. Others are limited to classroom-type training. Visas designed for employment assignments can often be used in training situations, if on-the-job training is desired and not otherwise permitted by a pure training visa.

Employment Assignments

Visas for employment assignments are invariably authorized, but the specific requirements vary widely.

Work Permits

Most countries are keen to protect their local labor market. A recurring solution is to impose some kind of labor market check as a prerequisite to issuance of a visa for an employment assignment (*e.g.*, Malaysia). These are often handled by a Ministry of Labor or equivalent government labor agency, as distinct from the Foreign Affairs governmental agency that issues visas at consular posts. In many countries, the Labor agency's authority is framed in the context of a work permit.

If a work permit or equivalent document is a requirement generally imposed for employment assignments, it is just as common for countries to have visas that are exempted from the work permit requirement (*e.g.*, Belgium). The number of exemptions greatly exceeds the general rule.

Just who is exempted, again, depends on the country. Most countries exempt employees being transferred within multinational company groups. Most countries exempt business investors and often high-level/key employees.

Education, especially higher level education in sought after fields, often can be used to qualify for employment assignments. Academic transcripts showing studies completed are frequently required. Letters verifying employment experience can be similarly useful.

Residence Permits

Increasingly common is concern over national security. Background clearance checks and the collection of biometric data for identification purposes is increasingly common today. But a number of countries have long addressed this concern with a reporting requirement. Sometimes this is done in the form of a residence permit, usually handled by a Ministry of Justice, Ministry of Interior, or equivalent agency. In other cases or in combination with the above, there is a requirement to report to local police authorities after arrival in the country (*e.g.*, France, Italy). These requirements are every bit as important to maintaining status to lawfully live and work abroad as obtaining the proper visa.

Other Concerns

An increasing number of countries are requiring medical or physical examinations with the goal of limiting the spread of contagious diseases (*e.g.*, Saudi Arabia, People’s Republic of China, Russian Federation).

Most countries offer derivative visa benefits to accompanying family members. What constitutes a family member varies a great deal. The spouse and unmarried, minor children are commonly included. An increasing, but still minority, of countries cover different sex life partners, with same sex partners even less commonly covered (*e.g.*, Canada, The Netherlands). A few countries include more distant relatives (*e.g.*, parents in Colombia) or older offspring, generally if dependents of the principal visa applicant’s household.

Documents submitted in support of the immigration process generally need to be translated into the local language. Many countries require that public documents (*e.g.*, articles of incorporation, company registration, birth certificate, marriage certificate) be authenticated by the attachment of an internationally recognized form of authentication or “apostille” (*e.g.*, Spain). This cumbersome process generally involves first obtaining an authentic copy from the government agency that retains the official record. The second step is sending that document to the government agency responsible for verifying that document is, in fact, authentic.

Further Information

See the Country Guide Section of this publication for more specific information on each country's own visa requirements and contact your Baker & McKenzie attorney for the latest information and how it applies to your own needs.

Employment

Executive Summary

In the global workplace, employees are increasingly mobile. Whether implementing a policy or practice to address a large global workforce, or moving a single employee across borders for the first time, employers must diligently consider the various issues that impact mobile workforces. Integral to mobility planning is identifying and establishing the appropriate employment structure. Employers must keep in mind the laws of the jurisdictions involved and the specific situation and needs of all parties to ensure a successful cross-border movement of employees.

Employment Structures for International Transfers

There are generally three structural ways of effectuating an international employee “transfer.” Either:

- Assignment - the employee can be loaned or seconded, the difference often just being duration and semantics) from one entity to another for a period of time;
- Transferred - the employee can be terminated by the current employer and hired by the new employer in the host country; or
- Dual employment - the employee actively maintains more than one employment relationship simultaneously.

Assignment/Secondment of Employment

In the assignment or secondment scenario, the employee remains an employee of the original employing entity (“Home Company”) and is simply “on loan” to the other entity (“Host Company”).

In documenting the assignment, great effort is taken to expressly continue the Home Company employment relationship (and especially the at-will status when the home country is the US, for example) so as to provide a contractual argument against application of local termination protections and entitlements. As a practical matter, however, it is likely that an employee employed by a company in one jurisdiction who is working at a company in another jurisdiction will enjoy the benefits of employment laws of both jurisdictions. For that reason, from a pure employment law perspective, assignments are not favored.

Assignments, nevertheless, often are a desirable arrangement where the employee has particular benefits or status that they wish to keep with the Home Company, such as pension or equity plans in which they otherwise would not be able to continue to participate or immigration status that they want to maintain. Additionally, employees often associate being employed by the Home Company as having particular stability or cache.

Documenting an assignment relationship usually involves a detailed agreement between the Home Company and Host Company to address treatment of payroll, tax and benefit obligations and reimbursement structure, as well as any potential mark ups. The details of this agreement will depend in large part on whether the arrangement is between related companies (intra-company assignment) or not (inter-company assignment). In addition, the Home Country entity should provide a letter to the employee explaining the terms of the assignment. A “one off” of this arrangement may also be possible where the assignment is for a short period of time, such as a few months, and in which case there may not be a formal assignment agreement between the companies, but rather just an assignment letter to the employee.

Finally, if the employee was not originally hired by an international holding company, assignments are sometimes structured such that employment is first transferred to an international holding company through termination and rehire, and then assigned to the Host Company. Among others, this is to shield the Home Company, particularly if it is the ultimate parent company, from tax and employment liability. At the same time, depending upon the location of the international holding company, the employees may still be able to enjoy the benefits they enjoyed in their original employment.

Transfer of Employment

In the transfer scenario, the employee’s employment with the original entity is terminated and the employee is rehired by the other entity. This is the preferred approach from a pure employment law perspective because it creates a “clean break” between employing entities, and thus clarity as to applicable laws. Since this option does involve a technical termination of employment, however, all associated termination obligations and benefits are triggered (*e.g.*, the final paycheck and vacation payout), unless the employee agrees to transfer vacation and notice and severance, if any, which typically can be waived). For additional information on termination obligations, please see Baker & McKenzie’s publication *Worldwide Guide to Termination, Employment Discrimination, and Workplace Harassment Laws*.

Documenting a transfer usually involves a letter agreement between the current employer and the employee to mutually terminate the employment relationship, and to waive notice and/or severance entitlements, if any (vacation roll-overs also can be addressed), as well as an offer letter or employment agreement from the new employer. Since the employee in this situation has a “history” with the company, it is common practice not to include any probationary periods in the new offer of employment, and to recognize prior seniority.

Dual Employment

In the dual employment scenario, the employee has two active employment relationships.

A dual employment relationship can be burdensome to administer, since it requires maintaining two employment relationships and the related payroll and benefits obligations. Also, in a dual employment situation, the employee enjoys protections and rights of two jurisdictions. Therefore, dual employment relationships are less common than assignment or transfer, and should be limited to situations where the employee clearly is splitting his or her time between jurisdictions and/or is providing services to benefit two different companies within the group.

Dual employment relationships often are favored by high-level executives for international tax planning reasons, although employers should be cognizant of the perceived use of such agreements to avoid local tax obligations and proceed carefully.

Documenting a dual employment relationship usually involves one employment agreement between the employee and one company within the group, and a second employment agreement between the employee and another company within the group. These agreements should be carefully drafted to appropriately dovetail and supplement each other.

Further Information

The Employment Practice works in coordination with the Global Migration and Executive Transfers Practice. Employment practitioners help structure employment relationships for global mobility assignments that factor in the employment laws of multiple countries/jurisdictions. They also assist multinational companies in developing corporate policies and practices for global mobility assignments, as well as guide employers on current trends and best practice solutions. They play a key role in pre- and post-acquisition integration on mergers, acquisitions and reorganizations, as well as redundancies and reductions in force.

Global Equities

Executive Summary

Equity compensation awards held by employees present new issues when those employees become globally mobile.

As multinational employers increasingly seek to motivate and retain qualified executives and employees by offering equity-based compensation and, at the same time, transfer such individuals across international borders on short- or long-term assignments, it is important to identify and address the tax, social security and legal impact of such international transfers on equity compensation arrangements. Due to the complexity and global reach of US federal tax and social security regulations, the transfer of employees into and out of the US poses particular challenges that need to be considered in advance of any such transfer of employment.

Key Government Agencies

The Internal Revenue Service (“IRS”) and Social Security Administration (“SSA”) are the government agencies responsible for overseeing the assessment and payment of federal income taxes and social security taxes (*i.e.*, Federal Insurance Contribution Act or “FICA” taxes which include social security and Medicare tax).

In addition, the taxation of mobile employees is significantly impacted by tax treaties and other international agreements and acts, published by the US Department of State, and also by social security totalization agreements negotiated and signed by the Department of Health and Human Services under the US Social Security Act. For “American employers,” which includes corporations organized under the laws of the United States or any State, sending employees to work in a totalization agreement country for five years or less, the SSA has oversight over the issuance of Certificates of US Social Security Coverage that enable such employees to remain subject to the US social security system and exempt from social security taxes in the other country.

It should be noted that state and local income tax and payroll tax authorities also have a stake in the taxation of equity awards held by mobile employees.

Finally, the Securities and Exchange Commission and the State Securities regulators have oversight for any offerings of equity to employees in the US and the resale of shares by those employees. In some instances, there are exemptions available to the issuer because the offering is to employees; however, securities laws should be considered each time an equity award is granted or exercised or shares resold.

Current Trends

In recent years, there has been an increasing awareness among US and other global tax authorities that significant amounts of taxes may be owed on income derived from stock options and other forms of equity compensation awards held by employees who transfer employment across international borders. In part, the focus arises from a commentary published by the Organization for Economic Cooperation and Development in 2002, which addressed the tax difficulties of stock options in a cross-border context and considered an allocation of the income over the vesting period.

Historically, while both employers and tax authorities have generally had arrangements in place to determine and assess, respectively, the US and foreign taxes owed on salary paid to internationally mobile employees, the proper taxation of income from equity compensation awards has commonly been overlooked. Consideration has not been given to the fact that such income has usually been earned over a period of one or more years, whether over the vesting or the exercise period, during which the relevant employee may have been employed and resident in a number of different countries.

At present, however, it is clear that both US and foreign tax authorities have become aware of potential trailing tax liabilities resulting from the incorrect characterization of income from equity compensation arrangements, and are increasingly focusing their attention on this area. Accordingly, it is important for multinational companies that have granted equity compensation awards to globally mobile employees to identify the particular tax and social security issues affecting the taxability of income from such awards and to develop strategies for dealing with these issues and tracking international tax liabilities upfront.

Business Travel

Depending on the circumstances, foreign national employees coming to the United States on short-term business trips (*e.g.*, total stay of up to six months) may be subject to US federal income taxation on their foreign wages paid during periods spent within

the US. If US federal income tax applies to a given foreign employee, it will also apply to any income the employee receives from an equity award that is attributable to the US, due to the fact that a portion of the equity award vested while the employee was on business travel in the US. In such cases, the employer of the foreign national employee will have an obligation to withhold the US federal income tax due.

In practice, a foreign national employee on a business trip will be exempt from US federal income taxation on compensation for labor or personal services performed in the country if qualified as a “short-term business visitor” under US tax law, or if a resident of a country with which the US has an income tax treaty. Certain conditions must be satisfied for either exemption to apply, which generally require an assessment of the individual’s length of stay in the United States, the amount of compensation paid to the individual while in the United States and the nationality and/or business location of the employer.

The situation with respect to the FICA tax for short-term business visitors to the US is less clear-cut, since the tax law does not contain a specific exemption from FICA taxes for individuals temporarily performing services within the country. In the absence of an applicable social security totalization agreement, technically, FICA taxes will apply to a foreign employee on a business trip in the US, even if for only one day, and notwithstanding that the employer may have no office or other place of business in the country.

If the individual is from a country with which the US has entered into a social security totalization agreement, there should be an exemption from FICA tax under the temporary assignment provisions of such totalization agreement. If a totalization agreement does not apply, but there is an income tax treaty between the US and the country of which the foreign national is a resident, it may be possible to take the position that the treaty implicitly provides for an exemption from FICA taxes, depending on the treaty.

US state taxes also need to be considered in any US-inbound transfer scenario, although it is highly unlikely that the foreign nationals would be considered residents of the state for income tax purpose, some states may tax the compensation if the foreign national performed services in the state. Additionally, not all states recognize US federal income tax treaty exemptions.

Thus, before a foreigner is sent on a short-term business trip to the US, it is important to confirm the extent to which the foreigner may be subject to US federal income tax and/or FICA tax and, assuming that an exemption is available, take any steps necessary to rely on such exemption.

Assuming US income and/or social security tax applies to income earned or deemed to have been earned by the foreign national during the business trip, to the extent that the individual holds stock options or other equity awards that have partially vested while the individual was within the country, a tracking system needs to be established to ensure that appropriate taxes are paid when the individual ultimately realizes the income from the equity award (*e.g.*, when exercising the stock option, or exercising/vesting in such other form of equity award) after departing the US.

Similar considerations will apply when a US national is sent on a business trip to another country, depending on the local tax laws of that country and whether or not such country has entered into a tax treaty or social security totalization agreement with the US.

Training

The tax treatment of equity awards granted to foreign individuals coming to the US for training assignments will depend on a number of factors, including the immigration status of the individual and whether the entity that granted the equity awards qualifies as a foreign employer under the US tax law.

Preliminarily, a key factor affecting the taxation of equity awards held by an individual on a training assignment is whether, pursuant to the terms of the stock plan under which the award was granted, services performed by an award-holder while on a training assignment can constitute continued employment for purposes of the vesting of the award. In other words, whether the individual can continue to vest in the equity award while on the assignment.

If, under the plan terms, a period spent in training is not considered continued employment for vesting purposes and the vesting of the award is therefore suspended for the duration of the assignment, it is likely that US federal income taxes will not apply to any portion of the income the employee ultimately receives from the equity award, since no part of the award will have vested while the employee was in training within the United States. Accordingly, an initial question when an equity award-holder is sent on a training assignment to the US, is whether, under the plan

terms, the individual can continue to vest in the award during such assignment. Note that some stock plans permit employees to continue vesting during periods of company-approved leave of absence, such periods are usually limited to a maximum of approximately 90 days, and thus would not be suitable for a longer-term training assignment.

Assuming, as is generally the case, that continued active employment with the issuer company or one of its subsidiaries or affiliates is required in order for an award-holder to continue vesting in an equity award, an appropriate US training visa for an individual holding an equity award is likely the J-1 exchange visitor visa, since then the vesting of the award should not have to be suspended during the period of training. The J-1 visa is commonly used in the international employment context since it can be used for paid on-the-job training assignments for periods of up to 18 months. With regard to the US tax treatment of such individual, while any salary income paid to the J-1 visa holder by the sponsoring company for services performed in the United States will likely be subject to US federal income tax under non-resident source taxation rules, different rules need to be analyzed to determine the US tax treatment of equity award income paid to J-1 visa holders.

For instance, if the entity that granted the equity award to the J-1 visa holder is a foreign corporation, the income the individual receives from the equity award should be exempt from US federal income tax, notwithstanding that the foreigner spent a portion of the period over which the award vested employed within the country. On the other hand, US federal income tax likely would apply if, for example, the equity award was granted by a US corporation to an employee of one of its foreign subsidiaries, which subsequently sent the employee for a training assignment in J-1 visa status. This is because the income from the equity award that has been granted by the US parent corporation cannot be considered to have been paid by a “foreign employer,” as required under the US tax law.

Tax treaties between the US and the country in which the foreign individual is a resident may also impact the tax result. Given the complexity of the tax treatment, particularly in the equity award context, it is important to assess tax liabilities in advance of any training assignment and develop structures to ensure such obligations can be met.

With regard to US FICA taxes, the situation is generally more straightforward since non-resident alien trainees temporarily present in the US in J-1 visa status are exempt from Social Security and Medicare taxes on wages paid to them for services performed

within the US, as long as such services are permitted by the US Citizenship and Immigration Services and are performed to carry out the purposes for which the trainees were admitted to the United States. Therefore, if a foreign individual has been granted an equity award due to the employment relationship, is subsequently sent to the US by the employer on a J-1 training program and the employment during the program qualifies as service under the relevant stock plan, such that the individual may continue to vest in the award while on the training program, it is likely that any income the individual may receive from the award will be exempt from FICA taxes.

As with individuals in the US on short-term business trips, state taxes should also be considered.

Employment Assignments

The international employment assignment context is the key area in which multinational employers need to have controls and procedures in place to track and pay required US and non-US income and social security taxes on equity award income.

Foreign employees coming on long-term employment assignments to the US (*e.g.*, more than six months) will likely become US tax residents and be subject to federal income taxes and potentially also to FICA taxes and state and local taxes on all of their income, including equity award income. Unlike regular salary, the particular challenge with respect to equity award income is that, for tax purposes, it is generally attributable to and taxable in all countries in which the award-holder has been employed over the period between the grant and vesting of the relevant award. Note that different rules apply under certain tax treaties and under local laws of some countries outside the US.

The result is that employees transferring into the US holding equity awards will likely be subject to federal income tax withholding on all income they receive from the award while they are resident in the US and also subject to non-US taxes and possibly to withholding on at least a portion of the same income, subject to any relief the individual may subsequently be able to obtain under the terms of an applicable tax treaty. In addition, in the absence of a social security totalization between the US and the foreign national's home country (or if there is a totalization agreement and the transfer to the US is for more than five years), with limited exceptions, FICA taxes will apply to the equity award income.

Where a foreign national is from a totalization agreement country (with the exception of Italy) and is transferring to the US for a period of five years or less, FICA taxes generally will not apply, provided that the foreigner has obtained a Certificate of Coverage from the home country social security authorities (confirming the foreigner remains subject to the home country social security system) and furnished it to the US employer.

In addition, although rules will vary depending on the particular US state in which the transferred employee is employed, where an individual is transferred to work in the US on a long-term or indefinite basis, it is likely that state taxes will apply to the individual's income, including equity award income.

Meanwhile, since US federal income tax applies to all income earned by US citizens and permanent residents (*i.e.*, greencard holders) anywhere in the world, equal if not greater challenges are presented when a US employer transfers a US citizen or permanent resident employee to work outside the US. Irrespective of the fact that such outbound employees may very likely become tax resident of and fully subject to income tax in the country to which they are transferred, in the absence of an exception under US tax law, federal income tax withholding and reporting obligations will apply to all of the income earned by the transferred employees.

An exclusion from US federal tax applies for a certain amount of foreign income earned by a US citizen (*e.g.*, up to \$87,600 for 2008), although this is not helpful in the equity award context if, as may often be the case, the individual's salary income alone surpasses this threshold.

An exception that may be useful for equity award income applies if the US citizen's income (including equity award income) is subject to mandatory foreign tax withholding in the country in which employed, which, for equity income, varies by country and by whether the local employer entity bears the cost of the equity award. This exception also applies only to US citizens and not to greencard-holders, which increases the administrative complexity of applying the exception on a broad basis.

Another exception to US federal tax withholding may apply to the extent the transferred employee has indicated on a Form W-4 eligibility for a foreign tax credit, although the application of this exception needs to be carefully reviewed on a case-by-case basis.

If an individual employee is subject to double tax on equity award income as a result of withholding by his or her employer or former employer in two or more countries, relief may be available under the terms of an applicable tax treaty, although that can be little comfort to the employee when almost all of the proceeds from the option exercise is initially withheld to meet multi-country tax obligations.

Depending on the outbound US citizen or permanent resident's employer entity and the existence of a totalization agreement between the United States and the country to which the individual is transferred, US FICA tax may also apply to the equity award and other income.

In the absence of a totalization agreement, where a US citizen or permanent resident is employed outside the US by an "American employer" (*e.g.*, a branch of a US corporation), US FICA taxes apply and must be withheld from the individual's equity award income. If a totalization agreement applies and the equity award income would otherwise be subject to non-US social security taxes, US FICA taxes will generally no longer apply if the transfer is for more than five years, although there are some variations depending on the terms of the applicable totalization agreement.

To ease the potential tax burden of internationally mobile employees or a select portion of such employees (*e.g.*, executive-level employees), most multi-national employers have a tax equalization policy. These policies ensure that, from a tax standpoint, an international employment assignment is tax neutral.

Under a typical policy, tax-equalized employees on foreign assignment will pay approximately the same amount of income and social security taxes as they would have paid had they remained in the US or their home country, with the employer paying any taxes that exceed this amount, and the employees reimbursing the employer if the amount of tax they actually pay is less than their home country tax liability would have been.

As is demonstrated by the complexity of the foregoing rules, in advance of sending employees holding equity awards on employment assignments to or from the US, employers need to collect information and develop systems that will enable them to track and calculate the amount of the equity award income subject to taxation and potentially to employer withholding and reporting obligations in each applicable jurisdiction, and the extent to which exemptions from US federal tax income and FICA tax withholding may apply in different employment transfer scenarios.

When developing a compliant approach to this complex issue, it is important to establish a reliable data collection system to gather and monitor key details that will be determinative of the US and foreign tax and social security treatment of a given transferee. At a minimum, such details include:

- The individual's citizenship;
- US or foreign permanent residency status;
- US or foreign visa status; and
- Time spent in each country during the periods over which the individual's equity awards have vested and whether the individual's employment transfer is intended to be on a short or long-term basis (including if it will for more or less than five years).

In addition, for US FICA tax and, in some cases, state social tax, purposes for US outbound employees, it is necessary to track whether the entity or entities employing the individual outside the US are US or foreign corporations and, if a US corporation, the state of the entity's incorporation.

Where a tax equalization policy exists and income from equity awards is covered under the policy (some policies cover regular wages or other specified items of compensation only), it is necessary to be able to separately track the amount of equity award income paid to tax-equalized employees and calculate and pay both the US and foreign taxes actually due based on the individual's residency and/or citizenship status, and the amount of home country taxes that would have been payable had the individual not gone on assignment. For companies with a large internationally mobile population, it is important to track patterns of international transfer, develop models that will generally apply to common inter-company transfers (*e.g.*, US to UK or India to US) and create assumptions about employment assignments and categories of employees that will facilitate the development of a system that is both compliant and workable.

Other Comments

As is clear, compliance with income and social security tax requirements is the key concern when equity award-holder employees transfer to and from the US.

Legal issues affecting equity awards also need to be considered in certain transfer situations, particularly where US-based employees are transferred on a long-term

basis from the US to countries where securities law, foreign exchange regulations, tax-qualified plan requirements or other legal restrictions impact the equity award agreements and mean that it is necessary or desirable to modify the terms of such awards to comply with local law or gain the benefit of a favorable local tax regime. To the extent possible in light of accounting issues and plan limitations, it is important to structure equity award grants to allow for flexibility to address legal issues that may arise in the global employment transfer context when an employee is relocated after the grant date.

Further Information

The Global Equity Services Practice, supported by tax treaty colleagues, works in coordination with the Global Migration and Executive Transfers Practice, on global mobility assignments. GES practitioners provide streamlined advice on both the US and non-US tax, social security and legal aspects of short- and long-term international employment transfers in the equity awards context. They also assist multinational companies in developing an approach to global equity compensation tax liabilities that combines the degree of legal protection and operating flexibility most appropriate to the interests of the relevant company.

Taxation and Social Security

Executive Summary

An employee who works outside of the home jurisdiction for an extended period of time (a “mobile employee”) presents the employer with some complex and novel issues. This result occurs because:

- The mobile employee’s employment may in fact be transferred to another company in another jurisdiction;
- The income tax, social insurance, and other relevant laws of more than one jurisdiction are involved;
- Most jurisdictions have special rules that apply to the cross-border transfer of employees;
- Many issues revolve around the mobile employee’s citizenship, nationality, or residency; and
- The provisions of an income tax treaty or other international agreement may apply to the mobile employee’s compensation.

The employer needs to be familiar with all of these aspects of international tax and employment issues in order to most effectively structure the international assignment. The specific rules vary, depending upon the countries involved. This discussion generally focuses on US income taxation and social security rules.

Short Term Assignments

Permanent Establishment Risk

One key issue that always needs to be considered in structuring international assignments or transfers is whether the structure will inadvertently create a “permanent establishment” whereby the employing entity is considered to be doing business in the host country and subject to corporate income tax on an allocable amount of its net income. In the case of short-term assignments, or “informal” assignments, this risk may be higher if the short-term assignment structures are not specifically reviewed by tax counsel.

For example, US employees or technical consultants may be sent to a host country for varying lengths of time in response to compelling business needs without any formalized review. Such hasty decisions raise the potential risk of the US company inadvertently creating a permanent establishment in the host country. Foreign tax agencies are quick to assume that a U.S. company has opened a taxable local presence if the US company has personnel with negotiating or contracting powers abroad, maintains technical support services outside the US, or otherwise pursues revenue-producing operational activities in a foreign country.

A US company that unwittingly creates a permanent establishment abroad often finds itself obligated to file tax returns with a foreign tax agency, to observe local accounting standards for foreign tax purposes, and to pay higher taxes on a worldwide basis. The existence of a non-US permanent establishment may also trigger registration, filing, and publication obligations for the US company.

The activities that could constitute a permanent establishment vary by jurisdiction, based on income tax treaty provisions, and the structures of the employment relationships. The definition of permanent establishment has been undergoing significant changes following guidance from the Organization of Economic Community and Development (“OECD”).

Income Tax Treaties

As a starting point, mobile employees may be taxable under host country laws even for relatively short assignments (in the absence of an income tax treaty). For example, the Internal Revenue Code (“Code”) provides a limited exemption for employees working in the US, but it is practically of no use since the compensation earned during the period of assignment cannot exceed \$3,000. Specifically, Code sections 861(a)(3) and 864(b) exempt mobile employees working in the United States from US federal income tax if the mobile employee:

- Is temporarily present in the US for no more than 90 days during the taxable year;
- Compensation does not exceed \$3,000 in the aggregate; and
- Performs services as an employee of a foreign person not engaged in a trade or business in the US or as an employee of an office maintained outside of the US by a US person.

Consequently, globally mobile employees working in the US may be subject to foreign income tax even for very short assignments (*e.g.*, 30 days), if the Code exemption is not available and there is no applicable income tax treaty exemption. For this reason, it is important to review available income tax treaty exemption when structuring international assignments.

As of the date of publication, the US had income tax treaties in force with 65 countries. Several income tax treaty provisions may be relevant to mobile employees. The provision addressing “dependent personal services” or “income from employment” is primarily directed at certain short-term assignments.

For example, Article 14 of the US – UK Income Tax Treaty provides a general rule and two exceptions regarding income from employment. In general, salaries, wages and other similar remuneration derived by a resident of one country in respect of employment is taxable only in that country unless the employment takes place in the other country (“host country”). If the employment takes place in the host country, the host country may tax it. Notwithstanding, remuneration derived by a resident of one country (“home country”) in respect of employment exercised in the host country is taxable only in the home country if:

- The individual is present in the host country for a period or periods not exceeding 183 days in any twelve-month period commencing or ending in the taxable year;
- The remuneration is paid by or on behalf of, an employer who is not a resident of the host country; and
- The remuneration is not borne by a permanent establishment which the employer has in the host country.

Therefore, in the case of an outbound mobile employee who is treated as a US resident under Treaty, such mobile employee may avoid UK income tax on remuneration in respect of employment in the UK if: not present in the UK for more than 183 days during any 12-month period; paid by or on behalf of an employer outside of the UK; and the remuneration is not deducted by a permanent establishment which the employer has in the UK.

Many of the US tax treaties have similar, but not always identical language. Some treaties look at whether the mobile employee spent more than 183 days in a tax year in the host country (in addition to the other requirements). In a minority of cases, the time limit may not be 183 days.

It should be noted that the OECD has recently indicated that the “employer” for this purpose is not necessarily the legal employer. The OECD recommends that an “economic employer” concept be used in applying this treaty provision. Consequently, when structuring short-term assignments in countries that are adopting the “economic employer” concept, the activities and the interactions of the mobile employee with any host country entity need to be reviewed. The treaty exemption will only be available if the home country entity meets the test of the “economic employer” and if the other tests are met (*i.e.*, 183 days and no chargeback of compensation costs to the host entity).

In similar fashion, care needs to be taken to ensure that compensation costs related to the mobile employee are not inadvertently charged against and reimbursed by a host country entity or permanent establishment in the host country if there is intended reliance on this treaty exemption. Finally, the existence of a treaty exemption may still require the mobile employee to complete an individual income tax filing in the host country in some cases.

Treaty provisions on taxation of retirement plan participation and stock option income may also be available and should be reviewed in cases of longer term assignments. These provisions are only currently present in a small number of US treaties.

Traveling and Temporary Living Expenses

Under US income tax rules, a mobile employee may be able to exclude amounts paid by the employer for traveling and temporary living expense while “away from home” in the pursuit of a trade or business, including amounts expended for meals and lodging that are not lavish. Code Section 162(a)(2) allows an exemption for expenses that are ordinary and necessary while the employee is temporarily away from home.

Whether an employee is “away from home” is a facts and circumstance based determination. However, in no event can the international assignment be considered “temporary,” if it is expected to last more than one year.

Non-Short Term Assignments – US Outbound

Foreign Earned Income and Housing Exclusion

One of the most valuable tax planning devices for a mobile employee is the ability of a “qualified individual” to elect to exclude “foreign earned income” from gross income.

The maximum amount of foreign earned income that can be excluded is indexed and is currently \$87,600 per year. A “qualified individual” is a person whose “tax home” is in a foreign country and who is either:

- A citizen of the US who is a bona fide resident of a foreign country for an entire taxable year; or
- A citizen or resident of the US who, during any period of 12 consecutive months, is present in a foreign country or countries for at least 330 full days of such period.

A qualified individual must elect to exclude foreign earned income on IRS Form 2555, or a comparable form, which must be filed with the individual’s US federal income tax return for the first taxable year for which the election is to be effective. Individuals who expect to be eligible for the exclusion may adjust their federal income tax withholding by completing an IRS Form 673 and filing it with their payroll department.

In addition to the foreign earned income exclusion, a qualified individual may elect to exclude from gross income a “housing cost amount,” which relates to certain housing expenses attributable to “employer provided amounts.”

The term “employer provided amounts” means any amount paid or incurred on behalf of the individual by the individual’s employer that is foreign earned income for the taxable year without regard to Code section 911. Thus, salary payments, reimbursement for housing expenses, or amounts paid to a third party are included. Free meals and lodging excludable under Code section 119 are not included. Further, an individual will have earnings that are not “employer provided amounts” only if the individual has earnings from self-employment.

For 2008, the maximum amount of the housing cost exclusion is generally \$12,208 (*i.e.*, 14% of the maximum foreign earned income exclusion for a full taxable year). However, the IRS has issued guidance providing upward adjustments to this maximum in a number of high housing cost locations.

A qualified individual may make a separate election to exclude the housing cost amount on the same form and in the same manner as the foreign earned income exclusion. An individual does not have to make a special election to claim the housing cost amount deduction. However, the individual must provide, at a minimum, the following information: name, address, social security number, name of employer, foreign country where tax home is established, tax status, qualifying period of bona fide residence or presence, foreign earned income for the taxable year, and housing expenses.

Foreign Tax Credit

Another valuable tax planning device for the outbound mobile employee is the ability to receive a tax credit for foreign or US possession income tax paid or accrued during the taxable year. The credit also applies against taxes paid in lieu of income taxes, a category which includes withholding taxes. Note, however, that an individual may not take a credit for taxes paid on foreign income that is excluded from gross income under Code section 911 foreign earned income and housing exclusion. The credit is available to any outbound mobile employee who is a US citizen, resident alien of the US, or a resident alien who is a bona fide resident of Puerto Rico during the entire taxable year.

The foreign tax credit is subject to a specific limitation. It is generally limited to the same proportion of the mobile employee's total US tax which the mobile employee's foreign source taxable income -but not in excess of the entire taxable income - bears to the entire taxable income for the taxable year.

Whether a mobile employee has foreign source taxable income for purposes of this limitation depends on the type of income involved and, in some cases, the residency status of the executive.

For example, with respect to wages, the mobile employee has foreign source income if the services are performed in a foreign country. With respect to interest, the mobile employee has foreign source income if the interest is credited to a bank account in a foreign country or if the mobile employee invests in foreign bonds that pay interest in a foreign currency. Income from the sale of personal property by a US resident is US source income regardless of the place of sale. Similarly, income from the sale of personal property by a nonresident is generally sourced outside the US.

In the event that an individual cannot use all of the foreign tax credit, it is permitted to carry back the unused credit one year and to carry forward the unused credit for 10 years.

Sourcing Rules for US/Non- US Compensation

In general, compensation for labor or personal services performed in the US is deemed to be US source income. The converse rule is that compensation for labor or personal services performed outside the US is deemed to be non-US source income.

Where the outbound mobile employee performs services both within the US and outside the US, then the sourcing of the compensation received for those services is subject to special rules.

Under existing regulations, the IRS has indicated that the amount to be included in gross income is to be determined on the basis that most correctly reflects the proper source of income under the facts and circumstances of the particular case. In many cases, the facts and circumstances will be such that an apportionment on the time basis will be acceptable.

In addition, the regulations provide that certain fringe benefits be sourced on a geographical basis, that is, they be sourced based upon where the individual has the principal place of work. Those fringe benefits sourced on a geographical basis include: housing fringe benefits; education fringe benefits; local transportation fringe benefits; tax reimbursement fringe benefits; hazardous or hardship duty pay fringe benefits; and moving expense reimbursement fringe benefits.

In the case of stock options, the proposed regulations provide that the applicable period to which the compensation will be attributable for purposes of the sourcing rules will be the vesting period of the option, that is, the period between the date of grant and the date on which all of the employment-related conditions required for exercise have been satisfied.

Participation in Non-US Compensation Programs

In many cases, the outbound mobile employee becomes a participant in a compensation or benefit plan sponsored by an employer in the host country. Such participation may have adverse US income tax consequences, especially in connection with the Code Section 409A deferred compensation rules.

A complete review of the Code Section 409A rules is beyond the scope of this discussion. In general, if a person has a legally binding right in one taxable year to receive an amount that will be paid in a subsequent taxable year, that amount is considered deferred compensation for the purposes of Code Section 409A, unless it meets one of the exemptions. Assuming that no exemption applies, amounts that are considered deferred compensation must comply with various requirements regarding the time and form of the payment, timing of deferral elections, and a six month delay of separation payments made to certain “key employees” of a public company. In addition, there are prohibitions on offshore funding and funding tied to the employer’s financial condition. If the requirements are not met, the deferred compensation amounts will be taxable at the time of vesting and an addition 20% tax will apply.

Although it is unlikely that non-US compensation plans (*e.g.*, retirement plans, equity incentive plans, cash bonus plans) would be designed to comply with Code Section 409A requirements, the IRS does apply the Code Section 409A rules to all plans globally that have US citizen participants. The Code Section 409A rules do provide a few specific exemptions for foreign plans and these should be reviewed in connection with proposed participation in a non-US compensation plan by a mobile employee.

For example, US mobile employees who participate in a foreign retirement plan may qualify for an exemption for a broad-based retirement plan. For US citizens and green card holders, the requirements include:

- Not being eligible to participate in a US qualified plan;
- The deferral is non-elective and relates to foreign earned income; and
- The accrual does not exceed the amount permitted under Code Section 415 (*i.e.*, the US qualified plan limits).

The broad based plan must also meet the following requirements:

- The foreign plan must be in writing;
- Be non-discriminatory in terms of coverage and amount of benefit (either alone or in combination with other comparable plans); and
- Provide significant benefits for a substantial majority of the covered employees and contain provisions, or be subject to tax law provisions or other restrictions,

which generally discourage employees from using plan benefits for purposes other than retirement and restrict access to plan benefits before separation from service.

There are also Code Section 409A exemptions for plans exempt under a tax treaty, foreign social security plans, and plans that considered funded under the rules, among others. As a first step of the analysis, it is critical to identify all of the potential compensation plans, including equity compensation plans, that will be offered to the mobile employee.

FICA and Other Social Security Implications

One of the major concerns for an outbound mobile employee is whether coverage under the US Social Security system continues during the employment outside the US. Some outbound executives wish to continue to be covered so they can continue to qualify for a US Social Security benefit. Others do not want to be subject to the higher withholding taxes imposed by other countries' social security programs.

In general, US Social Security law requires Social Security contributions to be paid on the earnings of a US citizen or resident alien working for an American employer anywhere in the world. An "American employer" is defined as:

- The US or any instrumentality thereof;
- An individual who is a resident of the US;
- A partnership, if two-thirds or more of the partners are residents of the US;
- A trust, if all of the trustees are residents of the US; or
- A corporation organized under the laws of the US or any state.

Special new rules apply to companies that contract with the US federal government so that certain foreign entities may also be considered "American employers" for purposes of this rule.

Thus, an outbound mobile employee who continues to be employed by the home office in the US while working abroad, or who works for a foreign branch or division of a US employer - technically, for tax purposes, a branch is a mere extension of the home company - can still be covered by the US Social Security system. Wages will therefore be subject to FICA withholding. On the other hand, a US citizen or resident who is employed outside of the US by an employer who is not an "American employer" will not be covered by the US Social Security system.

Notwithstanding that an outbound mobile employee who is sent to work outside of the US may not be eligible to remain covered by US Social Security under the general rules, an American employer may enter into a voluntary agreement under Section 3121(l) of the Code to continue the US Social Security coverage of US citizens or residents working for a “foreign affiliate.” A “foreign affiliate”, is defined as a foreign entity in which an American employer owns at least a 10% interest. This voluntary, but irrevocable, agreement in effect extends Title II of the Social Security Act to service performed outside of the US by all employees who are citizens or residents of the US, except with respect to service or remuneration that would be otherwise excluded from the terms “employment” or “wages” as defined in Code Section 3121 had the service been performed in the US.

Under this voluntary agreement, the American employer pays the employer and employee portion of FICA taxes that would be imposed if such wages were subject to FICA taxes under the general rules, including any applicable interest and penalties. There is no legal requirement that the mobile employee reimburse the American employer for the mobile employee’s share of the tax, although some companies do in fact require such reimbursement.

Another way to continue the Social Security coverage of an outbound mobile employee is if the mobile employee remains employed by an American employer who then seconded the mobile employee to work in a foreign jurisdiction.

For purposes of Social Security taxes, Code Section 3121(d)(2) defines the term “employee” to include “any individual who, under the usual common law rules applicable in determining the employer-employee relationship, has the status of an employee.” Generally such relationship exists when the person for whom services are performed has the right to control and direct the individual who performs the services, not only as to the result to be accomplished by the work, but also as to the details and means by which that result is accomplished.

Accordingly, where the outbound mobile employee is seconded from an American employer to another entity, and the American employer retains the “right to control and direct” the executive, an argument can be made that the executive can be continued to be covered by US Social Security. Note, however, that unless the American employer is in fact paying a portion of the executive’s wages, it will have to remit the mobile employee’s share of FICA taxes out of its own pocket, subject to reimbursement from the mobile employee.

Totalization Agreements

Just as the outbound mobile employee might want to avoid the problem of being subject to income tax by more than one jurisdiction, an outbound mobile employee may also want to avoid the problem of double social security coverage.

Double coverage may occur when an outbound mobile employee works for an American employer or “foreign affiliate” of an American employer in a country that covers the same employment under its own social security system. In such a case, double contributions to both social security systems may be required on behalf of the mobile employee, reducing the mobile employee’s compensation and increasing the company’s social tax burden.

A further problem that may be encountered by the outbound mobile employee concerns fragmented social security coverage. A US citizen or resident who has worked for less than 10 years and who transfers employment to a foreign country may not accumulate enough “quarters of coverage” to qualify for a US Social Security benefit. Further, if the outbound mobile employee’s work history includes a lot of temporary assignments in different foreign jurisdictions, the mobile employee may find at the end of the career that the employee does not qualify for any country’s social security benefits.

To address these problems, the US has entered into a type of international agreement with a number of foreign jurisdiction called a “Totalization Agreement.” There are currently 21 such agreements in effect. A Totalization Agreement provides a set of rules to determine when employment will be covered by which country’s social security system. Note that a Totalization Agreement does not change the domestic rules of a country’s social security system. It does not impose coverage if employment would ordinarily not be covered.

Except in the case of Italy, a Totalization Agreement generally follows the “territoriality” principle. That is, employment is covered by the laws of the country in which the work is performed. As an example, an outbound mobile employee who is working in a country that has a Totalization Agreement with the US would in general be covered by that country’s social security system.

An exception to this territoriality rule exists where the mobile employee is sent by the home country employer to be on temporary assignment in the foreign country. In that case, the mobile employee will be covered by the social security system of the home country. A “temporary assignment” is generally defined to be one expected to last five years or less.

With regard to benefits, a Totalization Agreement permits an outbound mobile employee to combine or “totalize” periods of coverage for purposes of determining eligibility for coverage. To qualify for a minimum US Social Security benefit under the totalization procedure, the executive must have at least six quarters of coverage in the US. The Totalization Agreements contain parallel provisions for each country, so that if the combined or “totalized” periods of coverage are sufficient to meet the eligibility requirements for benefits, then *pro rata* benefits are payable from each country’s social security system.

In order to document a mobile employee’s coverage under the home country’s social security system, the mobile employee must obtain a certificate of coverage from the responsible authorities. This certificate would be required, for example, where an outbound mobile employee is on temporary assignment to a foreign country, and wants an exemption under that country’s social security system pursuant to a Totalization Agreement.

In the US, an application for such a certificate must be made to the Social Security Administration, and must contain the following information: full name of the outbound mobile employee, date and place of birth, citizenship, country of permanent residency, social security number, place of hire, name and address of employer in the US and the other country, and dates of transfer and anticipated return.

If the mobile employee is transferring to France, it is also required to certify that there is medical coverage under a private insurance plan, since France imposes this certification requirement on anyone who seeks exemption from French social security tax.

Availability of US Corporate Income Tax Deduction

The US employer should be entitled to a US federal income tax deduction for compensation paid to its employees.

Accordingly, if the outbound mobile employee remains a common law employee of the US employer, the mobile employee’s compensation should be deductible. Similarly, if the mobile employee is transferred to employment with a foreign branch or division of the US employer, the mobile employee’s compensation should be deductible.

Note, however, that where the mobile employee is transferred to employment with a foreign subsidiary or parent of the US employer, then no deduction is permitted.

A US company is not generally permitted to deduct such costs because the US company obtains only an indirect or derivative benefit.

Non-Short Term Assignments – US Inbound

Federal Income And FICA Tax Treatment

The principal concern for an inbound mobile employee who does not become a US citizen is whether the mobile employee will be taxed as a resident alien or a nonresident alien.

If a resident alien, then taxes will be in the same manner as a US citizen, namely, all of this worldwide income, including any compensation paid outside of the US, will be subject to US tax. Further, a resident alien's US tax liability will be offset, subject to limitations, by a tax credit or a tax deduction for foreign income taxes paid with respect to foreign source income.

If a nonresident alien, then taxes will be on income "effectively connected" with the conduct of a US trade or business at the same rate and in the same manner as US citizens and residents. In addition, there will be a flat 30% tax rate on certain investment and other fixed or determinable annual or periodic income from sources within the US, that is not "effectively connected" with the conduct of a US trade or business.

In general, an inbound mobile employee will be a "resident alien" if:

- Lawfully accorded the privilege of residing permanently in the US (*i.e.*, has a "green card"); or
- Satisfies a "substantial presence" test under Code Section 7701(b).

The "substantial presence" test is satisfied if, in general, the mobile employee was present in the US for:

- At least 31 days during the current calendar year; and
- If the sum of days present in the US during the current calendar year, plus 1/3 of the days present in the preceding year, plus 1/6 of the days present in the second preceding year equals or exceeds 183 days.

An individual will not be treated as meeting the "substantial presence" test if present in the United States on fewer than 183 days and if having a tax home and closer connection to a foreign country.

In the event the inbound executive does not satisfy either of the two tests described above, it is possible to elect to be treated as a resident if:

- Present in the US for at least 31 consecutive days during the calendar year;
- Present in the US for at least 75% of the days during the period from the first day of the consecutive 31-day period to the last day of the calendar year;
- Not a resident of the US in the prior year; and
- In the year subsequent, would be a US resident under the substantial presence test.

The inbound mobile employee's performance of services in the US will be deemed to be the conduct of a US trade or business. The compensation he receives therefore will be "effectively connected" with a US trade or business and will be taxable at the same rate as US citizens and residents.

Also, a nonresident alien who is temporarily present in the US as a nonimmigrant under the foreign student F visa or exchange visitor J visa may exclude from gross income compensation received from a foreign employer or an office maintained outside of the US by a US person.

In addition, wages, fees or salary of an employee of a foreign government or an international organization are not included in gross income for US tax purposes if: the employee is a nonresident alien or a citizen of the Philippines, the services as an employee of a foreign government are similar to those performed by employees of the US government in foreign countries, and the foreign government grants an equivalent exemption to US government employees performing services in that country.

Finally, nonresident aliens may be entitled to reduced rates of, or exemption from, US federal income taxation under an applicable income tax treaty between the country of which they are residents and the US.

A nonresident alien who claims an exemption from US federal income tax under a provision of the Code or an applicable Income Tax Treaty must file with the employer a statement giving name, address and taxpayer identification number, and certifying the individual is not a citizen or resident of the US and the compensation to be paid during the tax year is, or will be, exempt from income tax, giving the reason for the exemption. If exemption from tax is claimed under an Income Tax Treaty, the

statement must also indicate the provision and tax treaty under which the exemption is claimed, the country of which the nonresident alien is a resident, and enough facts to justify the claim for exemption.

FICA and Other Social Security Implications

Both the resident alien and the nonresident alien will be subject to US social security coverage unless the performance of services does not come under the definition of “employment” for Social Security purposes. There is a specific exemption for nonresident aliens who are here in the US under the F or J visa.

An inbound mobile employee who does not qualify for those exemptions from US Social Security will be subject to FICA wage withholding on compensation unless an exemption under a Totalization Agreement in effect with the country of origin can be claimed. In the event that a Totalization Agreement applies to employment in the US, an exemption from US Social Security can be claimed by producing a certificate of coverage from the home country authority.

Participation in Non-US Compensation Programs

As previously discussed, Code Section 409A has very broad application. In the case of inbound mobile employees, there is also a concern that certain non-US plan benefits could be subject to adverse US tax consequences.

In addition to retirement plans, stock option plans which do not meet the requirements of the fair market value grant exemption from Code Section 409A may not be clearly exempt from Code Section 409A without further modification. For example, some non-US option plans may provide for an exercise price that is less than the fair market value on the date of grant. Grants made to non-US participants who subsequently transfer to the United States, may be subject to Code Section 409A if they become residents for US income tax purposes under the Substantial Presence Test.

Please also note that there are some transitional rules in regard to deferred compensation of mobile employees which vests prior to the mobile employee becoming a US tax resident. Again, as in the case of outbound employees, it is critical to identify all of the plans and arrangements which could be potentially subject to taxation under Code Section 409A in advance of a mobile employee’s assignment to the US.

Other Comments

Tax Equalization and Tax Protection Programs

In order to minimize the outbound mobile employee's total tax liability to both the US and the foreign country, the employer can include the mobile employee in a tax equalization or tax protection program.

A tax equalization program will require the mobile employee to pay a hypothetical tax equal to the US tax the mobile employee would have paid had the employee remained in the US. The hypothetical tax is computed at the beginning of the year, and an amount equal to one twelfth of the hypothetical tax is withheld from the mobile employee's income each month. At the end of the year, the mobile employee's actual income taxes, both US and foreign, are compared to the hypothetical tax. If the actual taxes are more than the hypothetical tax, the mobile employee is reimbursed for the difference. If the actual taxes are less than the hypothetical tax, the mobile employee must pay the difference to his employer.

A tax protection program also involves the calculation of a hypothetical tax. However, it is only intended to reimburse the mobile employee in the event the employee incurs additional tax liability as a result of the foreign assignment. Thus, under a tax protection program, if at the end of the year the actual taxes are more than the hypothetical tax, the mobile employee is reimbursed for the difference. If the actual taxes are less than the hypothetical tax liability, the mobile employee would not be required to pay anything and would realize a benefit.

There are many variations on tax equalization and tax protection programs. Some employers cover state and local taxes as well as federal and foreign income taxes.

Please note that since tax equalization and tax protection programs represent payments of compensation over a number of tax years, there are potential Code Section 409A issues. The company needs to ensure that the tax equalization/tax protection programs comply with Code Section 409A and this can often be accomplished by the addition of appropriate language in the policy document.

Given the complexity of the hypothetical tax calculation, some companies will engage the services of an accounting firm to make the necessary determinations and prepare the various income tax returns. In this way the employer can be assured that its outbound mobile employees are handled consistently and that their tax returns are filed on time.

Budgeting and Cost Projections

Given the significant incremental costs generally related to an international assignment (*e.g.*, employer paid housing, additional allowances, tax equalization, home leaves, transition allowances), the company should prepare cost projections of the total expected international assignment cost including estimates of US and foreign income tax, in cases where the mobile employee is eligible for either tax equalization or tax protection.

SECTION 3
COUNTRY GUIDE

Argentina

Executive Summary

Argentine migratory regulations provide different alternatives to facilitate foreigners' rendering services, either as employees of local Argentine entities or as employees of foreign companies transferred to Argentina. The regulations contemplate temporary and permanent working visas and residency permits. The foreigner's nationality will determine what kind of visa or permit is applicable and what procedure must be followed. In certain cases, more than one solution could be worthy of consideration. Requirements and processing times vary by visa and permit classification.

Key Government Agencies

Argentina's "*Direccion Nacional de Migraciones*" (National Migration Bureau) is the governmental office in charge of issuing visas and residency permits.

The Argentine "*Cancillería*" (Ministry of Foreign Relations) is responsible for processing the visa requirements at the Argentine consular offices outside Argentina.

The "*Registro Nacional de las Personas*" (National Registry of Individuals) issues the national identification cards ("*Documento Nacional de Identidad*" or "*DNI*").

The "*Administracion Federal de Ingresos Publicos - AFIP*" (Federal Tax Authority) is involved in the process after the visa or permit is granted, to issue the "*CUIL*" or workers identification number, to allow the foreigners' employment by a local entity.

Inspections and admission of foreigners is conducted by the National Migration Bureau and the Federal Police at Argentine ports of entry.

Investigations and enforcement actions involving employers and foreign nationals are handled jointly by the National Migration Bureau and the Ministry of Labor. These agencies are all part of the National Executive Branch.

Business Travel

Foreign nationals making brief business trips to Argentina must generally apply first for a visa at an Argentine consular post in the country of residence. Business visitors can carry out a limited range of commercial and/or professional activities in Argentina, including consultations, negotiations, business meetings and conferences. Employment under this category is not authorized.

A roundtrip ticket and passport valid for a minimum of six months from the date of entry is required. Applications include a notarized letter from the employer abroad written in or translated into Spanish, on company letterhead. The letter should state the purpose and duration of the trip, contact information for all businesses in Argentina who will be visited, and that the employer assumes moral and financial responsibility for the employee during the trip.

Visa Waiver

Argentina authorizes business visits for up to 90 days without first securing a visa for citizens of the following countries: Australia, Belgium, Brazil, Czech Republic, Great Britain and North Ireland, Hungary, Japan, Malaysia, Netherlands, New Zealand, Poland, United States of America, Singapore, South Africa, Trinidad and Tobago.

Permission to remain in the country for up to 30 days without first securing a visa is granted to citizens of Granada and Hong Kong (with British National passport).

Training

Visas appropriate for employment assignments may be available for training as well.

Employment Assignments

According to Argentine migratory regulations, any individual assigned to render services inside Argentina must have the corresponding work authorization issued by the National Migration Bureau.

If a foreign individual who is a national of the MERCOSUR or its associated countries (*e.g.*, Uruguay, Brazil, Paraguay, Chile, Colombia, Perú, Bolivia, Venezuela, and Ecuador) intends to work in Argentina for more than thirty days, residency must be obtained directly at the National Migration Bureau.

If a foreign individual who is not a national of the MERCOSUR or its associated countries intends to work in Argentina for more than thirty days, an Entry Permit and the corresponding Working Visa is required.

Foreign individuals who intend to work in Argentina for less than thirty days may obtain Temporary Work Permits.

“Registro Nacional Unico de Requirentes de Extranjeros (RENURE)”

The National Migration Bureau created the Registro Nacional Único de Requirentes de Extranjeros (“RENURE”), or National Single Register for Foreigners (Provision No. 56647/05). The purpose of the RENURE is to expedite and secure all formalities regarding the Entry Permits and Work Visas requested by companies.

The registration application must be made in writing and filed with the National Migration Bureau by the attorney-in-fact of the company. This registration must be made only once and is free of charge: the applicant will receive a “Single Registration Number,” so that all future admission applications will be filed with such number.

The company that requests its registration in the RENURE must denounce its principal place of business and its established legal domicile in Argentina, and must also provide certified copies of a series of documents (registration of the company with the Inspección General de Justicia; bylaws; minutes evidencing the last appointment of corporate officers; Balance Sheet of the last fiscal year; evidence of taxpayer’s registrations; *etc.*).

The obligations undertaken by the company following such registration are:

- Report any change or update on the information related to the registration; and
- Notify the National Migration Bureau of the termination of the relationship with the foreigner. Such notice shall be given by any conclusive means within the term of 15 calendar days following the termination date.

The RENURE is not applicable when the foreigner is a national of any of the countries that are members of the MERCOSUR or its associated countries.

Residency by “Radicacion”

If a foreign individual who is a national of the MERCOSUR or its associated countries intends to work in Argentina, residency is obtained directly at the National Migration Bureau.

The formalities are conducted on a strictly individual basis and all the applicants shall appear personally at the National Migration Bureau. A Provisional Residency Certificate will be delivered to the applicant and will authorize the applicant to leave and re-enter the country.

The Temporary Residency with a term of two years will be granted to the applicant about 40 days thereafter. After the expiration of such two-year term, the applicant may apply for the Permanent Residency.

Once the Temporary Residency has been obtained, the applicant will be entitled to conduct all the proceedings necessary to obtain the provisional “DNI” from the National Registry of Individuals (“Registro Nacional de las Personas”).

In exceptional cases, Temporary Residency can be requested for nationals who are not of the MERCOSUR or its associated countries. This is not the ordinary and usual procedure; they should obtain an Entry Permit and Visa. Therefore, there could be a considerable delay and/or observations from the National Migration Bureau when filing applications of this kind.

Entry Permits and Working Visas

If a foreign individual who is not a national of the MERCOSUR or its associated countries intends to work in Argentina, then an Entry Permit (“Permission”) and the corresponding Working Visa (“Visa”) must be obtained.

Local regulations set forth the procedures to be followed by such a foreign individual to obtain the Permission and the Visa, provided always that the individual has been hired or employed by an Argentine company (“Calling Entity”).

First Stage

The Calling Entity must require the local authorities to grant the foreign individual a Permission (which will allow him/her to obtain the Visa at the Consulate of his/her place of residence or country of origin). Such application must be filed with local authorities by an individual duly qualified to represent the Calling Entity or through a notary public.

With the application, the Calling Entity must include certified copies of certain corporate documents: bylaws; registration as employer, C.U.I.T. (Taxpayer's Identification Number) and Gross Receipts; receipts of payment of the VAT, Gross Receipt, Income Tax and Social Security Contributions; last income tax return; records of the Payroll Book evidencing the number of employees.

The following documents must also be filed with the application:

- Copy of the passport of the foreigner and of the members of his/her family who are to require the Permission.
- The foreigner's resume in Spanish.
- An employment contract, valid for at least one year, to be executed between the Calling Entity and the foreigner, in accordance with Argentine labor laws and legalized by the Association of Civil Law Notaries. The employment contract must specify that the labor relationship shall be made conditional to the granting of the Visa and should be solely signed by a representative duly authorized of the Calling Entity (the foreigner should sign it after obtaining the Visa). If the foreigner is going to hold an executive office, the Calling Entity should also file the relevant minutes evidencing his/her appointment and the distribution of the offices.
- A letter of the Calling Entity stating the description of the activities, the tasks to be performed by the foreigner in Argentina and the reasons to hire him/her instead of an Argentine citizen. The letter should be signed by the legal representative of the Calling Entity and duly certified by a civil-law notary.
- A certified copy of the documents that evidence the powers of representation of the individual that executes the employment contract on behalf of the Calling Entity and a certified copy of its national ID.
- Power of attorney granted by the Calling Entity to obtain the Permission.

The foreigner's personal information must be completed in the Permission application. This stage finishes once the Permission has been issued.

Second Stage

This stage takes place at the Argentine Consulate having jurisdiction over the foreign individual's place of residence or country of origin.

The foreign individual should apply for the Visa at the corresponding Argentine Consulate by filing the Permission along with the following documents:

- Passports with a minimum validity of one year (with copies of all pages) of the foreigner and of the members of his/her family who are to request a visa.
- Two original birth certificates per applicant.
- An original marriage certificate (if appropriate) per spouse.
- A judicial certificate or a certificate of criminal records issued by the police for individuals over 16 years old, issued by the Police Department of the countries in which the foreigner has resided over the last five years before arriving in Argentina.
- A personal 3/4 right profile format photograph (the number of photographs varies according to the Consulate granting the Visa).
- Consulate fee.

The birth, marriage and judicial certificates must be duly translated into Spanish and previously legalized by the Argentine Consulate with jurisdiction over the place of issuance or by means of the “Apostille” (the Hague Convention of 1961, which overrules the mandatory legalization of public instruments).

Please note that the documents may vary according to the Consulates. Therefore, we recommend that you confirm with the particular Consulate which documents are specifically required.

Once all the documentation has been filed, the Consulate shall grant the Visa.

Extension of the Visa

Before the expiration of the term for which the Visa was granted, the Calling Entity should request its extension before the local authorities.

Transfer Visas (“Visas de Traslado”)

Multinational companies seeking to temporarily transfer foreign employees to Argentina under an assignment or secondment agreement must file a request for the so-called Transfer Visa (“Visa de Traslado”). This visa is initially valid for assignments of one year and can be extended.

The requirements for this Transfer Visa are basically the same as the one set forth to obtain the Permission and the Visa. The difference is that the foreigner will not be hired or employed by an Argentine company; instead, the employment relationship with the foreign entity is maintained and the employee is assigned to render services in Argentina under an assignment or secondment agreement.

The Argentine entity (“Calling Entity”) that will receive or benefit from the foreigner’s services, will have to file the request for the corresponding Permission and Visa with the National Migration Bureau. In this case, instead of an employment contract, the Calling Entity will have to file a letter stating the description of the activities, specify the tasks to be performed by the foreigner in Argentina and the reasons to transfer a Foreigner.

National Identification Cards (“Documento Nacional de Identidad” or “DNI”)

Once the Visa has been obtained, the applicant and accompanying family must obtain the “DNI” from the National Registry of Individuals.

The “DNI” is the local identification document, which is necessary to open a bank account, to obtain social security identification numbers as well as a local Driver’s License, among other documents. The “DNI” shall be granted to the applicant for the same term of the Visa and shall only be renewed once the Visa has been extended.

Temporary Work Permits

If the employees will work in Argentina for brief periods of time, they may request a Temporary Work Permit. Temporary Work Permits are issued for up to a maximum of thirty days (fifteen day initial period, renewable for another fifteen days).

Temporary Work Permits do not imply any prior proceeding before arriving in Argentina. The applicants enter the country as tourists and only then request the corresponding Permits directly at the National Migration Bureau in Argentina.

Other Comments

There are additional visas less frequently used for global mobility assignments, including: student/study visas; retiree visas; pensioners; sports; *etc.*

Further Information

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Australia

Executive Summary

The advent of globalization has led to a dramatic increase in the movement of skilled workers seeking employment opportunities in different countries. Australia is experiencing a tremendous skill shortage that has led to the issuance of employment visas in record numbers.

Key Government Agencies

The Department of Immigration and Citizenship (“DIAC”) is the responsible government agency that processes all visa applications. Depending on the type of visa applied for and the location of the applicant, applications may be lodged in or outside Australia. If lodged outside Australia, a DIAC officer within a local Australian mission (*e.g.*, an Australian Embassy, Australian High Commission or Australian Consulate) will process the application.

In addition to visa processing duties, the DIAC is responsible for monitoring the activities of businesses that sponsor foreign national staff for work visas. The DIAC conducts audits every 6 to 12 months in order to ensure that employers of foreign national staff are complying with their immigration obligations. If non-compliance is established, the DIAC has specific powers to sanction the employer (and the foreign employee, if applicable), which may result in serious ramifications for the business and reputation of the employer.

Current Trends

The Australian government is placing increasing emphasis on employment visas and compliance. Reforms in 2008 indicate continued focus on these issues in order to better monitor employers and prevent worker exploitation.

The government is attempting to achieve a delicate balance between addressing the tremendous skill shortages in the Australian labor market and ensuring that this increased employment activity does not result in a breach of immigration and employment laws. Employers of foreign national staff working without a valid visa or in breach of their visa conditions may be subjected to severe civil and criminal

penalties, including imprisonment of up to five years in circumstances where the employee is being exploited. Exploitation is defined as being a condition of forced labor, sexual servitude or slavery.

Another key trend is the expanding requirement for visa applicants to meet specific English language requirements. While many visa streams have flexible exceptions to this requirement, there nevertheless is a movement by the government to improve the English language ability of all foreign nationals seeking to live and work in Australia.

Business Travel

Business Electronic Travel Authority

The Business Electronic Travel Authority (“Business ETA”) is an electronic visa designed to facilitate travel by foreign nationals of countries who, on the basis of statistical data, have shown to be genuine business visitors and are unlikely to overstay their visas.

Foreign nationals with passports from the following countries are eligible for a Business ETA:

Andorra	Iceland	Portugal
Austria	Ireland	Republic of San Marino
Belgium	Italy	Singapore
Brunei	Japan	South Korea
Canada	Liechtenstein	Spain
Denmark	Luxembourg	Sweden
Finland	Malaysia	Switzerland
France	Malta	Passports issued by the authorities of Taiwan
Germany	Monaco	United Kingdom (including BNO)
Greece	Netherlands	United States of America
Hong Kong SAR	Norway	Vatican City

Primarily, the Business ETA is designed for business visitors who wish to undertake business-related activities such as attending conferences, seminars, business meetings or training sessions.

The Business ETA allows multiple trips to Australia and is normally valid for use for a period of 12 months. Visa holders may enter Australia and stay for a maximum of three months on each occasion (with no limit on the number of entries that may be made). While this visa does not generally allow employment, visa holders may engage in work in exceptional circumstances, that is, if the work is urgent, highly skilled or specialized and short-term in nature.

Subclass 456 Business Short Stay Visa

The subclass 456 Business Short Stay visa (“456 visa”) is similarly intended for persons seeking a short-term stay in Australia for business purposes but who are not eligible for a Business ETA (*e.g.*, nationals of India, The Republic of South Africa, and the People’s Republic of China). This visa may be granted for travel to Australia for multiple trips over an extended period (such as one or more years) with a maximum stay of three months on each arrival. The 456 visa is similar to the Business ETA in that the visa conditions do not permit employment except in exceptional circumstances.

Training

Subclass 442 Occupational Trainee Visa

The subclass 442 Occupational Trainee visa (“442”) is for foreign nationals seeking to enhance their skills or education by undertaking structured workplace based training in Australia. The visa is primarily targeted towards young professionals seeking to further their career and develop their skills in a practical environment.

However, it may also be utilized by overseas students who must undergo a period of workplace based training in order to satisfy specific course requirements. Visa applicants may include their spouse and dependent children.

The 442 visa requires the trainee to be nominated by an Australian business or government organization. The training provided must be a clearly structured program that is workplace based (with no more than 30% occurring in a classroom). It must also be designed to improve the trainee’s skills or area of expertise without adversely affecting the occupational training opportunities of Australian workers.

Employment Assignments

Subclass 457 Business Long Stay Visa (Temporary)

Australian and foreign businesses which meet certain requirements can be approved to sponsor foreign nationals for paid employment through the Subclass 457 Business Long Stay visa (“457 visa”). The 457 visa provides temporary residence in Australia to foreign nationals and their families for up to four years (with unlimited options to renew). The visa is intended for skilled workers with the qualifications and/or experience required to accommodate Australia’s growing labor shortages.

Foreign businesses with or without an operating base or representation in Australia can sponsor foreign nationals to work in Australia for various purposes, including, the establishment of business operations in Australia or the fulfillment of contractual obligations.

Australian businesses, whether incorporated or unincorporated, can also sponsor foreign nationals for a 457 visa. In respect of Australian business sponsors, the DIAC is careful to assess whether the business provides training and professional development opportunities to Australian employees and whether the sponsorship of foreign national staff will result in a benefit to Australia.

The 457 visa also accommodates related corporate entities in circumstances where it may be necessary for the foreign national to be sponsored by a business other than the direct employer or end user. This is possible in cases where the employer is related to the sponsoring business (*e.g.*, a UK parent company sponsors a foreign national for a 457 visa to work as an employee of its smaller, newly established Australian subsidiary company).

As part of the application process the sponsoring business, whether foreign or Australian, is required to give undertakings to the DIAC in respect of the foreign national employees they sponsor. These undertakings mirror the general obligations of employers under Australian employment and taxation laws but also consist of additional responsibilities specific to subclass 457 visa holding employees. The undertakings cannot be waived nor can sponsors contract out of them as they are given by the sponsor to the DIAC, not by the sponsor to the employee.

In total there are 14 undertakings to be complied with, including an obligation to be ultimately responsible for the cost of return travel of the foreign national

employee and an obligation to pay for any public hospital expenses incurred by the foreign national employee while on the visa (if these expenses are not covered by reciprocal health care arrangements or private health insurance). These undertakings may also extend to the foreign national employee's family members if included on the visa. Note, however, that many of these undertakings cease once the foreign national employee has ceased employment or obtained another visa.

Foreign national employees applying for the 457 visa must be appropriately skilled and/or experienced in order to be eligible. A skilled applicant is one whose occupation can be classified as a manager (*e.g.*, Marketing Manager), professional (*e.g.*, Accountant), semi-professional (*e.g.*, Computing Support Technician) or skilled tradesperson (*e.g.*, Welder). University qualifications, although mandatory for some occupations, may not be required if the applicant can show that they have a specified level of relevant work experience (typically three to five years depending on the occupation).

Applicants must also demonstrate functional English language ability. Exemptions are available for native English speakers, employees occupied as a manager, professional or semi-professional, employees on a prescribed annual base salary, or employees with five years of consecutive secondary or tertiary study where at least 80% of the instruction was in English.

If the foreign national employee seeks to change employers in Australia, a new 457 visa must be obtained from the DIAC through sponsorship by the new employer. The foreign national employee and new employer must begin the visa application and sponsorship process afresh.

Employer Nomination Scheme Visa (Permanent)

Australian businesses can sponsor highly skilled foreign nationals for permanent residence under the Employer Nomination Scheme ("ENS"). The ENS visa provides foreign nationals and their families with the opportunity to work and live in Australia permanently.

The application process is similar to the process for a 457 visa in that the employer must apply for approval from the DIAC to sponsor the foreign national employee for permanent residence and the employee must demonstrate they are suitably qualified and experienced for the position.

However there are some crucial differences between the ENS visa and the 457 visa, that is, the applicant for an ENS visa must be under the age of 45 (unless they hold a very senior or specialised position) and the sponsor must be an Australian business.

Unlike the 457 visa, employers are not required to give undertakings to the Government in respect of the holder of an ENS visa.

Also unlike the 457 visa, once the ENS visa is granted it ceases to be connected to the visa holder's employment.

Other Comments

The Australian Government has recently introduced legislation which makes it an offence for an employer to knowingly or recklessly allow a foreign national to work without a valid visa or in breach of their visa conditions.

These sanctions also apply to employers who refer foreign nationals for work (and the employer knows, or is reckless as to whether the foreign national has a valid visa or will be breaching their visa conditions).

For example, an offence may occur if a foreign national is allowed to work after their visa has expired; or a foreign national is allowed to work even though their visa prohibits work.

An offence would similarly occur if a recruitment agency refers a foreign national employee whose visa has expired to work for an end user client; or refers a foreign national for full time work even though their visa conditions specify they can work part time only.

The new laws place an unprecedented obligation on employers to verify the work rights of their employees. The consequences of breaching these laws are severe as employers now risk criminal prosecution, financial penalty and, in some cases, imprisonment.

If an employee is being exploited and the employer knows of (or is reckless as to) this circumstance, the sanctions are more severe. Exploitation is defined as being a condition of forced labor, sexual servitude or slavery.

A foreign national's immigration status should therefore always be checked prior to an offer of employment being issued and/or prior to employment commencing.

Failure to comply with these requirements may result in the following penalties:

Offence	Penalties	
	Individual offender	Corporation offender
Foreign national allowed or referred for work	AUD13,200 or up to 2 years imprisonment	AUD66,000 per offence
Foreign national allowed or referred for work where exploitation occurs	AUD33,000 or up to 5 years imprisonment	AUD165,000 per offence

In addition to those discussed above, there is a broad range of temporary visas that allow restricted work. From time to time, these visas may be more appropriate for a foreign national employee if, for instance, sponsorship through a subclass 457 visa is not possible or practical.

Working Holiday visas are available to nationals of certain countries (*e.g.*, United Kingdom, Germany and Canada) and permit the holder to work for up to six months with any one employer while also holidaying in Australia. Applicants must be between the age of 18 and 31 and extensions of this 12 month visa are available in prescribed circumstances.

Foreign nationals on student visas are also permitted to work for up to 20 hours per week and full-time when their course is not in session. Often these visas may be more appropriate for short-term assignments or casual, less qualified workers.

In addition to temporary visas, Australian permanent residence is also available to foreign nationals who wish to apply independently (*i.e.*, without the sponsorship of an Australian employer) on the basis of their skills and experience. Applicants must meet the relevant pass mark in a points based system which allocates points for such factors as age, English language ability, work experience and occupation. In general, the younger and more qualified and/or experienced the applicant, the greater the chance of achieving the relevant pass mark.

The family migration program facilitates the movement of spouses, children and other family members of Australian citizens and Australia permanent residents to Australia. This program ultimately provides applicants with Australian permanent residence and therefore unrestricted work rights.

It is important to note that foreign nationals holding permanent residence visas are required to continue to meet specific residence requirements in order to maintain their immigration status. Lengthy periods of residence overseas may jeopardize a permanent resident's ability to re-enter Australia. It is for this reason that Australian Citizenship is recommended for most foreign nationals once they are able to meet the requirements.

Applicants for Australian citizenship who attained their permanent residence on or after July 1, 2007, are eligible once they can demonstrate four years of lawful residence in Australia immediately prior to making the application. Applicants in these circumstances must also demonstrate that at least 12 months prior to the application they have resided in Australia as permanent residents. This requirement recognizes time spent in Australia as a temporary resident prior to the acquisition of permanent residence.

Applicants who became permanent residents before July 1, 2007, must satisfy a transitional set of requirements, provided their application is lodged prior to June 30, 2010. Applicants must have been present in Australia as permanent residents for periods amounting to two years in the last five years prior to making the application, including one year in the last two years immediately prior to making the application.

In addition to the residence requirements, all applicants must pass the *Citizenship Test* aimed at ensuring that applicants comprehend their rights and obligations as an Australian citizen.

Further Information

CCH Australia publishes the *Australian Master Human Resources Guide* (online and in print) and the *Australian Human Resources Management* subscription information service (online and in print). Both publications contain commentary authored by Baker & McKenzie and provide more information on the Australian immigration process, various visa categories, employer obligations, employer sanctions, and Australian citizenship.

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Austria

Executive Summary

Austrian law provides at the moment for several kinds of visas and temporary or permanent residence permits. Usually visas themselves are less significant for doing business or employment than Austrian temporary residence permits. Residence permits are usually bound to quotas and are difficult to obtain.

Key Government Agencies

The Austrian Foreign Ministry's ("Außenministerium") embassies and consulates abroad accept applications for visas, permits, and residence permits - sometimes forwarding them to competent government agencies in Austria - and have ultimately responsibility for visa issuance.

The Austrian Public Employment Service ("Arbeitsmarktservice Österreich" or AMS) operates through local offices in Austria that have jurisdiction over work permit requests for foreign nationals.

Residence permits are handled by a number of governmental entities. The Governor of a federal province ("Landeshauptmann") is competent for all residence entitlements and documentation thereof. In Vienna, the magistrate ("Magistrat") is competent. The Federal Minister of the Interior is the authority for appeals and for certifications of educational and research institutions. The district administration authority ("Bezirksverwaltungsbehörde") handles the prosecutions. The regional competent agency is the one where the foreigner has the place of residence or planned place of residence. In case of an unknown place of residence or terminated residence, the responsible authority is that which issued the last residence permit or which would now be functionally competent.

Current Trends

On January 1, 2006, a new Foreigner's Act ("Fremdenrechtspaket 2005") entered into force. Changes became necessary due to certain political intentions of the Austrian Government and in order to implement an EC-Directive relating to family-reunion. Therefore, the Austrian legislature enacted two new, independent laws, the Foreign Police Act ("Fremdenpolizeigesetz 2005 FPG"), dealing mostly

with asylum and visa matters, and the Residence Act (“Niederlassungs- und Aufenthaltsgesetz NAG”). The latter is of utmost importance for any foreign company wishing to post employees to Austria.

Business Travel

Travel Visa C

The most common visa or entry permit for tourists and “business” visitors is the Visa C (“Schengen-Visa”), which allows traveling within the EU and staying up to 90 days in Austria. This visa does not permit employment.

Visitor Visa D

Visitors coming for more than 90 but less than 180 days as either a tourist or on business. Like the Visa C, the Visa D does not authorize employment in Austria.

Visitor-Travel Visa C+D

Since 2006, the Visa C+D has been available for temporary work under specific circumstances on short-term employment for up to 90 days. Because Visa C+D applications are seldom granted, the appropriate work/residence permit may be necessary.

Visa Waiver

Visitors from certain countries do not need an entry permit (visa) to stay in Austria as either tourists or on a business trip for a period of up to 90 days. Such visitors are not allowed to take up local employment.

The following countries currently do not need a visa: Andorra, Argentina, Australia, Belgium, Brazil, Brunei, Bulgaria, Canada, Chile, Croatia, Costa Rica, Cyprus, Czech Republic, Denmark, El Salvador, Estonia, Finland, France, Germany, Great Britain, Greece, Guatemala, Honduras, Hong Kong, Hungary, Iceland, Ireland, Israel, Italy, Japan, Latvia, Liechtenstein, Lithuania, Luxemburg, Macau, Malaysia, Malta, Mexico, Monaco, The Netherlands, New Zealand, Nicaragua, Norway, Panama, Paraguay, Poland, Portugal, Republic of Korea, Romania, San Marino, Sweden, Switzerland, Singapore, Slovakia, Slovenia, Spain, St. Christopher and Nevis, United Nations, United States, Uruguay, Venezuela.

Training

Employees sent to Austria for training purposes have to obtain either a Visa C+D which is seldom issued or a temporary residence permit as “special cases” as described above. Please note that according to the Austrian Foreign Employment Act further requirements have to be met.

Employment Assignments

Temporary Residence Permit (“Aufenthaltsbewilligung”)

Foreign nationals coming for a period exceeding six months must apply for a temporary residence permit. Temporary residence permits are issued by the authorities in Austria and are solely issued for stays exceeding six months.

All temporary residence permits share a number of common requirements. Applications must be submitted in person and require a passport valid at least three months beyond date of travel. Applicants must have proof of sufficient funds, accommodations, and insurance for travel/health for coverage in Austria/Schengen countries/worldwide for a minimum coverage of € 30.000.

Applications for a residence permit are filed with the Austrian Embassy or Consulate General before departure for Austria. In general, travel to Austria is not permitted until the application is approved.

The residence permit, once issued, is to be picked up at the issuing authority in Austria. Further, almost all non-EU or non-EFTA citizens who both apply for a residence permit and plan to stay in Austria for more than 24 months must sign an Integration Agreement.

For the first application, the filing is generally with the Austrian embassy or consulate abroad and is submitted in person. It is not admissible to file simultaneously several applications or applications with differing purposes for residence.

The types of Temporary Residence Permits most commonly used by multinational companies on global mobility assignments are:

Employee Sent on Temporary Duty (“Betriebsentsandter”)

This is for foreign nationals sent by their company as a delegate. A work permit is required. There is no visa for family members.

Rotational employee - company representative/manager/executive (“Rotationsarbeitskraft”)

This is for foreigners sent by multinational companies to work in Austria, but can be sent to different places as the company decides. A work permit is required. There are visa benefits for family members.

Self-employment (“Selbstständiger”)

This is for foreign nationals coming to fulfill a contract for a specific job. The duration must be longer than six months. There is no visa for family members.

Researcher (“Forscher”)

This is used for researchers at certified research institutes only and has specific contract requirements. There are visa benefits for family members.

Foreign Placement Permits and Work Permits

Whereas working in Austria as an employee is limited as described above, providing services in general is not, although restrictions might apply due to trade law. That means that companies may perform “projects” in Austria. In any case, a foreign placement permit (“Entsendebewilligung”) issued by the local AMS office has to be obtained by the contracting party ordering the “project.”

Two conditions have to be met. First, the “project” cannot exceed six months and, second, the employee must not work in Austria more than four months during the whole project duration. If these conditions are not met, a work permit (“Beschäftigungsbewilligung”) is required.

All requirements concerning equal payment according to mandatory Austrian law and the applicable CBAs have to be met. It is important to emphasize that the work permit requirement cannot be avoided by claiming a chain of four month “projects” to attempt continuous use of the foreign placement permit. Austrian courts would consider this an inadmissible circumvention of mandatory provisions.

Foreign employees from third countries working for a company that is situated in the EU are required to register with the AMS (“EU-Entsendebestätigung”), if they are assigned to a company with its seat in Austria. Such employees must have worked for the assigning company for at least one year or have concluded an employment contract for an unlimited period of time.

Concerning salary, Austrian law stipulates that if an applicable CBA for the business of the sending company exists in Austria, salary has to be at least the minimum salary as stipulated by the CBA. If no applicable CBA exists, the average salary of a comparable peer group of Austrian employees has to be taken into account.

Non-EU citizens may generally only be employed in Austria if the employer has either obtained a work permit (“Beschäftigungsbewilligung”) or the employee has been granted a certificate of dispensation (“Befreiungsschein”). In case of violation of those prerequisites, the local employment office may levy fines upon the employer.

Work permits may be issued if there are no other important public or economic reasons to preclude employment of a foreigner. Public reasons include the possibility to fill the job which the foreigner applied for by using an Austrian employee. Thus, no equally qualified and currently unemployed Austrian citizen should be registered with the AMS when requesting a work permit. In addition, the employee must prove access to a means of accommodation that may be considered customary in that place.

Other Comments

Settlement Permit (“Niederlassungsbewilligung”)

Non-EU/EEA citizens can immigrate to Austria upon receipt of a settlement permit.

Key Employees and Top Managers

For key employees (“Schlüsselkräfte”) obtaining a work permit is more easy. An employee might qualify as a key employee if specially educated and receives salary in a certain amount. Further criteria have to be met. A residence permit for a key employee may now be issued for up to 18 months and may be extended for several reasons. The residence permit allows the key employee to bring the spouse and children, based on the key employee - permit. Obtaining a key employee-permit is usually linked to a quota limits on the amount of permits issued per year. The employer must have a registered office in Austria.

Family members of employees already lawfully working in Austria and who are not EU citizens may only acquire an Austrian residence permit derived from their relatives, if their relative’s residence permit is of an unlimited nature. If a residence (and work) permit has only been issued for a limited period of time, relatives

wishing to join the employees in Austria have to file a separate visa request and are usually only admissible from outside of Austria.

Top Managers, the spouse and children, as well as their support and household staff, are exempt from the Austrian Foreign Employment Act. This category consists of executives of the board or management level of companies, as well as international renowned scientists who receive a salary in a certain amount. Support and household staff consists of secretaries, assistants, *etc.*, as long as they are employed by the executive.

Assignment and Employment of New Member State Citizens within a Corporate Group (Lease of Employees)

Foreign employers may generally send their employees to Austria in order to work under the direction of an Austrian company only if the AMS approves the lease of employees and confirms that:

- these employees are significantly well-qualified for the proposed tasks (*i.e.*, the employee has already held a specific position for a long period of time and therefore is “significantly well-qualified;”
- employment is only possible by sending employees from foreign countries (*e.g.*, no equally qualified Austrian employees are registered at AMS); and
- employment of those employees does not jeopardise payment and working conditions of comparable Austrian employees.

Austrian law stipulates that the employees are entitled to adequate payment and working conditions. Likewise, the assigned employees will be entitled to the same minimum wages provided by the CBA to comparable Austrian workers. “Wage” includes also supplementary grants and other benefits, but not compensation for expenses or sick pay.

Applications for the assignment of employees undergo strict scrutiny of the Austrian authorities and permits are issued seldom. However, the lease of employees in the European Economic Area does not require the prior permission of Austrian authorities.

Furthermore, Austrian law contains an important exception concerning corporate groups. The normal requirements do not have to be met if employees are leased

within a corporate group, if both, the assigning and the receiving company have their seat in the European Economic Area. Thus, no permission according to section 16 is required, but provisions of Section 10 will remain valid if the assignment exceeds a short-term period (13 weeks). Accordingly, employees who have been sent from one corporate group member to another are entitled to adequate payment according to applicable CBAs and mandatory Austrian Law. The salary has to be adequate and must not differ from the comparable peer-group of Austrian employees.

Additionally, any lease of employees requires the agreement of the affected employee to being sent to another company or corporate group member in advance, even if employment is only planned for a short-term-period.

Assignment for Project-Work

Whereas working in Austria as an employee is limited as described above, providing services in general is not, although restrictions might apply due to trade law. That means that companies may perform “projects” in Austria. In any case, a foreign placement permit (“Entsendebewilligung”) issued by the local AMS office has to be obtained by the contracting party ordering the “project,” which must be an Austrian person or entity.

Two conditions must be met. First, the “project” cannot exceed six months and, second, the employee must not work in Austria more than four months during the whole project’s duration. If these conditions are not met, a work permit (“Beschäftigungsbewilligung”) is required.

As above, all requirements concerning equal payment according to mandatory Austrian law and the applicable CBAs have to be met. Building a “chain” of such “projects” to extend the time period would not be admissible under Austrian law. The courts would consider this an inadmissible circumvention of mandatory provisions.

Foreign employees from third countries working for a company which is situated in the EU are required to register with the AMS (“EU-Entsendebestätigung”), if they are assigned to a company with its seat in Austria. Such employees must have worked for the assigning company for at least one year or have concluded an employment contract for an unlimited period of time.

EU-Citizens – Residence and Work in Austria

Citizens of the EU and Switzerland may be employed in Austria easily. They do not need any special residence or work permit, however, the general regulations on notifying the Austrian authorities of their address in Austria still apply.

Employment of employees from some new Member States is possible under certain circumstances in Austria. In general, within the transitional period starting from the date of joining the EU, such employment is subject to specific restrictions. During the transitional period, generally all citizens from the new Member States need a work permit (“Beschäftigungsbewilligung”), if they want to work in Austria and possess a freedom of movement certificate. A work permit is usually difficult to obtain, particularly with regard to mandatory consent by the responsible AMS office. The AMS is obliged to refuse its consent if Austrian employees would be equally suitable to work in the proposed position.

EU/EEA citizens making use of their right to free movement and their family members have to register their permanent residence with the authorities within three months if they intend to reside in Austria for more than three months. EU/EEA citizens may permanently settle in Austria if they: are employed or self-employed in Austria or attend an Austrian school or recognised education facility; and/or earn a secure living; and if they and their family members have sufficient health insurance coverage.

Residence status or a quota-free “Settlement permit for family members” (“Niederlassungsbewilligung-Angehöriger”) may also be available to family members of EU/EEA citizens under certain circumstances.

The residence permit “family member” (“Familienangehöriger”) applies to third countries citizens who: are the family members (spouses and underage, unmarried children) of Austrians or EU/EEA citizens; intending to unite their families to permanently reside in Austria; and are not entitled to free movement within the EU.

Further Information

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Republic of Azerbaijan

Executive Summary

Based on the statutory requirements alone, Azerbaijan could be described as a country with “open” migration laws as the laws are relatively simple and easy to follow. At the same time, practical implementation of these laws is not always straightforward and consistent. Some employers in strategic market sectors (*e.g.*, oil and gas) will often dispense with special work permit requirements when hiring foreigners, while others (*e.g.*, employment agencies hiring foreign labor) may find it difficult to comply with all legal requirements. That said, with good planning and legal support, employers should be able to comply with all legal requirements.

Key Government Agencies

Visa processing is handled by the Consular Department of the Ministry of Foreign Affairs of Azerbaijan, as well as Azerbaijani embassies and consulates abroad.

The Ministry of Labor and Social Protection of Population is responsible for issuing individual work permits to foreigners. Such work permits also require the affirmative opinion of the State Migration Service, a newly created state agency charged with implementing state policy in the regulation of labor migration. The Cabinet of Ministers of Azerbaijan sets annual quotas on the maximum number of foreigners allowed to obtain a work permit.

Other state agencies involved in the regulation of labor migration include the State Customs Committee, which registers and controls entry into and exit from Azerbaijan, and the Ministry of Internal Affairs, which issues identity cards to foreigners, registers their local addresses, *etc.*

Current Trends

Most foreigners working in Azerbaijan are involved, one way or another, in oil and gas operations. Given the tendency of “hidden” or “creeping” expropriation in some oil-rich countries, there have been suggestions that Azerbaijan might increase its control over foreign labor.

With respect to labor migration, the establishment of the State Migration Service in 2007 is believed to be driven by the State’s desire to regulate the foreign workforce

more effectively. Shortly after the establishment of the State Migration Service, the regulations on the issuance of work permits to foreign workers were amended to require the State Migration Service’s affirmative opinion as an additional requirement for issuing a work permit. That being said, Azerbaijan remains a relatively “open” country with reasonably liberal investment and migration regimes.

Business Travel

A foreign national wishing to enter Azerbaijan must have a personal passport and a visa. Additionally, all foreigners visiting Azerbaijan for a period of more than 30 days must register their passports with the local passport registration authorities at the Ministry of Internal Affairs.

Entry Visa

Entry visas grant general entrance into Azerbaijan and may be valid for single or multiple entries.

Single entry visas are issued for periods of three days to three months, permitting a foreign visitor to enter Azerbaijan only once. This visa is usually for tourism, non-recurring business trips or other short-term visits.

Short stay single entry visas (up to thirty days) may be obtained upon arrival from the Visa Section of the Consular Department at the Heydar Aliyev International Airport in Baku. Single entry visas for tourist purposes require a confirmation, invitation or tourist voucher from the receiving tourist organization or a hotel in Azerbaijan.

Multiple entry visas are issued for periods of one to two years to foreign nationals working in diplomatic missions, representative offices or consulates of foreign countries or in representative offices of international organizations in Azerbaijan or coming to study.

Single or multiple entry visas for business, education and employment purposes require an invitation from the receiving party in Azerbaijan sent through the Consular Department. If the invitation from a receiving party is not sent through the Consular Department, the traveler may submit an invitation received by fax directly from the receiving party in Azerbaijan or an employer request letter.

Return Visas

Return visas are issued at the request of a visitor who visited Azerbaijan on a single entry visa, but left before the visa's expiration. A return visa allows the holder to return to Azerbaijan. A return visa becomes ineffective if not used within six months of issuance.

Visa Waiver

The normal visa requirement is waived for nationals of CIS countries (except Armenia and Turkmenistan), Turkey and Bulgaria. Holders of diplomatic and service passports from Hungary, Cuba, Argentina, South Korea, Morocco and Jordan may also enter and leave Azerbaijan without a visa.

A foreign national entering Azerbaijan without a visa pursuant to a bilateral agreement with Azerbaijan must obtain an entry visa if the duration of the stay will exceed 90 days.

Employment Assignments

Work Permit

A foreigner coming to Azerbaijan to work may be required to obtain an individual work permit before starting work. It should be noted, however, that issuing work permits to foreigners does not necessarily subject them to the stringent requirements of the Labor Code of the Republic of Azerbaijan, which only apply if other conditions are met. It is essential, therefore, to distinguish between labor law, which regulates working hours, vacation, *etc.*, and migration law, which regulates migration issues, work permits and similar issues.

Work permits are issued by the Labor Ministry. By law, a work permit may only be issued if:

- the foreign worker is at least 18 years of age at the time of application;
- no Azerbaijani citizen with adequate professional training is available to fill the job vacancy; and
- state employment agencies are not able or have failed to propose a suitable local candidate to fill the vacancy.

A work permit may be issued for up to one year (most are issued for one year) and may be extended up to four times. Extension beyond this term (a repeat work permit) is possible if the foreign employee spends a year outside Azerbaijan after expiration of the cumulative term of the initial work permit or after employment in Azerbaijan.

The Labor Ministry has discretionary authority to determine whether to issue or extend a work permit. The term of the employment agreement with a foreign employee must correspond with the term of the work permit. If the employment agreement is terminated earlier than the originally anticipated termination date, the employing company must inform the Labor Ministry within five days. A work permit is deemed expired upon termination of the employment agreement.

An employing company may not transfer a foreigner to work on another job within the same company unless a new work permit is obtained for that new job. Similarly, a foreigner may not use the work permit to work for a new company unless a new work permit is obtained for that new company.

Exemptions from the Work Permit

Sole proprietors

Foreigners registered as “individual entrepreneurs” (*i.e.*, sole proprietors) are exempt from the work permit requirement. A sole proprietorship is defined as independent activity by a person for the primary purpose of deriving profit without establishing a legal entity. A sole proprietor must register with the tax authorities and obtain a tax identification number before engaging in business activities.

Managerial staff

A work permit is not required for the directors and deputy directors of foreign legal entities, their branches or representative offices in Azerbaijan. If, however, a foreign company establishes a subsidiary in Azerbaijan, its foreign directors, managers, and deputy directors will be required to obtain a work permit.

Short term secondees

A foreigner seconded to Azerbaijan for a period of less than three months is also exempt from the work permit requirement. By definition, a secondment suggests that a foreigner has a permanent place of employment outside Azerbaijan.

Mass media workers

Employees of foreign media agencies accredited to Azerbaijan are not required to obtain a work permit.

Education specialists

Foreign part time or full time professors engaged by local schools and universities, as well as other scholars involved in scientific research are exempt from the work permit requirement.

Diplomats and international civil servants

Foreigners engaged by their governments in diplomatic or consular services, as well as the employees of international organizations such as the United Nations, are not required to obtain a work permit.

Others

Other foreigners not required to obtain a work permit include foreigners permanently residing in Azerbaijan, foreigners employed by certain government authorities (*e.g.*, Office of the President, Cabinet of Ministers and Ministry of Defense), foreigners engaged in religious activity as members of registered religious organizations, merchant marines, sportsmen, and artisans and craftsmen.

Further Information

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Belgium

Executive Summary

Nationals from the European Economic Area or “EEA” (the European Union Member States, plus Iceland, Norway and Liechtenstein) do not require a work permit to be employed in Belgium. EEA nationals are, however, required to obtain a residence permit if the stay in Belgium is longer than three months. As an exception to this rule, the citizens of the 10 new EU Member States (except Malta and Cyprus) still need to obtain a work permit for employment in Belgium during a transitional “stand-still” period, which has recently been extended. The Belgian government did facilitate the access to the Belgian labor market for this category with respect to so-called “bottle-neck professions.”

Non-EEA nationals as a rule must obtain a work permit and a residence permit in order to work and reside in Belgium. The majority of the type B work permits issued to non-EEA nationals relate to highly qualified employees and executives who need not comply with the labor market criterion.

Upon receipt of the work permit, the employee will in most cases (depending on the nationality) need to obtain a work visa (*i.e.*, authorization to stay in Belgium for more than three months) at the Belgian consulate or embassy abroad with jurisdiction for the latest place of legal residence. The visa and the work permit must be obtained prior to the start of the employment.

Within three days after arrival in Belgium, the foreign employee must register with the local commune with jurisdiction for the intended place of residence in order to obtain a residence permit, which is valid for the same duration as the work permit. The work permit is valid only when combined with a residence permit. Working in Belgium while in possession of a work permit, but without a valid residence permit, is considered a serious offence, subject to penalties of up to € 75,000.

Key Government Agencies

Consular posts abroad are part of the Federal Public Service (“FPS”) Foreign Affairs, Foreign Trade and development cooperation agency is responsible for visa applications outside Belgium.

The FPS Foreign Affairs, Department of Federal Immigration is the competent authority for issuing Belgian residence permits. As a rule, upon obtaining a Belgian work permit and work visa, a residence permit will be valid for the duration of the work permit.

The regional offices of FOREM - the Community and Regional Agency for Employment and Vocation Training - are the competent government offices for issuing Belgian work permits. The federal state of Belgium indeed consists of three regions: the Brussels Capital region, the Flemish region in the North, and the Walloon region in the South. Work permit applications are submitted to the local Unemployment Offices and subsequently processed and approved by the regional immigration authorities.

Current Trends

As part of the efforts to attract foreign highly qualified workers, the European Union has accepted the idea of an EU work permit, the so-called “Blue Card” that allows employment of non-Europeans in any country within the EU.

The European Commission adopted two long-awaited legislative proposals on economic migration: the draft Framework Directive on the admission of highly qualified workers to the EU; and the draft Directive establishing a single application procedure for a single residency and work permit and a common set of rights for third-country workers legally residing in the EU. The “Blue Card” scheme is inspired by the U.S. “Green Card” program and aims to attract top talent to the EU to combat the aging population and declining birth rate.

In line with this European trend, Belgium - which has for many years facilitated the access of non-European highly qualified employees into its labor market - recently introduced work permit exemptions for researchers, executives working at European Headquarters in Belgium, and short-term employee training assignments. Further, the Belgian government adopted the “Limosa” project, which aims to create one electronic platform for easy application of various permits.

Business Travel

Schengen Visa

The uniform or Schengen visa is valid for the territory of all the Schengen States and permits short trips for up to 90 days over a six month period.

Foreign employees coming to Belgium on short-term business trips are exempted from obtaining a work permit, subject to certain conditions. No work permit is required if the employee's activities are restricted to attending so-called business "meetings in a closed circle" and/or attending scientific seminars, provided the stay in Belgium does not exceed five days per month. The concept of "meetings in a closed circle" is interpreted restrictively and refers to a wide range of meetings, including discussions on strategy, contract negotiations with a customer, evaluation interviews, training course, *etc.* It is forbidden to perform any productive work activity in Belgium under this status.

Foreign sales representatives having their principal residence abroad who travel to Belgium to meet with customers in Belgium on behalf of foreign companies, which do not have a branch or legal entity in Belgium, also do not require a work permit, provided their stay in Belgium does not exceed three subsequent months.

Self-employed individuals coming to Belgium for business purposes (*i.e.*, in order to visit professional partners, develop professional contacts, attend trade fairs, negotiate and/or conclude contracts or attend board of directors' meetings) do not require a professional card provided their stay does not exceed three subsequent months.

Visa Waiver

Of course, citizens of EU/EEA countries do not need a visa when traveling to Belgium.

In addition, citizens of certain privileged countries do not need a visa when traveling to Belgium for short-term business purposes. They will be allowed to enter Belgium on the basis of their nationality and upon presentation of their international passport. The length of stay is up to 90 days only.

Although no visa is required, if subject to a border control, the individual will need to be able to prove the purpose of the trip and demonstrate sufficient means of subsistence (this is, of course, not applicable to EU citizens). On entering Belgium, one may be asked for one or more of the following documents: proof of hotel reservation, departure ticket or proof of adequate means of subsistence such as cash

or credit cards accepted in Belgium or an original copy of a pledge of financial support. The business traveler must also report to the local commune of residence after arrival.

Training

Employee Training Assignments Not Exceeding 3 Months

Recent legislative changes facilitate training assignments. Foreign employees who come to Belgium to follow a training not exceeding three subsequent calendar months at the Belgian seat of the multi-national group to which their employer belongs, in the framework of a training agreement between the respective companies of the multi-national group, are exempted from the work permit requirement. The company organizing the training is, however, required to inform the local immigration authorities about the employee's stay in Belgium at the latest at the start of the training.

This specific work permit exemption is limited to three categories of employees:

- Employees who are employed with an associated company located within the EEA, irrespective of their citizenship;
- Employees who are employed with an associated company located outside the EEA and who are citizens of an OESO member state; and
- Employees who are citizens of countries with which Belgium has entered into a bilateral employment agreement (*e.g.*, Switzerland, Croatia, Bosnia-Herzegovina, Serbia and Montenegro, Macedonia, Morocco, Tunis, and Turkey).

The authorized scope of training is restrictive and may not result in any significant productive work. The exemption does not apply if the training is exclusively or primarily “on-the-job.”

Other Employee Training Assignments

Employees employed in a foreign company belonging to an international group that has a seat in Belgium and who cannot call upon the work permit exemption are eligible to obtain a type B work permit allowing them to follow training at the Belgian seat, regardless of their regular place of employment abroad and irrespective of nationality. Such training may not include any productive work or be an “on-the-job” type of training. The duration of such training is not limited.

Specific Work Permit For Trainees/Interns

There is also a specific work permit designed for the trainee or intern who, immediately after receiving a diploma or degree, wishes to undergo practical training with an employer as a continuation of the education.

In addition to the general requirements to obtain a work permit, the application for a specific trainee work permit requires the following:

- The trainee must be between 18 and 30 years old;
- The training needs to be full-time;
- The training may not exceed 12 months;
- A training agreement needs to be signed and translated in the mother tongue of the employee-trainee (or a language which the trainee understands) and needs to indicate the number of hours of training and the salary which cannot be lower than the legal minimum of the applicable business sector; and
- A training program needs to be presented together with a legalized copy of the diploma or degree.

Employment Assignments

As a general rule, a work permit and a residence permit is required for all employment assignments in Belgium and must be obtained prior to the start of the employment.

Work Permit Exemptions

Some employees are, however, exempt from obtaining a work permit. The most relevant categories are:

Citizens From The European Economic Area

EEA nationals coming to work in Belgium are exempt from obtaining a work permit. This applies to their spouse and children under the age of 21, even if they are not themselves EEA nationals. Such family members are required to obtain a “family reunion visa” to accompany or join the EEA national coming to work in Belgium.

The following 18 countries belong originally to the EEA: Austria, Belgium, Denmark, Finland, France, Germany, Greece, Ireland, Italy, Luxembourg, the Netherlands, Portugal, Spain, Sweden, the United Kingdom, Iceland, Norway and Liechtenstein.

Although Switzerland does not form part of the EEA, Swiss nationals are also allowed to freely reside and work in Belgium without any prior formalities.

EEA nationals and their family members are free to be employed by a company or to work in a self-employed status without work authorization. If, however, an EEA national plans to stay in Belgium for longer than three months, then the individual must apply for a residence permit for EEA nationals with the local municipality responsible for the place of residence. The local municipality will issue a residence permit which will be valid for five years and may be renewed automatically.

New EU Member States

The Belgian government decided to impose a two-year transition period in relation to nationals of the eight new Member States who seek to enter the Belgian labor market to undertake paid employment: the Czech Republic, Estonia, Hungary, Latvia, Lithuania, Poland, Slovakia and Slovenia. During the two-year transition period, nationals of these eight new Member States will still need to obtain a work permit to enter the Belgian labor market. The same “stand-still” regime applies to Bulgarian and Romanian nationals. Only citizens of Cyprus and Malta currently enjoy free access to the Belgian labor market.

In 2006, the Belgian government decided to facilitate entry into the Belgian labor market for nationals of the aforementioned ten new Member States. According to the new regulations, the labor market criterion is not taken into account for such nationals to the extent that their work permit application is related to professions for which the competent regional government has recognized that there is a shortage of available workers on the labor market (*i.e.*, so-called “bottle-neck professions”). The three regional governments in Belgium (*i.e.*, Flanders, Brussels, Walloon region) have issued separate lists of “bottle-neck professions.”

On May 1, 2009, Belgium can apply for an authorization with the European Commission to continue the “stand-still” transition period for another two-year period, should the migration cause serious disturbances to the Belgian labor market. After a total of seven years (*i.e.*, no later than May 1, 2011), the Belgian government will in principle no longer be able to restrict the access to the Belgian labor market vis-à-vis nationals of the new Member States.

Whereas the free movement of workers shall only apply for citizens of the new Member States upon the expiry of the above transition period, the free movement of services applies with immediate effect vis-à-vis the new Member States.

Indeed, Belgian law stipulates that the non-exemption of the prior work permit requirement for citizens of the new Member States do not apply to workers employed by a company located in a EU Member State that perform services on Belgian soil, provided that:

- Such workers are legally employed in their residence Member State; and
- Such work authorization is valid for at least the period of the services to be performed in Belgium.

In practice, this rule means that citizens of the new Member States do not require any work permit or authorization, if legally employed by an employer located in such Member State and coming to Belgium for that employer to perform services in Belgium.

European Headquarter

Executive employees working under a local employment contract of a European Headquarter in Belgium are exempt from obtaining a work permit. This exemption has recently been introduced to compensate for the fact that the former coordination center status no longer exists. Indeed, the European Commission ruled that coordination centers should disappear as coordination centers would benefit from unfair tax advantages and therefore would be incompatible with European state aid rules.

The exemption does not apply to foreign employees who are temporarily seconded to a Headquarter in Belgium from abroad and remain employed by their foreign employer. Such executives still need a work permit.

“European Headquarter” is defined as a Belgian company or subsidiary of a foreign company, provided that such company can be qualified as an associated company and performs activities of a preparatory or supporting nature on behalf of the companies of the group to which it belongs, activities in relation to provision of information to clients, and activities which passively contribute to sales transactions and/or activities which imply an active intervention in the sales.

“Executive” is defined as an employee holding a high-level function that requires a certain level of education or equivalent professional experience and whose annual remuneration exceeds € 57,162 for 2008 (indexed annually).

Although no formal work permit is required, the Belgian Headquarter must inform the immigration authorities, at the latest at the start of the employment, that the executive will commence employment in Belgium, and a certificate from a recognized auditor confirming that the company qualifies as a “European Headquarter” must be submitted.

Belgian “van der Elst Visa”

No work permit is required for individuals eligible for the so-called “van der Elst visa.” The van der Elst visa is not based on Belgian law, but rather on a ruling by the European Court of Justice. According to this ruling, a non-EEA employee regularly working for a company in one Member State A does not need to obtain an additional work permit if this employee is transferred to another Member State B.

To qualify, the employee must be working on a temporarily based project (*i.e.*, on a contractual basis) for the supply of services by its employer established in Member State A to a company established in Member State B.

Belgian law exempts such foreign nationals from the requirement to obtain a Belgian work permit provided that they:

- Are entitled to residence, or have a valid residence permit, for a period of more than three months in the Member State of the EEA where they have established residence;
- Are lawfully employed in the Member State where they have established residence and hold a permit which is at least valid during the period of the work to be carried out in Belgium;
- Possess a valid employment contract;
- Have been working for at least six months in the Member State or origin.

Students and Interns

Full-time students lawfully residing legally in Belgium do not require a work permit during official school holidays. For work activities performed during the academic year, a work permit type C is required. This work permit is granted for a maximum period of 12 months and is limited to the duration of the student’s stay in Belgium. The work permit C allows the student to work a maximum of 20 hours per week during the academic year.

Students who are taking an internship in Belgium within the context of their study program and interns employed by the Belgian government or by a recognized international institution are exempt from obtaining a work permit.

Non-EEA Nationals

In general, work permits are issued only provided there are not enough workers available in the European labor market within a reasonable period of time for the sector in question or for the specific function concerned (*i.e.*, labor market criterion), and in the case of workers who are nationals of countries linked to Belgium by international agreements or conventions on the employment of workers.

For certain categories of non-EEA nationals, work permits may be issued without the labor market criterion having to be met, which considerably simplifies the process for obtaining a work permit.

Most work permits in this category are issued to the following individuals eligible for a type B work permit:

Highly Qualified Employees or Executives

The labor market criterion is not taken into account if the foreign employee is considered either: a highly qualified employee; or an executive whose annual remuneration amounts to at least respectively € 34,261 or € 57,162 gross for 2008 (indexed annually). The validity of their residence corresponds to the duration of their work permit.

For highly qualified employees:

- If the employee earns at least € 34,261 gross salary per year in 2008, the work permit is valid for up to four years and is renewable once for another four years' period. In a renewal application, the regional labor authority may impose additional conditions with regard to the proportional representation of risk groups in the company and the shortage of highly qualified employees on the Belgian labor market.
- If the employee is not seconded and comes from one of the member states of the EU, the work permit will be valid without limitation.

For executives:

- Executives earn at least € 57,612 gross salary per year in 2008. There is no limitation on the duration of the work permit.

The application process to obtain a type B work permit takes about four weeks. The employee will have to provide, amongst other documents, a medical certificate, an employment contract, a recent certificate of good conduct and copies of academic certificates and professional qualifications. A work permit type B is always granted for a one year period and must be renewed each year, even in cases where the work permit can be granted for an unlimited period of time.

The non-EEA family members of highly qualified employees or executives, if more than 18 years old, are equally eligible for a work permit type B. The validity of their work permit will, however, be limited to the duration of the work permit of the non-EEA national they are joining. The minimum salary requirements do not apply to this category.

Specialized Technician Work Permit

The specialized technician work permit is specifically aimed at specialized technicians or engineers coming to Belgium for a maximum period of six months in order to install, start up, or repair an installation or software application developed or manufactured abroad. It should be noted that the study and analysis of the factual situation at the location of the Belgian customer, the so-called “requirement capturing stage,” prior to the development of the installation or software application, is not included. A foreign employee coming to Belgium to perform such preparatory study and analysis services should obtain a normal work permit.

Professional Card

Non-EEA nationals require a professional card for any self-employed activity in Belgium, including - depending on the factual circumstances - corporate mandates held with a company established in Belgium. The card is applied for at the Belgian consulate or embassy abroad, together with the visa application or in Belgium, in case the foreign citizen resides in Belgium.

The basis for granting a professional card is much more discretionary than the basis for granting a work permit. Demonstrating economic interests will play a major role in obtaining a professional card. The application procedure takes six months on average.

Other Comments

Caution is to be had for the new “Limosa” registration obligation when employing foreign staff or developing self-employed activities in Belgium.

In order to simplify the administrative formalities related to the employment of foreign nationals in Belgian territory, the Belgian government has recently adopted a number of measures jointly referred to as “Limosa” (Dutch abbreviation for cross-country information system).

In the long run, the “Limosa” project will lead to the creation of one electronic platform which can be accessed in order to apply for various permits. For the time being, the “Limosa” project implies an additional administrative obligation for employers. Indeed, the first step of the “Limosa” project consists of the obligation for employers who employ foreign employees (including trainees) in the Belgian territory and for self-employed individuals who perform their activities on Belgian soil to communicate a number of details in relation to such professional activities to the Belgian government (*i.e.*, through a mandatory prior electronic notification of employment/self-employed activities).

The mandatory “Limosa” notification applies to all employees and apprentices who temporarily or partially work in Belgium and who are, as a rule, not subject to Belgian social security as well as to self-employed individuals and self-employed apprentices who temporarily or partially work in Belgium, irrespective of whether they are subject to Belgian social security. There are various exemptions from the mandatory notification, including (subject to certain conditions) short-term business travel, scientific congresses, foreign government personnel, assembly, installation of goods, and the like.

The Limosa declaration can be made online at www.limosa.be. A declaration certificate (so-called “Limosa-1”) is delivered and can be downloaded or printed at once.

The company with operations in Belgium that makes use of the services of the foreign employees or self-employed individuals, directly or indirectly, is held to verify whether the “Limosa” obligation has been complied with prior to the start of the professional activities in Belgium, through delivery of the so-called L-1 declaration. Non-compliance with the Limosa registration can result in criminal sanctions and monetary penalties for both the foreign employer and the Belgian user of the services.

The identity card for foreigners is also worth a brief mention. Upon legally residing in Belgium for an uninterrupted period of five consecutive years, non-EEA nationals can obtain the so-called “identity card for foreigners” or a residence permit for an indefinite term at the local commune of residence. A residence permit for an indefinite term or an identity card for foreigners allows them to work in Belgium without having to obtain a work permit.

A work permit type A is valid for an indefinite term and for employment with any Belgian employer, as opposed to the more frequent type B work permit that has a limited duration and is valid for employment with one specific employer/location only. The type A work permit can be granted to qualified employees who have worked four years, which can be reduced to three years in some circumstances, under a type B work permit combined with a legal and uninterrupted residence in Belgium during the 10 years immediately preceding the application. Note that not just any previous employment under a type B work permit is taken into account. Previous employment as, for example, a highly-qualified employee, a specialized technician, a seconded employee, *etc.*, is excluded. The type A work permit is not usually requested, as most foreign employees receive residency rights for an indefinite term, and thus no longer need a work permit, after five years of uninterrupted stay anyway.

Finally, a type C work permit can be obtained by some individuals who legally reside in Belgium and have obtained a valid residency title (*e.g.*, refugees, students) subject to certain conditions. Such type C work permit is valid across Belgium for an employment with any Belgian employer and its duration is dependant on the duration of the residence title with a maximum of 12 months (renewable).

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Brazil

Executive Summary

Brazil covers almost 48% of South America. With a rapidly growing population, vibrant business environment, and wealth of resources, the country is an attractive destination for multinational companies and foreign professionals, as well as tourists.

To travel to Brazil, either for work, business or tourism purposes, foreigners must obtain the proper authorization to enter and remain in the country. The regulations that govern immigration in Brazil are numerous, but the visa categories and corresponding application requirements are straightforward.

Key Government Agencies

The National Immigration Council (“Conselho Nacional de Imigração”), among other duties, is responsible for the orientation, coordination and surveillance of all immigration activities.

The General Coordination of Immigration (“Coordenação de Imigração”) of the Ministry of Labor and Employment is responsible for receiving, reviewing and approving work permit applications for foreigners intending to obtain temporary or permanent visas to work in Brazil.

The Department of Foreigners (“Departamento de Estrangeiros”) of the Ministry of Justice, in its turn, deals with requests for modification or extension of some types of visas, deportation, expulsion, extradition and naturalization issues.

The Consular Division of the Ministry of Foreign Affairs, represented by the various Brazilian consulates abroad, is the authority that issues visas and the appropriate documents to those desiring to travel to Brazil, including those who previously obtained work authorization from the General Coordination of Immigration.

Business Travel

VITUR (Tourist) Visa

Tourist visas may be granted to the foreigner travelling to Brazil for a recreational purpose or visit. The foreigner must have no intention to immigrate and may not participate in activity with monetary reimbursement of any kind.

Scientists, professors or researchers attending cultural, technological or scientific conferences, seminars or meetings may be eligible for a tourist visa if their services are not paid for by organizations or corporations in Brazil, with the exception of their *per diem* allowances or expenses. Artists or athletes participating in amateur sporting competitions may receive a tourist visa if they will not receive any payment for such participation, except in the case of prizes for the winners.

The period of validity for the tourist visa is up to five years and multiple entries into the country are allowed, with each visit not exceeding 90 days. One renewal for an equal period is allowed and may be granted by the Federal Police in Brazil. The total length of stay may not exceed 180 days per twelve-month period.

All tourist visa applications are submitted to and approved by the Brazilian Consulate with jurisdiction over the foreigner, that is, where the foreigner has maintained residence for a minimum period of one year immediately prior to the request.

VITEM II (Business Trip) Visa

Foreigners entering Brazil for a business trip, except when the trip involves the provision of technical assistance (see VITEM V), are eligible for a VITEM II temporary visa. With this type of visa, the foreigner cannot receive any form of payment from the Brazilian company, will remain on the foreign company payroll and will be rendering services on behalf of the foreign company.

VITEM II visas are valid for up to five years, with a maximum yearly length of stay of 90 days, with one renewal; thus, the total number of days in the country may not exceed 180 per twelve-month period. The days counted are only those days spent within the country, interrupted upon the moment of exit from the country, and recommenced on return.

For citizens of countries that have a reciprocity policy with Brazil, the appropriate visa will be granted upon arrival in Brazil. Travelers on business trips may be asked to show a return or onward ticket as well as proof of means of maintenance.

Renewal of the visa is obtained through the Federal Police Department, and usually requires presentation of a letter from the Brazilian company being visited by the foreigner stating that the business which brought the applicant to Brazil is not yet completed and additional time, and thus an extension, is necessary.

Tourist and VITEM II Temporary Visa Waiver

Foreigners holding passports from the countries listed below do not require a VITUR or VITEM II visa:

Argentina	Honduras	Portugal
Austria	Hungary	San Marino
Belgium	Iceland	Slovakia
Bolivia	Ireland	Slovenia
Bulgaria	Israel	South Africa
Chile	Italy	South Korea
Colombia	Luxembourg	Spain
Costa Rica	Macau	Suriname
Croatia	Malta	Sweden
Czech Republic	Monaco	Switzerland
Denmark	Morocco	Thailand
Ecuador	New Zealand	The Netherlands
Finland	Norway	Trinidad Tobago
France	Paraguay	Tunisia
Germany	Peru	Turkey
Great Britain/UK	Philippines	Uruguay
Greece	Poland	Vatican City

Foreigners holding passports from the countries listed below are not required to obtain tourist visas, however, they are required to obtain VITEM II visas for business trips:

Andorra	Guatemala	Malaysia
Bahamas	Guiana	Namibia
Barbados	Liechtenstein	Panama

Holders of passports from Venezuela are only required to obtain VITUR visas after 60 days of stay and VITEM II for business trips regardless of length of stay.

Holders of passports from Paraguay are only required to obtain VITUR and VITEM II visas for trips that may last longer than 60 days.

Holders of passports from Great Britain/UK are only required to obtain VITUR or VITEM II visas for trips that may last longer than 90 days.

Foreigners holding passports from any country not listed above are required to obtain a tourist visa or a temporary visa (VITEM II) for business trips to Brazil. An updated list of countries with reciprocity agreements with Brazil is available at www.dpf.gov.br.

Training

VITEM I Visa

Cultural trip, training program, study mission or student exchange

The VITEM I temporary visa is granted to scientists, professors, researchers and participants in cultural, technological or scientific missions. Depending on the particular circumstances, the foreigner may or may not receive remuneration for services rendered except for payment of a *per diem* allowance and of living expenses. Non-professional athletes under 21 participating in training programs in Brazil may also qualify for a VITEM I visa, which is valid for two years and is not renewable.

Students pursuing a course of study under a program maintained by an agency dedicated to student exchange may also enter pursuant to a VITEM I. The student exchange entity must be duly registered with the competent controlling agency of the Public Administration.

The visa application, which includes extensive documentation, including proof of the student's acceptance into the exchange program and financial resources, should be filed with the local Brazilian Consulate authority with jurisdiction over the student. Once issued, the visa is valid for a term of one year, no renewal allowed.

Internship

The VITEM I visa is also appropriate for foreigners entering Brazil to participate in an internship, conditioned upon the agreement between the intern and the company or institution, with the involvement of an intervening party (such as an officially recognized exchange program). "Internship" is defined as a practical part of a higher-learning or professional course, which in theory contributes to the professional improvement of the intern. The intern may only receive payments of "support" or living expenses for their service, which is not legally considered a work relationship. Visas for interns are requested in the applicant's home country from the Brazilian

Consulate authority with jurisdiction, are valid for one year and are not renewable. Foreigners intending to intern with their foreign company's Brazilian subsidiary or branch would be required to file a work authorization request and obtain a VITEM V visa.

Training in the operation of Brazilian equipment and machinery

The VITEM I visa can also authorize a foreigner for training in the operation and maintenance of machinery and equipment produced in Brazil, if the trainee is not entering pursuant to a contract with the Brazilian company, and will continue to be paid from a source outside of the country. This visa is valid for 60 days, and is renewable for an additional 60 days.

VITEM V Visa

Professional training without work contract

Foreigners who intend to visit Brazil for professional training without employment ties may qualify for a VITEM V visa. Professional training is considered activity that immediately follows the conclusion of a superior or professional-level course with the goal of development of aptitudes and knowledge acquired by means of practical experience. This particular VITEM V visa is valid for one year and may not be renewed.

The visa grant is dependent upon a work permit, authorized by the Ministry of Labor and Employment, which requires proof of conclusion of the superior or professional-level course and proof of remuneration provided by a source outside of Brazil.

A foreigner may not participate in any type of paid activity in Brazil where the payment is made by a Brazilian entity. The application and contract must be filed with the Ministry of Labor and Employment by the Brazilian entity training the foreigner. As noted previously, a different temporary visa, VITEM I, is requested in cases where the foreigner will enter for professional training in the operation and maintenance of machinery and equipment which is produced in Brazil.

Internship with company's Brazilian subsidiary or branch

A foreigner employed by a foreign company traveling to Brazil for the purpose of interning with the company's Brazilian subsidiary or branch may qualify for a VITEM V temporary visa. The Brazilian company must submit the application for the work permit and visa to the Ministry of Labor and Employment. The foreigner

must continue to be paid outside of Brazil by the foreign company, and not by the Brazilian company. If the work authorization is given, the foreigner may enter Brazil for one year and may not be renewed. This visa can be requested by foreigners who are ordinary employees of the foreign company or to those who have graduated in a period less than 12 months.

Employment Assignments

VITEM V Visa

Foreigners entering Brazil to provide research skills, technical assistance or professional services pursuant to a cooperation agreement or work contract may qualify for a VITEM V temporary visa, upon approval of a work permit by the Ministry of Labor and Employment.

Unless otherwise noted, the VITEM V is valid for a term of up to two years, or the duration of the agreement or contract, if less than two years. The VITEM V is renewable for an equal period, unless specific stipulation is made to the contrary within the agreement or contract.

If contracted to work in Brazil, the foreigner will be paid by the Brazilian company and is prohibited from altering or modifying the contract without the express permission of the Ministry of Justice. If the foreigner enters under a technical assistance agreement, then compensation must continue to be sourced from the company abroad and the foreigner is prohibited from engaging in activity outside the realm of the agreement.

Prior to the granting of the visa by the Immigration division, the foreigner must obtain approval of the conditions of the work, in compliance with the requirements set forth by the National Immigration Council. In essence, this work permit allows the applicant to work for remuneration in the Brazilian company in the capacity set forth by the contract.

Professionals under work contract

Professionals entering pursuant to a work contract must satisfy the requisite educational and experience requirements relative to their expected position. In addition, their work contract must be submitted to the Ministry of Labor and Employment for approval.

VITEM V visa requests for professionals must prove that the foreigner has at least one of the following:

- Two years of relevant professional experience and at least nine years of education (intermediate level);
- One year of professional experience after graduation with a relevant university degree; or
- In case the candidate has a relevant post-graduate diploma, no professional experience is required.

Brazil has undertaken to protect and preserve job opportunities for its citizens, and to this end enforces the principle of proportionality, under which all industrial or commercial firms are required to ensure that at least two-thirds of their personnel are Brazilians. The same proportionality (2/3) must exist regarding salary. This means that the total sum of salaries paid to Brazilian employees must be more than twice the amount paid to foreigners.

Technical Assistance

In contrast to the work situations discussed previously, the foreigner entering for the purpose of providing technical assistance is contracted in anticipation of directly benefiting the Brazilian company and remains on the payroll of the foreign company.

In such cases, the VITEM V visa is valid for a period of up to one year, and may be renewed only once for another period of one year. There must be a technical assistance agreement (a covenant or a cooperation agreement are also accepted) executed between the Brazilian company (which will receive the services) and the foreign company (which will provide the services and consequently send the foreigner). Further, the applicant must provide evidence of at least three years of relevant professional experience.

Short Term Technical Assistance Temporary Visa

In case the foreigner that will provide the technical assistance does not need to stay in Brazil for a period over 90 days, a short term technical assistance temporary visa may be granted without all the requirements that need to be accomplished in order to obtain the ordinary Technical Assistance Temporary Visa. The application process for this work permit is usually faster than the other ones, which may be helpful in

case the Brazilian company cannot wait too long to receive the technical services to be provided by the foreigner.

Emergency Technical Assistance Temporary Visa

In cases of urgent need or emergency, the Brazilian Consulate authority may issue a VITEM V emergency temporary visa for foreigners providing technical assistance. The visa is valid for 30 days, with no renewals allowed. In addition, the emergency temporary visa may only be granted one time within a period of 90 days to each foreigner.

This visa may only be granted when the applicant provides evidence of a situation of emergency in a Brazilian company, which requires urgent travel to provide technical services.

An “emergency” is considered to be one that, caused by unexpected circumstances, puts in risk life, the environment or property/assets patrimony, or that had caused the interruption of the operation of the activities of the Brazilian company.

Other Comments

There are other types of temporary visas less commonly applicable to employment assignments for multinationals.

In addition, a permanent visa may be issued conditioned upon specific qualifications of the applicant, including specialization of skills offered, technology assimilation and attraction of resources to particular sectors of the economy. Further, the Brazilian Consulate may grant permanent visas for “family reunion,” where the foreigner is joining a family member of Brazilian nationality or holder of a Brazilian visa.

In practice, executives who are appointed to management positions (Administrator, Director) in Brazilian companies are also eligible for a permanent visa. The granting of this visa to the executive is conditioned upon the experience of the applicant in managerial positions within the company’s group, as well as their particular managerial abilities.

The granting of some permanent visas require approval of a work permit by the Ministry of Labor and Employment, which may be granted based upon consideration of the factors noted (foreign investment, experience, skills, *etc.*).

The granting of the permanent visa is conditioned, for a time not to exceed five years, on the exercise of activity of a fixed and certain nature in a determined region within the national territory. The foreigner may not modify the employment conditions before completion of the five-year period, otherwise the permanent visa may be cancelled. The fixed activity and the determined region may not be altered without express consent from the appropriate immigration authority.

Further Information

Baker & McKenzie's Immigration Laws in Brazil provides further information about Brazilian visas, immigration, and citizenship.

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Canada

Executive Summary

Canadian immigration law facilitates both the temporary and permanent movement of workers. In fact, the fastest growing area of movement into Canada, and a key focus of the federal government, is the temporary foreign worker program.

In 2009, the government will introduce major steps to expand opportunities for these workers to remain permanently in Canada. In addition, provincial governments have over the last decade gradually introduced their own immigration selection programs, many of them focusing on employee recruitment. No relocation strategy is complete without a review of all 11 federal and provincial programs.

Key Government Agencies

Citizenship and Immigration Canada (“CIC”) is the largest of the Canadian government immigration agencies, with visa offices around the world and local offices for certain temporary and permanent immigration processing. By and large, the 10 Provincial Nominee Programs are run through the provincial ministries responsible for citizenship and immigration, usually located in government offices within provincial capitals.

The federal government’s department responsible for the labour market, Human Resources and Social Development Canada (“HRSDC”), receives applications for approximately half of temporary worker applications; the other half are eligible to apply directly to CIC at a visa office abroad, or Canadian port of entry. Finally, provincial governments regulate labour standards, and are increasing their involvement in the area of foreign workers, and enforcement of employers that do not comply with their objections.

Current Trends

Whereas immigration levels have remained at a steady level (approximately 250,000) for the past decade, the level of temporary entry has substantially increased due largely to labour market demand. Students, workers, and business visitors have seen healthy increases and the trend is expected to continue for the foreseeable future. Strong economic fundamentals and industry performance with burgeoning natural resources, IT, financial services and advanced manufacturing sectors ensure

a growing demand for foreign workers. In 2007, approximately 150,000 foreign workers bolstered Canada's labour force. Major changes will be made to Canada's immigration system in 2009 that will expand opportunities for these foreign workers and their employers.

On the compliance and enforcement side, both federal and provincial governments will balance the trend to expand economic immigration, with increased vigilance of employers that participate in foreign worker and immigration programs, by introducing new programs to fine and sanction employers. Compliance with foreign worker and immigration programs is crucial for domestic and multinational companies that wish to do business in Canada and avoid serious repercussions.

Business Travel

Foreign nationals may enter Canada to engage in business or trade activities. Generally, the employer's remuneration, principal place of employment and accrual of profits must remain outside Canada. Furthermore, there must be no intent to enter the Canadian labour market (*i.e.*, no gainful employment in Canada), and the foreign national's activities must be international in scope. Most often, these activities fall within the scope of research, design, growth, manufacture, production, marketing, sales, distribution, and both general and after-sales services. Attending business or board meetings, conventions, conferences and negotiating contracts are common reasons for business entry. Dependents of business visitors may apply for visitor status to enter into Canada, as can persons employed in a personal capacity by short term temporary residents, such as caregivers.

There is no standard amount of time granted to applicants for business entry. Canadian immigration officers consider the activities being conducted. Generally, sales trips, business meetings, conference attendance or training sessions last only a few days, and the time permitted will be consistent with the business needs, but longer amounts of time will be granted where appropriate. Individuals will generally not be issued a business stay of over six months. Rather, they will have to apply for an extension while in Canada, which is filed at Canada's inland processing centre in Alberta.

Visa Waiver

Canada exempts nationals from the following countries from the need to obtain a visa as long as they have valid passports:

Andorra	Iceland	Poland
Antigua/Barbuda	Ireland	Portugal
Australia	Israel	St. Kitts/Nevis
Austria	Italy	St. Lucia
Bahamas	Japan	St. Vincent
Barbados	Korea	San Marino
Belgium	Latvia	Singapore
Botswana	Lithuania	Slovakia
Brunei	Liechtenstein	Solomon Isl.
Czech Republic	Luxembourg	Spain
Cyprus	Malta	Swaziland
Denmark	Mexico	Sweden
Estonia	Monaco	Slovenia
Finland	Namibia	Switzerland
France	Netherlands	United States
Germany	New Zealand	Western Samoa
Greece	Norway	United Kingdom
Hungary	Papua New Guinea	

This visa exempt list changes from time and should always be checked before travel at www.cic.gc.ca/english/visit/visas.asp.

Training

There is a fine line between when a foreign national can simply enter as a business visitor, and when a work permit is required. Employers must carefully consider the parameters of the training, or plans may go awry at the border, delaying business requirements and training plans.

Training under business entry vs. training requiring work permit

Short-term training, particularly of an employee of a related corporation abroad, will be permitted to enter as a business visitor as long as the trainee continues to be paid abroad, and does not cross over into work or assisting the Canadian entity.

Those coming to provide can also often enter as business visitors, including training contemplated in the after-sales service provisions of a contract. For instance, coming to train Canadians on machinery or software does not require work permits, as long as the contract clearly sets out the training requirement.

Public speakers (for conferences/company meetings) may also qualify as business visitors, or require work permits, depending on the situation. Guest speakers for short-term events of less than five days (such as conferences) may also qualify as business visitors, or require work permits, depending on the situation. These speakers normally qualify as business visitors if they rent out their own space and charge their own admission. However, commercial speakers hired by a Canadian company to provide training services for their employees require work permits.

Work permits must be obtained for commercial trainers or speakers contracted from outside a company to train Canadian employees (unless the training falls under the after-sales service provisions of a contract). U.S. and Mexican nationals may benefit from the North American Free Trade Agreement (“NAFTA”) provisions that allow professionals to obtain work permits for pre-arranged training sessions for subject matter within the trainer’s profession.

Employment Assignments

In most cases, employers should consider work permits for international assignments. Canadian law provides various routes to work permits. Still others were introduced through the ongoing development and expansion of provincial nominee programs, which provide for work permits as an adjunct to permanent residence applications.

There are three ways in which foreign nationals may enter Canada for international assignments involving activities considered to be “work.” They are, from the most straightforward to complex:

- Work that is exempt from the need for a work permit;
- Work requiring a work permit, but exempt from a labour market opinion (LMO); and
- Work requiring an LMO.

Before the most appropriate entry is selected, a company must determine whether the employee will be engaged in “business” or “work” activities while on assignment in Canada. There is often a fine line between these two types of entry. Business visitors must enter Canada to be doing business, not work.

“Work” generally means an activity for which wages or commission is earned, or one that competes directly with activities of Canadians, even where wages are not being paid. Most international assignments of a period of more than a week or two would fall under the classification of work, save for after-sales services provisions of a contract, or short-term business visits where work is done via internet or telephone if the employer and remuneration remain outside Canada.

Activities not considered to be work include charity duties for which a person would not normally be remunerated, or helping a friend/ family member while in Canada (such as babysitting or with household repairs). Work done via internet or telephone when the employer and remuneration are outside Canada, and self-employment where the individual does not enter the labour market are also not considered to be “work” requiring a work permit: they, as discussed above, are business visitors.

Work that is exempt from the need for a work permit

The vast majority of foreign nationals entering Canada to do “work” rather than business, require a work permit. There are, however, certain exceptions to this rule. Individuals who qualify for work permit-exempt work would not typically be international assignees of companies. The most frequent work permit-exempt workers include:

- Diplomats and representatives of international organizations (of which Canada is a member), and their accompanying dependents;
- Visiting members of armed forces;
- On-campus work for full-time international students;
- Certain athletes, speakers, performing artists, crew, and referees;
- Certain individuals on conference organizing committees;
- Certain religious workers and clergy;

- Students with practicums in the health field;
- Emergency workers, including those rendering medical services; and
- Certain transportation workers, including aviation inspectors and crew involved in international transportation.

As is evident from this specialized list, the vast majority of companies hiring foreign workers cannot benefit from exemptions and require work permits.

Work permits exempt from Labour Market Opinions

The general rule states that any foreign national doing “work” must obtain a work permit unless there is an available exemption (*i.e.*, business visits and other activities in the bulleted list above). There are two types of work permits applicable to international assignments: work permits requiring labour market opinions (LMOs), and those that are LMO-exempt.

LMOs add complexity and time to the process. Therefore, in considering any international assignment, companies should consider whether any LMO-exempt work permit’s are available. Canadian immigration law establishes various categories for LMO exemptions. The most common for international assignees follow.

Intra-company Transfers

Multinational companies seeking to temporarily transfer foreign employees for assignment to Canadian operations often use the LMO-exempt transferee category, initially valid for assignments of up to three years, and extendable in two-year increments. Executive and managerial-level employees can obtain this status for seven years, whereas specialized knowledge employees are limited to five years.

Individuals must be coming to assume a position where an executive and managerial-level post must generally manage other employees, although management of crucial company functions or processes may qualify. Employment in a specialized knowledge capacity requires proof that the employee holds knowledge of the organization’s products, services, research, equipment, techniques, *etc.*, or an advanced level of expertise in the organization’s processes and procedures. The applicant should be coming from a similar company post outside Canada, which the applicant occupied for at least one continuous year in the past three.

There are a number of relationships that qualify, but all generally rely on common majority control (*e.g.*, parent-subsidiary, subsidiaries of a common parent, branch or representative office).

Under Canada's previous immigration law, the intra-company provisions were more generous to U.S. and Mexican nationals under both NAFTA and General Agreement on Trade in Services ("GATS"). Current law creates parity between nationals qualifying under these international agreements, and all other workers, such that it no longer makes a difference which intra-company transfer provisions are used. That being said, there are definite advantages provided by these and other international agreements for international assignees.

International Agreements

Many International Agreements allow international assignees with certain nationality to obtain work without labour market opinions, as long as they have employment opportunities in Canada. These agreements include:

- Artists Residencies Program (USA, Mexico)
- Professional Trainees (Bermuda)
- Canada Chile Free Trade Agreement ("CCFTA")
- Film Co-Production Agreements
- General Agreement on Trade in Services ("GATS")
- International Air Transport Association ("IATA")
- Seasonal Agricultural Program (Certain Caribbean countries)
- Professional Accounting Trainees (Malaysia)
- North American Free Trade Agreement ("NAFTA")
- Organization for Economic Co-operation & Development ("OECD")
- Scientific and Technical Cooperation Agreement (Germany)

The most widely commonly used of these agreements for international transfers are NAFTA and GATS, which both allow certain professionals and skilled workers to come to work in Canada for periods of up to a year, subject to extensions.

North American Free Trade Agreement (NAFTA)

NAFTA has a list of over 60 occupations, the most commonly used of which include accountants, architects, economists, engineers, hotel managers, industrial/graphic/interior designers, lawyers, management consultants, research assistants (in post-secondary institutions), scientists (botanists, geologists, chemists, *etc.*), scientific technicians and technologists, teachers, technical publications writers, urban planners and computer systems analysts. Some of these require licenses, and/or a post-secondary education. Health professions (which all require degrees and provincial licenses) include doctors, nurses, dentists, nutritionists, dietitians, medical laboratory technologists, occupational/physiotherapists, pharmacists, psychologists and veterinarians.

These “NAFTA Professional” work permits are issued for up to a year, but may be extended multiple times in most occupations.

General Agreement on Trade in Services (GATS)

GATS international mobility provisions are much narrower than NAFTA’s, although GATS applies to over 150 signatory countries (including the U.S. and Mexico). GATS only provides for one 90-day work permit in any 12-month period for nine occupations (engineers, agrologists, architects, foresters, urban planners, foreign legal consultants, land surveyors, geomaticists and senior computer specialists). All but the last two must be licensed and have degrees (although computer specialists can have equivalent work experience).

IT/Software Workers

A special program was created in 1996 to facilitate processing of work permits for IT specialists in high demand occupations. The occupational descriptions have become somewhat outdated, and the government is considering changes to the occupations. For now the exemption category still exists and is an excellent way to expedite the entry of qualified IT workers under the seven occupations: senior animation effects editors; embedded systems software designers; MIS software designers; multimedia software developers; software developers (services); software developers (products); and telecommunications software designers.

Reciprocal Employment

This category can be used for international exchanges both in public and private sector contexts. The purpose of this LMO exemption is to provide complementary opportunities for international work experience and cultural interchange. It includes well-known student work-abroad programs (such as SWAP and AISEC), which are negotiated on a reciprocal basis by Canada's Department of Foreign Affairs and International Trade.

Companies can also use this exemption category if they create equivalent opportunities for Canadians abroad. For companies to benefit from these work permits, a formal exchange or employee transfer program, or at minimum positions for Canadians sent abroad, should be provided. Entry under this exemption must result in a neutral labour market impact. Note that direct reciprocity does not need to be demonstrated for academic exchanges.

Other types of common LMO-exempt work permits

Several other LMO-exempt categories are available, and include:

- Significant Benefits work permits (includes entrepreneurs/self-employed persons);
- Post-graduation employment (for international students); and
- Research, educational or training programs, including post-doctoral fellows and award recipients.

These categories are not traditionally used for intra-company international assignments, but are useful alternatives to consider international recruitment strategies in other contexts.

Work permits requiring Labour Market Opinions

International assignees who do not fit into any of the exemptions discussed above must obtain a labour market opinion before they are eligible to receive a work permit. LMOs would typically be necessary for persons who are not being transferred from a foreign affiliate, who have not studied in Canada, and who do not have a designation that could qualify under one of the NAFTA or GATS occupational exemptions discussed above. LMOs are obtained from Human Resources and Skills Development Canada (HRSDC).

The LMO process can be lengthy, including the requirement to recruit and advertise, screen out applicants and explain why Canadians do not qualify for the position. LMO can take anywhere from three weeks to six months to adjudicate (depending on the province, due to varying case processing demands).

The HRSDC officer takes six factors into account in deciding about the foreign worker request, namely whether:

- the work is likely to result in the direct job creation or job retention for Canadian citizens or permanent residents;
- the work is likely to result in the creation or transfer of skills and knowledge for the benefit of Canadian citizens or permanent residents;
- the work is likely to fill a labour shortage;
- the wages and working conditions offered are sufficient to attract Canadian citizens or permanent residents and retain them;
- the employer has made, or has agreed to make, reasonable efforts to hire or train Canadian citizens or permanent residents;
- the employment is likely to adversely affect the settlement of any labour dispute in progress.

Even if the application for the foreign worker confirmation is successful, employers must undertake to train Canadians to ultimately take over the position (hence the “temporary foreign worker” program title). An employer must ultimately satisfy the government that the foreign worker will have a neutral or positive economic effect on the Canadian labour market.

A broad advertising and recruiting process can be averted if the occupation being offered is listed on the relevant province’s “Occupations Under Pressure” list. Companies can apply simultaneously with CIC for the work permit. However, a work permit cannot be issued by CIC until HRSDC grants the LMO. Visa-exempt individuals may apply directly at a port of entry if in possession of an LMO.

Companies requiring many foreign workers may apply for bulk LMOs, which facilitate the issuance of individual-specific LMOs at a later date. Bulk approvals are useful where larger-scale labour market shortages can be demonstrated, and recruiting may occur at a later date. Another bulk option newly available to Alberta and

British Columbia employers, called the E-LMO, accelerates the approval process, for jobs in 33 critical skilled occupations.

A new program, commonly referred to as the “Low-skilled Pilot,” allows companies to obtain LMOs for semi and low-skilled foreign workers if the employer meets hiring conditions, including transportation costs and providing affordable housing.

Finally certain industries have approached HRSDC for industry labour market validation letters. This has helped industries such as the IT and construction industries to obtain concessions, having been able to demonstrate grave labour market shortages.

Province of Quebec

Quebec is the only province that has its own immigration selection system (other province-run provincial nominee programs, which differ in scope and size from Quebec’s program). In terms of work permits, international assignees who benefit from any of the above-mentioned foreign worker exemptions need not apply to the province; those who do not must obtain a Certificat d’Acception (CAQ) from Quebec, and only then can apply for a work permit.

Spouses and Children

Spouses are eligible for open work permits, and dependent children are eligible for study permits for most international transfers. In order for spouses and children to qualify for such dependent status, the transferee simply has to be entering Canada to occupy a high-skilled position that falls under Canada’s National Occupation Classification codes O, A and B. These classifications cover both professional occupations and skilled trades. For instance, managers, financial analysts, engineers and scientists fall under the NOC O and A codings. Secretaries, bookkeepers, bricklayers and drywallers are all NOC B codings.

Elementary and secondary school children may not require study permits when accompanying international transferee parents. The Canadian assignees’ dependents would be able to work and attend school. The spouse must pass a medical examination before being able to work with children or in a health care occupation.

Other Comments

There are major changes afoot in Canada which will likely result in the need to reconsider foreign worker strategies. These include new legislation that will change processing priorities (Bill “C-50”), and the Canada Experience Class (CEC). Implementation of both new initiatives is expected in the Winter of 2008/2009.

Likely changes to Canada’s foreign worker program include new enforcement measures, such as penalties against non-complying employers. These changes will likely also be announced over the next year.

Another new initiative is the imminent establishment of provincial-federal Temporary Foreign Worker Agreements, which will create new opportunities for companies’ international assignments. Many of these groundbreaking initiatives in Canada were precipitated by the significant growth of temporary entry to Canada, and particularly by foreign workers and Canada’s burgeoning labour market.

Further Information

Baker & McKenzie’s *Canadian Immigration Alerts* provide regular updates on current developments and the firm’s *Canadian Business Immigration Manual* provides a detailed overview of Canada’s immigration laws.

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Chile

Executive Summary

Chilean law provides many solutions to help employers of foreign nationals. These range from temporary, nonimmigrant visas to permanent residence. Often more than one solution is worth consideration. Requirements, processing times, employment eligibility, and benefits for accompanying family members vary by visa classification.

Key Government Agencies

The respective Chilean Consulate, if the applicant is outside Chile, is responsible for visa processing at consular posts abroad. In case the applicant is already in the country, the Ministry of Interior, through its Immigration Department (“Departamento de Extranjería y Migración”) will process visas. Inspection and admission of travelers is conducted by the National Customs Service at Chilean ports of entry and pre-flight inspection posts.

Current Trends

Chile has changed in the last two decades from an exclusive emigrants generating country to a place of interest to immigrants from several nationalities. Yet compared with other countries, foreigners represent a small part of the country’s population. Even so, the presence of so many multinational companies in Chile has increased the number of visa applications significantly in the last decade.

Foreign workers are protected by Labor Law almost in the same way as Chilean employees. Only a few differences are observed (*e.g.*, a company operating in Chile must not have more than 15% of foreign employees).

Immigration is taking on more importance in the country’s legislation. A new Immigration Regulation that includes international commitments made by Chile, is part of the current President of the Republic’s agenda.

Business Travel

Tourist in Business Travel

Foreign nationals coming to Chile with short term business purposes and without engaging in remunerated activities are considered tourists and, as a general rule, do not require previous authorization to enter the country. Only individuals from certain nationalities (*e.g.*, Cubans) require such authorization, called the Tourist Visa, which can be requested at the Chilean Consulates of the country of origin.

Tourist status authorizes a broad range of commercial and professional activity in Chile, including consultations, negotiations, business meetings, conferences. Employment in Chile, however, is not authorized.

The permitted length of stay is up to 90 days, with the possibility of stay extension applications for up to another 90 days (days are counted from the date of entry to Chilean territory). The Border Control Authority may limit the period of stay at the moment of entering the country.

An accompanying spouse or children can be admitted under the same Tourist status. Proof of financial ability to stay in Chile may be required at Police discretion.

Training

As Tourist

For short term training for up to 180 days - including all possible extensions, which are discretionary - tourist status is sufficient. The features of tourist status described above for Tourist in Business Travel are applicable.

Remunerated activities are allowed unless the foreign national receives a Work Permit, which is a special tourist visa that enables foreigners to work for a limited period of time. In order to obtain it, a letter from the visa sponsoring company is required.

As Holder of a Temporary Visa

A Temporary Visa allows its holder to stay in the country for a maximum period of one year and may be renewed only once for the same period. The temporary resident visa is granted to foreigners whose residency is considered useful or advantageous for the country and allows its holder to carry out any legal activities without special limitations. This is the case of executives, investors, traders, fund

holders and, in general, business people who travel to Chile for periods lasting more than 90 days for reasons of their activities or interests in the country.

This visa is granted as a “holder” to the interested person, as well of a “dependent” to the members of the family.

Once the one year period has elapsed, the holder may apply for an extension thereof or permanent residency in the country. After two years of residence in Chile, the holder shall either apply for permanent residency or leave the country.

Student Visa

In case training involves studying in an educational institution duly acknowledged by the State, a Student Visa can be used. The duration of this visa is up to one year renewable for equal terms. This visa does not allow its holder to execute remunerated activities, yet an additional work permission can be requested.

Employment Assignments

Work Contract Visa

This is a visa granted to foreign nationals who come to Chile with the purpose of complying with a work contract. The same visa is given as dependents to the family of the applicant. The dependents cannot perform, as such, remunerated activities, unless they apply for their own visas.

In order to obtain this visa, a number of conditions must be satisfied.

First, the employer (company or individual) has to be legally domiciled in Chile.

Second, professionals or specialized technicians must document their qualifications with copies of their corresponding degrees or titles.

Third, the work contract on which the visa is based must be signed and notarized in Chile by the employer and the employee or their representatives. However, if the applicant is abroad, the work contract may also be submitted to the Chilean Immigration Authorities with the sole signature of the employer. If the contract is signed abroad, the signatures have to be authorized by the corresponding Chilean Consul and then legalized in Chile before the Chilean Foreign Affairs Ministry. Of course, the work contract has to comply with Chilean labor and social security laws.

Fourth, the parties have to stipulate to a special clause in the work contract stating the obligation of the employer to afford the employee and his family the costs of their return to their country of origin or to the foreign country that both parties agree.

The Work Contract Visa has a maximum duration of two years and it may be extended for the same term. If the duration term is not specified in the passport, it will be understood that such term is the maximum.

In any event, termination of the work contract will cause the visa to expire. This is without prejudice to the right of the visa holder to apply for a new visa or permanent residency.

The holder of the Work Contract Visa will be able to apply for permanent residency only after two years as a holder of such visa.

In case the foreign national executes his activities in a company in Chile, but will be remunerated abroad, a Temporary Resident Visa is the appropriate one.

Temporary Resident Visa

The temporary resident visa is granted to foreigners whose residency is considered useful or advantageous for the country. This is the case of executives, investors, traders, fund holders and, in general, business people who travel to Chile for periods lasting more than 90 days for reasons of their activities or interests in the country.

As in the case of the Work Contract Visa, this visa is also granted as a “holder” to the interested person and as a “dependent” to the members of his family.

The temporary resident visa has a maximum duration of one year and may be renewed only once for the same period. If the visa stamp does not specify the term for which it was granted, it will be understood that its duration is the maximum. Once the one year period has elapsed, the holder may apply for an extension thereof or permanent residency in the country. After two years of residence in Chile, the holder shall either apply for permanent residency or leave the country.

Work Permit

For work assignments of up to 60 days, including possible extensions, a Work Permit is a sufficient authorization. This is a special tourist visa that enables foreigners to work for a limited period of time.

Entry based on International Agreements

Chile has subscribed Free Trade Agreements with the US, Canada, and Mexico that contain alternatives for entering the country.

Foreign nationals from these countries coming as business visitors, professionals, and intra-company transferees, as well as traders and investors, may obtain temporary residence which allows them to work. It is possible for them to work for more than one employer at the same time, provided that such jobs are within the category applied for, as mentioned in the respective application. The permitted length of stay varies from up to six months to one year according to the business person category. Extensions can be requested.

Family dependents may accompany the principal visa holder if they meet the general immigration regulations or may be qualified separately according to the Agreement or according to the general immigration rules.

Business persons may apply for these specific visa categories in any Chilean General Consulate abroad. Visa applications may also be submitted at the Aliens and Migration Department of the Ministry of the Interior, in Santiago.

Please note that the Free Trade Agreement between Chile and the U.S. exempts for the first 18 months U.S. citizens from the foreign employment limitation.

For more information on these Free Trade Agreements please visit:

- www.extranjeria.gov.cl/filesapp/manual_tlc_usachile_en_ingles.pdf
- www.extranjeria.gov.cl/filesapp/manual_castellano_canada.pdf
- www.extranjeria.gov.cl/filesapp/manual_mexico.pdf

Other Comments

Permanent residence can be obtained after residing in the country. Terms of residence varies according to the type of residence held. In the case of a Work Contract Visa, permanent residence can be required after a stay of two years without interruption. For Temporary Visa holders, the request can be made after a stay of one year without interruption. Student Visa holders can make their request after a stay of two years without interruption, with the additional requirement that the student must have finished studies.

A resident with Permanent Residence has the right to reside in Chile indefinitely and carry out any type of legal activity. Permanent Residence is tacitly revoked if the main holder remains outside Chile during an uninterrupted period of more than one year.

Chilean Nationality can be obtained by children born in Chile of foreign parents in a transit status (*e.g.*, tourists, irregular residents) and children of foreigners who are in Chile performing a specific service to their Government. In addition, Chilean Nationality can be granted by special grace through a law. This does not occur frequently, but has been granted to entrepreneurs who have made a significant contribution to Chile.

Further Information

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The People's Republic of China

Executive Summary

The People's Republic of China ("PRC") is the number one destination for global multinationals. From business trips to negotiate customer contracts to employment assignments to manage subsidiary manufacturing operations, most human resource managers must eventually, if not frequently, deal with PRC visa and immigration issues.

To encourage economic growth and firmly establish its role in international markets, the PRC has comprehensive laws and regulations to deal with foreign nationals coming to do business. While the laws are generally national in scope, the practices and procedures are often dictated by local government offices, giving rise to significant variation within the country.

Further, the Special Administrative Regions (*e.g.*, Hong Kong and Macao) have retained their own immigration systems, which are discussed in separate chapters.

Key Government Agencies

The Ministry of Foreign Affairs operates the PRC diplomatic missions, consular posts, and other agencies abroad, which are responsible for processing visa applications.

The Ministry of Public Security's Divisions of Exit and Entry Administration of local Public Security Bureaus ("PSB") are responsible for processing visa renewal applications domestically. The local Divisions of Exit and Entry Administration of the PSB are also responsible for processing foreigners' Residence Permit applications.

The labor administrative authorities of provincial level are responsible for the administration of employment of foreigners, as well as Hong Kong, Macau, and Taiwan ("HMT") residents, in China.

The state or provincial Administration Bureau of Foreign Experts Affairs is responsible for processing Foreign Expert Certificates, which give qualified foreigners the authorization to work in China in lieu of employment permits.

Current Trends

The local rules and policies governing foreigners’ employment permit and residence permit applications vary significantly from city to city and are constantly changing. In some cities, foreigners are required to submit penal clearance certificates issued from their home countries when applying for employment licenses, and must enter China using a “Z” work visa in order to apply for employment permits and residence permits. The PSB authorities in some cities, notably Beijing, require former PRC nationals to deregister their household registration (“Hukou”) before issuing residence permits.

Business Travel

Business F Visa

Foreigners who travel to the PRC for business visits, for speaking engagements, or to exchange knowledge on scientific and cultural topics, for a period of no longer than six months should apply for an F visa.

Foreigners should generally apply for an F visa at PRC consular posts, many of which now require an original visa notification letter issued from an authorized government unit in the city where the foreigners will visit. Normally, there are three types of F visas which can be obtained through an overseas visa post or travel agency in Hong Kong.

Type (or number) of Entry	Validity	Duration of Stay Per Visit
Single	90 days	30 days
Double	180 days	30 days
Multiple	180 days or 365 days	30 days

Visa Waiver

Currently, nationals of Brunei and Japan can enter and stay in the PRC for a period of not more than 15 days without applying for a visa, provided the purpose of the visit is for carrying out business, sightseeing, meeting relatives or transit. The visa waiver program for Singapore nationals was suspended on July 1, 2008, and is expected to be reinstated after the 2008 Beijing Olympics Games.

Training

Business F Visa

There is no specific visa designed exclusively for training. Foreigners coming to the PRC for training of less than six months can apply for an F visa. They cannot be compensated locally and are not authorized to engage in productive, on-the-job training.

Employment Assignments

Employment Z Visa

Foreigners who wish to work in China should apply for an Employment Z visa. In addition, they will need to secure an Employment Permit (or a Foreign Expert Certificate) and Residence Permit after entering the PRC.

To apply for a Z visa, the employer in China should firstly sponsor the applicant to obtain an Employment License or, under certain circumstances a Foreign Expert License, which will be submitted to a relevant approval authority for the issuance of a visa notification letter for a single-entry Z visa.

The Employment License

According to the relevant regulations, foreigners seeking employment in China should meet the following conditions:

- 18 years of age or older and in good health;
- With professional skills and job experience required for the intended employment;
- With no criminal record;
- A clearly-defined employer; and
- With a valid passport or other international travel document in lieu of the passport.

In principle, foreigners who meet the above conditions are eligible to apply for an Employment License. However, the labor authorities at the provincial level may interpret the above conditions according to their own practice. For example, employment applications from foreigners over the age of 60 are in general not entertained. Furthermore, in many cities, university education plus two years

relevant work experience is deemed to be the minimum requirement for foreigners who apply for an Employment License. In some places, the applicant even has to assume a post of managerial level or a post requiring special knowledge that cannot be satisfied by the local labor source to be qualified for an Employment License.

The applicant is also required to undergo a medical examination. If the examination is done at an approved hospital overseas, it can be forwarded to the relevant health center in the PRC for verification. Please note, however, that health centers in the PRC often refuse to verify overseas medical reports. In such cases, the applicant must physically complete the medical examination in the PRC after entering on a non-resident visa. Accompanying dependents 18 and over also must complete medical examinations.

It is not necessary for a Resident Representative Office of an enterprise from a foreign country to apply for an Employment License when appointing a foreigner as its Chief Representative or Representative in China. The Representative Office must however seek authorization from the appropriate “approval authority” and register such approval. Such approval is registered with the Local Administration for Industry and Commerce (“AIC”). Upon registration, a Working Card (also known as a “Representative Certificate”) will be issued to the Chief Representative and each of the other Representatives.

Upon the issuance of an Employment License or a Representative Certificate, the employer can then apply to the relevant approval authority - usually the local commerce bureau or the local commission of commerce - for a single entry Z visa notification letter. If the foreigner will bring accompanying family members (*e.g.*, spouse, parents or children under 18) to live in China, the employer should arrange Z visa notification letters for the accompanying family members as well.

The Foreign Expert License

The Foreign Expert License is issued by the PRC National Foreign Expert Bureau or its local counterparts. Foreigners who apply for the license must be in good health, with no criminal record and meet the definition of one of the following categories:

- Foreign professional technical or administrative personnel who work in China to implement agreements between governments or international organizations;

- Foreign professional personnel who work in China in the areas of education, science research, news, publishing, culture, art, health or sport, *etc.* The foreigner should also have a degree higher than a bachelor degree and more than five years of working experience;
- Foreigners who hold a position higher than Deputy General Manager, or foreign senior technicians, or administrative personnel who enjoy the same treatment in enterprises in China;
- Foreign representatives of overseas expert organizations or agencies for talented people; or
- Foreign professional technicians or administrative personnel in the areas of economics, technology, engineering, trade, finance, accounting, taxation or tourism, *etc.*, and who have special skills that are difficult to source in China. The foreigner should also have a degree higher than a bachelor degree and more than five years of working experience.

Once the Foreign Expert License has been obtained, the employer can then apply to the relevant approval authority for a single entry Z visa notification letter. If the foreigner will bring accompanying family members to live in China, the employer should arrange Z visa notification letters for the accompanying family members as well.

Issuance of a Single Entry Z Visa

Upon receipt of the Employment License/Representative Certificate/Foreign Expert License and the Z visa notification letter, the applicant should contact the PRC consulate or embassy indicated on the visa notification letter for the issuance of a single entry Z visa.

Post Visa Formalities

Once the Z visa is issued, it is usually valid for 90 days. The foreigner must enter the PRC within that period. Within 15 days of arrival, the foreigner holding an Employment License or a Representative Certificate must obtain the Employment Permit from the local labor bureau. The foreigner holding a Foreign Expert License will obtain the Foreign Expert Certificate instead of the Employment Permit. Within 30 days of the arrival, the foreigner and accompanying family members must obtain the appropriate residence permits on the strength of the principal applicant's Employment Permit or Foreign Expert Certificate.

Employment Permits and Residence permits are employer and location specific. A foreigner may not work for other employers or reside in a location outside the area where the permits are issued. If there are any changes in the registration items shown in the Employment Permit or Residence Permit, both permits must be amended promptly. If a foreigner no longer works for the employer, the employment permit must be de-registered with the local labour bureau.

Other Comments

HMT Residents and Overseas Chinese

HMT Residents who wish to travel to the Mainland of the PRC need not apply for a visa. Instead, they may use their Re-Entry Permit for Hong Kong and Macau Compatriots or their Permit to Travel to Mainland China for Taiwan Residents.

The HMT residents and overseas Chinese (*i.e.*, PRC nationals with permanent resident status in foreign countries) are also required to obtain an Employment Permit to work in China. Taiwan residents are also required to obtain a Residence Endorsement to reside in China.

Temporary Residence Registration

Foreigners and HMT residents are required to carry out temporary residence registration at the local police station in the district where they reside within 24 hours after they arrive in the PRC. If the foreigner or the HMT resident moves to a new place during their stay in China, they are required to re-register with the local police station in the district of the new place of stay. If the foreigner does not change the place of stay, but the visa or residence permit changes, then such change must be registered with the local police station as well.

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Taiwan, Republic of China

Executive Summary

Taiwan, the Republic of China, applies different immigration procedures for Hong Kong SAR Citizens, Macau citizens, PRC nationals, and other foreign nationals.

For Hong Kong SAR and Macau citizens, obtaining immigrant visas or non-immigrant visas to Taiwan involves the same initial procedure as the rest of the world. Applicants for non-immigrant visas are generally required to apply for Entry and Exit Permits, while applicants for immigrant visas have two further steps, obtaining Residency Approval and a Republic of China (“ROC”) identification card.

PRC nationals may now be admitted to Taiwan for the purpose of tourism, visiting relatives, family reunion, engaging in business, or conducting professional activities. In some limited cases, PRC nationals are even allowed to “work” in Taiwan under the classification of engaging in business activities.

Key Government Agencies

The Ministry of Foreign Affairs is in charge of ROC visa processing through Embassies, Consulates, or Taipei Economic and Cultural Offices or Representative Offices overseas.

The National Immigration Agency of the Ministry of the Interior is in charge of providing immigration and naturalization services to Hong Kong SAR Citizens, Macau citizens, PRC nationals, and foreign nationals.

The Bureau of Employment and Vocational Training of the Council of Labor Affairs of the Executive Yuan is in charge of work permit processing.

Current Trends

To attract entrepreneurs and professionals worldwide to invest and/or work in Taiwan, the ROC government revised and promulgated the relevant immigration-related laws and regulations on August 1, 2008, with the goals to ease the requirements of Alien Permanent Resident Certificate for foreign investors to immigrate to the ROC and simplify the Alien Resident Certificate application procedures for foreign nationals.

Procedures for Hong Kong SAR and Macau Citizens

The ROC Government does not regard Hong Kong SAR and Macau citizens as PRC nationals nor as foreign nationals. This categorization includes people holding Certificates of Identity of passports issued by the Hong Kong SAR or Macau governments, BNO, or Portuguese passports. Hong Kong SAR or Macau citizens who are visiting Taiwan or are seeking to become residents of the ROC must apply for Entry and Exit Permits. In Hong Kong SAR, applications can be made at the Chung Hwa Travel Service.

Hong Kong SAR or Macau citizens who were born locally, hold valid Entry and Exit Permits, or have previously been admitted to Taiwan, may apply for a 14-day Temporary Entry and Stay Certificate upon landing and may apply for extension under certain circumstances.

Since 2005, fast application of 14-day Temporary Entry and Stay Certificate from the National Immigration Agency is also available online. The system will approve the online application automatically by issuing a reference number, allowing the applicant to pick up the Temporary Entry and Stay Certificate from the Chung Hwa Travel Service in person. It is good for two entries within three months from the date of issue.

Entry and Exit Permit

To obtain an Entry and Exit Permit:

- The applicant must have resided in Hong Kong SAR or Macau for at least four years;
- A Hong Kong SAR or Macau permanent resident who holds a passport valid over six months; and
- The applicant must submit one passport-sized photo, a self-addressed return envelope, original and photocopy of the Hong Kong SAR or Macau identity card.

The processing time at Chung Hwa Travel Service in Hong Kong SAR is approximately two weeks. A Taiwan Entry and Exit Permit is usually granted, valid for six months, for an initial period of stay of three months. Thereafter, renewals are granted for varying periods.

Employment Approval

Hong Kong SAR and Macau citizens must secure employment approval before they are allowed to work in Taiwan.

Different procedures apply to Hong Kong SAR or Macau citizens with and without overseas Chinese identity certificates. Easier procedures apply to the former. For the latter, the procedure used for seeking employment approval for foreign nationals is applied. Please refer to the section on Procedures for Foreign Nationals.

For Hong Kong SAR or Macau citizens with overseas Chinese identity certificates who wish to work in Taiwan, employment approval must be applied for by their employers beforehand. However, if the applicants have already received Taiwanese residency approvals, they can apply for an employment approval on their own.

Residency Approval

To obtain residency approval, the applicant must meet one of the following requirements:

- the applicant's blood relative(s), spouse, sibling(s), or parent(s)-in-law have legal domicile in Taiwan. If a relative relation exists because of adoption, the period of time should be more than two continuous years;
- the applicant has participated in and contributed to overseas Chinese affairs and has certification from the relevant authorities;
- the applicant has achievements in the specialized areas of applied engineering and technology;
- the applicant has professional skills and has obtained professional licenses from the Hong Kong SAR or Macau government, or the applicant has achievements in the fields of academic studies, science, culture, journalism, finance, insurance, securities, futures, transportation, postal services, telecommunications, meteorology, or tourism;
- the applicant has invested more than TWD five million in Taiwan and has obtained certification from the relevant authorities;
- the applicant has deposited the equivalent of more than TWD five million in Taiwan for one year and has obtained certification from the bank;

- the applicant has taught overseas or conducted research on newly developed academic subjects, or has special skills and experience and has obtained certification from the relevant authorities;
- the applicant has been a student from Hong Kong SAR or Macau, who has been permitted to study in Taiwan and has worked in Hong Kong SAR or Macau for two years upon graduation;
- the applicant has been employed as a supervisor or a specialized and technical person in: (i) an approved foreign company; (ii) a representative office of a foreign company that has obtained certification from the relevant authorities; or (iii) a company established under the Corporate law (Incorporation Act);
- the applicant has contributed to the development and achievement of policies and goals in relation to Hong Kong SAR or Macau affairs and has passed assessment by the relevant authorities;
- the applicant is residing in Hong Kong SAR or Macau, and has a certified sponsor who is either a blood relative of the applicant within the second degree, spouse, or a person with a proper occupation in Taiwan. The sponsor must hold a valid household registration in Taiwan;
- the applicant has legally stayed in Taiwan for over five years, with at least 270 days per year actual physical presence, made unique contributions to the country, society, and charity services, and has obtained certification from the relevant authorities;
- the applicant has worked in Taiwan and has obtained certification from the labor or relevant authorities;
- the applicant's spouse is a foreign national who has been employed as a finance professional in either a company established under the corporate law, approved foreign company, or Taiwan representative office of a foreign company; or
- the applicant's spouse is a foreign national who has been employed as a technology professional in either a company established under the corporate law, approved foreign company, or Taiwan representative office of a foreign company.

With Residency Approval, the applicant will be issued a Taiwan Residence Certificate, valid for between one and a half to three years. This certificate can be renewed, if the prescribed requirements exist at the time of certificate renewal.

In addition, applicants who meet any of the above requirements, with some exceptions, may apply, along with accompanying spouse and dependent children, for “Settlement Approval” after residing in Taiwan for at least one year continuously (cannot exit Taiwan for over thirty days within that year) or over two years with 270 days per year physically in Taiwan. The applicant will be issued with a Taiwan Settlement Certificate. An applicant who is less than twelve years of age and whose parent has household registration in Taiwan may apply for “Settlement Approval” without meeting the residency requirements. With the Taiwan Settlement Certificate, Hong Kong SAR or Macau residents will be eligible for household registration and a Taiwan Identification Card.

ROC Citizenship (Identification Card)

The applicant must: have obtained Settlement Approval; have filed for household registration with the census register; and be personally present in Taiwan to apply for the ROC Identification. The applicant will be issued the ROC Identification Card on the spot if the required documents are provided.

PRC Nationals

PRC Nationals Entering Taiwan for Tourism Activities

Since 2001, certain classifications of PRC nationals have been allowed to come to Taiwan for sightseeing and visits for other classifications have been authorized since 2002.

Application must be made through a travel agent as a group visitor, each group containing at least ten but no more than 40 people. If the group is in transit to Taiwan from other countries, the group may contain seven people only. Currently, there is a quota of 1,437 visitors coming to Taiwan per day.

To be eligible to apply, the PRC applicant should meet one of the following:

- Have a decent occupation;
- Be a student;
- Have a savings deposit with a minimum of TWD 200,000 provided with a bank statement issued by a financial institute in China;

- Be pursuing studies abroad, have resided in another country with the permanent residence status of the country, or have resided abroad for more than four years with a valid work permit. The said applicant's accompanying spouse or immediate blood relative(s) who also reside abroad are also eligible; or
- Be pursuing studies in Hong Kong or Macau and have resided in Hong Kong or Macau with the permanent residence status; have resided in Hong Kong or Macau for over four years with a work permit. The accompanying spouse or immediate blood relative(s) who also resided in Hong Kong or Macau are also eligible.

The maximum period of stay is 10 days on each visit.

PRC Professionals Entering Taiwan for Engagement in Professional Activities

The PRC professional applicant needs to be invited by a sponsor in Taiwan, who also has to meet certain requirements depending on the nature of the entity.

Professionals are classified in the following areas:

- religion;
- land/construction/architecture;
- banking/finance/accounting;
- cultural/educational;
- athletic;
- legal;
- business (economic/trade);
- telecommunications/transportation;
- mass communications;
- hygienic/medical;
- environmental protection;
- agricultural;
- folk art;
- fire fighting;

- scientific/technical;
- labor association;
- consumer protection;
- social welfare; and
- industrial technology.

In most cases, the application should be submitted two months before the applicant's proposed date of entry into Taiwan. The sponsor should submit the application to the National Immigration Agency in Taiwan if the applicant is in PRC territory. If the applicant is in a third country, the applicant should submit the application through the Taiwan embassy or its equivalent authority in that country.

Once the application is approved, the applicant will be issued a Travel Permit, which is valid for three months, is good for single entry, and allows a stay in Taiwan for a maximum period of up to two months. For technology professionals only, the period of each stay can be extended for up to a maximum of four months each year.

In 2002, the Taiwanese authorities began to adopt the following measures to ease entry restrictions for both PRC technology professionals and certain business professionals (*e.g.*, those employed by multinational companies):

- visa application procedure shortened from two months to 10 days;
- introduction of the Renewable Travel Permit, which holders may change to a six years multiple-entry visa upon approval;
- total length of stay extended from three years to six years for technology professionals;
- new classes of applicants exempted from the mutual guarantee procedure administered by local police authorities;
- broader scope to issue original Travel Permits via sponsoring parties; and
- simplified visa application procedures.

PRC Professionals Entering Taiwan for Engagement in Business Activities

PRC professional applicants can be invited by the following three types of sponsors:

By Multinational Company

The multinational company must correspond to one of the following requirements:

- the assets of the company are valued at more than USD two billion for the last year;
- there are more than 100 employees in Taiwan and at least half of them must have a bachelor degree;
- the net annual income in Taiwan is more than TWD one billion; or
- the net annual income of a geographic area is more than TWD one and half billion.

By Free Trade Zones Enterprises

For the purposes of these regulations, the term “Free Trade Zones Enterprises” refers to the entities of free trade zones, according to the “Act for the Establishment and Management of Free Trade Zones,” which engage in any of the following business in an international airport or an international seaport under the approval of the Executive Yuan, or of an adjacent area demarcated as a controlled area, and an industrial park, Export Processing Zone, Science-Based Industrial Park, and other areas approved by the Executive Yuan:

- trading;
- warehousing;
- logistics;
- collecting and distributing (cargo of) containers;
- transiting;
- transshipment;
- forwarding;
- customs clearance;
- assembling;
- sorting;
- packaging;
- repairing and fabricating;

- processing;
- manufacturing;
- displaying; and
- technological service.

By Sizable Company in Taiwan

Not only multinational companies but sizable companies in Taiwan can invite PRC professionals to enter Taiwan if they meet the following requirements:

- the net annual income in Taiwan is more than TWD one billion; and
- the net annual income of a geographic area is more than TWD one and a half billion.

Professionals are classified in the following areas:

- intra-company transferee (the applicant must be invited by a multinational company);
- expert discharge;
- joining a commercial meeting or commercial negotiation; and
- undertaking training (the applicant must be invited by a multinational company).

In most cases, the application should be submitted one month before the applicant's proposed date of entry into Taiwan. The sponsor should submit the application to the National Immigration Agency in Taiwan if the applicant is in PRC territory. If the applicant is in a third country, the applicant should submit the application through the Taiwan embassy or its equivalent authority in that country.

Once the application is approved, the applicant, if an intra-company transferee, will be issued a Travel Permit for up to three years, which can be extended. Each extension is for one year and there is no limit on the number of extensions. In addition, the spouse and any dependent children under the age of eighteen may accompany the applicant to Taiwan.

If the applicant is in Taiwan for expert discharge, or for joining commercial meetings and commercial negotiations, the Travel Permit will be issued for up to one year and can stay in Taiwan for up to a maximum of ninety days each time.

If the applicant is undertaking training, the Travel Permit will be for up to one year which may be extended. Each extension is for one year and there is no limitation on the number of extensions.

PRC Nationals Entering Taiwan for Engagement in Business Activities

Due to the increased business activities between Taiwan and mainland China, the Taiwanese authorities simplified previous regulations and eased restrictions to foster trade development. This is a simplified (2 in 1) visa application, which combines the regulations of approval for PRC professionals entering Taiwan for engagement in professional activities and the invitation of PRC nationals to engage in short term business activities under the regulations of approval for Multinational Companies, Free Port Enterprises or Sizable Companies in Taiwan for engagement in business activities.

The sponsor must be: companies whose annual income in Taiwan is more than TWD ten million or the capital of the company is more than TWD five million; Taiwan branch of a foreign company whose net amount of annual income is more than TWD ten million or a new Taiwan branch of a foreign company with its operational capital being more than TWD five million; or representative office of foreign companies with its purchase performance reaching USD one million.

For the sponsor whose net annual income in Taiwan is less than TWD thirty million, the numbers of invited PRC nationals are limited to fifteen employees per year. For those sponsors whose net annual income in Taiwan is more than TWD thirty million, the numbers of invited PRC nationals are limited to thirty employees per year.

Applicants are classified as either: the owner of a business/managerial positions; or, specialized/technical work.

For such business activities as commercial negotiation, conducting business, attending commercial conferences, delivering speeches, and attending exhibitions, the maximum duration of stay is 14 days with no extension allowed. For business training/business research and study, fulfilling contracts, the maximum duration of stay is 90 days with no extension allowed.

Business Travel

Visitor Visas

Foreigners who wish to travel to Taiwan for business visits should submit their application for a Visitor Visa at an overseas Taiwanese visa post unless they qualify for exemptions.

The validity of the visitor visa is dependent on the nationality of the applicant. Visas are not required for visits not exceeding thirty days for passport holders from Australia, Austria, Belgium, Canada, Costa Rica, Denmark, Finland, France, Germany, Greece, Ireland, Iceland, Italy, Japan, Republic of Korea, Liechtenstein, Luxembourg, Malaysia, Malta, Monaco, Netherlands, New Zealand, Norway, Portugal, Singapore, Spain, Sweden, Switzerland, UK, and the USA. They must hold onward air tickets. For those nationals of the Czech Republic, Hungary and Poland who wish to stay up to 30 days, a landing visa may be applied for upon arrival.

Training

Organizations that meet the following conditions are eligible to apply for foreign students to come to Taiwan for internships - with exceptions, however, for special cases that are approved by the competent authority of the target industries:

- domestic and foreign-invested enterprises that have annual revenues of at least TWD ten million in the most recent year, or new domestic and foreign-invested enterprises that have a capitalization of at least TWD five million;
- Taiwan branch of foreign enterprises that have annual revenues of at least TWD ten million, or Taiwan branches of new foreign enterprises that have operational funds of at least TWD five million;
- Taiwan office procurement of at least USD one million, but no minimum procurement requirement for financial service business;
- Free Trade Zone enterprises that are regulated by Article 3, subparagraph 2 of the Act for Establishment and Management of Free Trade Zones;
- corporate bodies under the MOEA that have business funds of at least TWD five million in the most recent year; or
- foreign chambers of commerce.

Applicants are limited to a maximum stay of six months, with the possibility to apply for a single extension of the same length.

Employment Assignments

A One-Stop Center for applications of Work Permits for Foreign Professionals exists within the Bureau of Employment and Vocational Training (BEVT). The Center aims to cut down on excuses and conflicts resulting from different governmental organizations when employers apply for foreign work permits in the following areas:

- architecture and civil engineering;
- transportation;
- taxation and financial services;
- real estate agencies;
- immigration services;
- attorneys-at-law (legal services);
- technicians;
- medical and/or health care;
- environmental protection;
- cultural, sports and recreation services;
- academic research;
- veterinarians;
- manufacturing;
- wholesaling; and
- other job designated by the Central Competent Authority and competent authorities for other purposes at the central government level after consultation.

The employers of foreign employees performing specialized or technical work or serving as executive managerial officers shall have one of the following qualifications:

- local companies that have less than one year operation and have a capital amount of TWD five million; or companies that have been established for more than one year, and the latest yearly revenue or the average revenue of the last three years amounts to TWD ten million, with average import/export performances reaching USD one million or average agent commission reaching USD 400,000;

- foreign branch offices that have less than one year operation history, and have more than TWD five million operational capital in the ROC; or companies that have been established for more than one year, and the latest yearly revenue or the average revenue of the last three years amounts to TWD ten million, with average import/export performances reaching USD one million or average (agent) commission reaching USD 400,000;
- representative offices of foreign companies with work performances that have been approved by the competent authorities for other purposes at the central government level; or
- research and development center or operational head office of an Enterprise that have been approved by the competent authorities for other purposes at the central government level.

The foreign national must meet one of the following qualifications:

- a master degree or above in a relevant field;
- a bachelor degree in a relevant field with a minimum of two years of actual relevant work experience;
- over one year of employment by a multinational company and is assigned to work in Taiwan; or
- specialized training or studied independently, with a minimum of five years of actual relevant work experience, and demonstrated creative and special performances.

The required qualifications mentioned above do not apply to foreign nationals employed as an executive or managerial officer (*e.g.*, General Manager) of foreign companies in Taiwan.

Resident Visa and Alien Resident Certificate (“ARC”)

Resident visas may be granted to foreign nationals who intend to stay in Taiwan for more than six months for the purposes of joining family, pursuing studies, accepting employment, making investment, doing missionary work, or engaging in other activities. A resident visa is valid for three months, good for a single entry or multiple entries, and allows a stay in Taiwan for a period of more than six months.

Applicants for employment or investment are required to submit the relevant documents for approval by the relevant authorities of the central or provincial (municipal) government. Resident holder for working purpose shall apply for an ARC within fifteen days of arrival. ARC holder who needs to leave the country and then re-enter should apply for the Re-entry permit simultaneously with the application of the ARC. The length of residence shall depend on the validity dates of the ARC.

Aliens who hold visitor visas which allow more than 60 days of stay and are not otherwise annotated by the issuing authority to prohibit extensions, can apply with the National Immigration Agency for Alien Resident Certificates directly, if they:

- are married to ROC citizens who reside in Taiwan and has a valid household registration or is allowed to reside in Taiwan;
- are younger than 20 years of age and their immediate relatives are ROC citizens who have valid household registration or are allowed to reside in Taiwan;
- have obtained employment approvals issued by the Bureau of Employment and Vocational Training or the relevant competent authorities;
- are the responsible representative of a foreign corporation recognized under the corporate law in the ROC; or
- are permitted to do so by the Ministry of Foreign Affairs for diplomatic reasons.

Other Comments

Foreigners may apply for an Alien Permanent Resident Certificate (“APRC”) after a period of legal and continuous residence. A waiver of many of the normal requirements for the APRC may be granted to foreigners who have made special contributions to Taiwan or have acquired high technology knowledge, as well as to qualified investors. Citizenship through naturalization is possible.

Further Information

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Colombia

Executive Summary

Colombian immigration legislation provides different solutions to help employers of foreign nationals and to assist foreign citizens entering the country for business purposes. Depending on the activities to be executed in the country, foreign citizens can obtain temporary permits or visas. Requirements, the need to validate professional degrees or obtain temporary licenses, the possibility of earning salaries or fees in the country, and the benefits for accompanying family members vary by visa classification.

Key Government Agencies

The Ministry of Foreign Affairs located in Bogota and the Colombian consulates abroad are responsible for visa processing. The issuance of employment visas for the first time must be performed abroad before a Colombian consulate. In certain cases involving restricted nationalities, the consulates require prior authorization from the Ministry of Foreign Affairs.

The Ministry of Social Protection is in charge of certifying compliance of the ratio between national and foreign employees, which is a requirement to obtain an employment visa or a visa to work in Colombia.

The Administrative Department of Security (“DAS”) is in charge of the issuance of temporary permits and foreign IDs, and performs the investigations and enforcement actions involving employers and foreign nationals. The Professional Councils are also part of the visa process in case foreign citizens plan to execute activities involving their professional experience in the country.

Current Trends

Colombian consulates are extremely discretionary and in many occasions are inclined to go beyond the law and ask for additional documentation or requirements.

Currently, the Congress and immigration authorities are discussing a project to replace the current immigration legislation.

Business Travel

Business Visa

Foreigners who visit only once or twice per month without receiving any fees or compensation in Colombia may request a business visa.

The business visa applies to the foreigner that exercises the legal representation, or occupies a directive or executive position in a foreign company. This company must have economical connections with a national or foreign company established within Colombia. The foreigner that acquires this type of visa may develop activities of business promotion related with the interests of the company, such as the assistance to boards of partners or directors, and the supervision of the operations of economically, strategically and legally related companies.

This type of visa is acknowledged for a term of until four years for multiple entries and authorizes a stay of up to six months per each entry. The foreigner entering Colombia under a business visa cannot settle in Colombia and the activities carried out in Colombia must not generate payment of a salary or fee in Colombia. Family members of the person entitled with a business visa are not allowed to obtain a temporary beneficiary visa.

Normal government fees are waived for nationals of Spain, Italy, Korea, Japan, United States, Ecuador and Costa Rica.

Visa Waiver

The normal visitor visa requirement is waived and citizens of certain countries may be issued a temporary visitor permit by DAS at the time of entry to engage in one of the following activities, provided that the foreigner does not have a labor relationship with the Colombian sponsor and will not receive any kind of remuneration in Colombia (no salaries or fees):

- Academic activities in seminars, conferences or expositions.
- Courses or studies for less than six months.
- Medical treatment.
- Interviews within recruitment processes.
- Commercial contacts or visits of less than one week.
- Provide training for a term of 30 business days (renewable for 15 more days).

Visa waiver benefits are available to citizens of: Andorra, Antigua and Barbuda, Argentina, Australia, Austria, Bahamas, Barbados, Belgium, Belize, Bolivia, Brazil, Brunei-Darussalam, Canada, Chile, Costa Rica, Croatia, Cyprus, Czech Republic, Denmark, Dominica, Dominican Republic, Ecuador, El Salvador, Estonia, Finland, France, Germany, Granada, Greece, Guatemala, Guyana, Honduras, Hungary, Iceland, Indonesia, Ireland, Israel, Italy, Jamaica, Japan, Latvia, Liechtenstein, Lithuania, Luxemburg, Korea, Malaysia, Malta, México, Monaco, Netherlands, New Zealand, Norway, Panamá, Paraguay, Perú, Philippines, Poland, Portugal, Romania, Saint Kitts and Nevis, Saint Vincent and Grenadines, San Marino, Santa Lucía, Singapore, Slovak Republic, South Africa, Spain, Suriname, Sweden, Switzerland, Trinidad and Tobago, Turkey, United Kingdom, United States, Uruguay, and Venezuela.

Employment Assignments

Employment Visa

Any foreigner that intends to undertake work activities in the country must request an employment visa. The employment visa allows foreigners to stay and work in Colombia usually for a one-year period, depending on the information given to immigration authorities. The employment visa is usually granted for:

- Engagements by private or public entity, foreign or national, to perform a job or an activity in the foreigner's profession or specialty or to execute technical activities;
- Executives, directive personnel, technicians or administrative personnel of private or public foreign entities, transferred from abroad to cover specific positions in their companies, Colombian branches or subsidiaries;
- An employee of a Colombian entity to work on specific projects requested by Colombian companies.
- Foreigners transferred to Colombia from abroad in order to render independent services to companies domiciled within the country without having a labor relationship with said companies.
- Paid services carried out by academics required by higher education institutes, foreigners appointed by an entity of the Colombian Government, artists or sports people, journalists who are foreign correspondents and people that have arrived in Colombia to carry out urgent technical services that are required to stay for a period exceeding 45 days.

Employment visas are issued for a maximum term of two years and allow multiple entrances. They expire automatically if the foreigner is absent from the country for a period that exceeds 180 continuous days and may be renewed for a period of two years or less according with the term of the labor contract and the evaluation of the submitted documents.

The spouse or permanent companion, parents and children of the person obtaining a work visa may obtain a temporary beneficiary visa, which allows them to enter Colombia to study or engage in home activities, but does not entitle them to work.

Temporary Technical Permit

A temporary technical permit may be granted by the DAS to foreigners seeking to develop urgent technical services for a maximum term of 45 calendar days per calendar year. This kind of permit is commonly granted to technicians or engineers to inspect, test, or install equipment, or perform any duties related to their technical expertise.

The temporary technical permit must be requested by the local sponsoring company, for which purpose it must submit the required documents to DAS, at least three business days in advance.

Obligations of Register and Control

Any foreigner who obtains a visa for more than three months of validity should appear before the Foreigners Department of DAS in order to be registered on the immigration files and to obtain a foreign identity card (“cédula de extranjería”).

When immigration authorities issue or renew any visa, the foreigner and the family must appear before DAS within 15 calendar days of the day of entry or visa issuance (*e.g.*, in the case of renewals) to register and obtain the foreign identity card.

Employers (entities, institutions or individuals) must inform the DAS of the hiring and termination of foreigners within 15 calendar days of hiring or termination. This also applies to renewed or changed visas and to the beneficiary visas. In such case, employers must inform in writing to DAS the continuity of the labor relationship.

Employers must notify the DAS and the Ministry of Foreign Affairs about any change of residence or domicile of the foreign employee within 15 days of the change.

Other Comments

The issuance or renewal of visas is a discretionary decision. Furthermore, the authorities have the power to deny those petitions without the opportunity to appeal the decision. Prior to application, the best practice is to informally visit the immigration authorities in order to review with them the respective documents. It is important to minimize the risk of denial, since a new petition may be presented only after a six-month wait if a visa request is denied.

In general, visa applications must be requested for the first time before the Colombian Consulate abroad in the last place of residence or in the country of origin of the foreigner requesting the visa. Renewals of any visas may be obtained before the Foreign Ministry in Bogotá D.C. or before the respective Colombian Consulate abroad, provided that visas are not to be expired. The requirements to obtain visas change periodically and should be verified.

The process to obtain the visa before the Colombian Consulate abroad normally takes two or three working days. And the process to renew the visa before the Ministry of Foreign Affairs normally will conclude in the same day. Foreigners that stay or visit Colombia can only practice the profession or the activity authorized by the respective visa. In the event the foreigner changes activity, there is a requirement to submit a petition to have a new visa with the change of activity to the Ministry of Foreign Affairs in Bogotá, D.C.

Non-compliance of immigration regulations will be sanctioned with the impositions of fines and, in some cases, with the deportation or the expulsion of the foreigner.

Further Information

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Czech Republic

Executive Summary

The Czech Republic provides many solutions to help employers of foreign nationals. These range from temporary, non-immigrant visas to permanent, immigrant visas. Often, more than one solution is worth consideration. Requirements, processing time periods, employment eligibility, and benefits for accompanying family members vary by visa classification.

Key Government Agencies

The relevant Czech Labor Office of the Ministry of Labor and Social Affairs (“Ministertvo Práce a Sociálních Vecí”) is responsible for work permit processing.

The Foreigners Police Service is responsible for visa processing with an assistance of Czech consular posts abroad. Many non-EU country citizens’ visa applications require first for a permit to employ foreign employee for specific job to be obtained by the potential employer and for the foreigner to apply for the work permit to be employed in specific job, time, place and for a specific employer.

Current Trends

Border protection activity and enforcement of immigration-related laws that impact employers and foreign nationals increased once the Czech Republic joined the EU in 2004. Employers of foreign nationals unauthorized for such employment are increasingly subjected to civil penalties.

The foreigner staying in the Czech Republic on the basis of a visa is obligated to report the beginning of the stay, place of residence and expected length of stay to the Foreigner’s Police within three working days from arrival. If the foreigner is accommodated by a person who accommodates more than five foreigners for consideration (*e.g.*, hotel), registration must be done by the accommodation provider.

After being granted a Czech visa, foreigners are obligated to report all changes to the locally appropriate Foreigners Police. Non-EU country citizens are obligated to report a change of residence in the Czech Republic within 30 days of the date on which such change occurred and all other changes within three working days of the

date on which such change occurred. Changes that trigger reporting requirements include:

- Change of passport;
- Change of residence address in the Czech Republic;
- Change of marital status;
- Change of name;
- Change of employer - also requires prior change of the work permit;
- Granting of birth number; and
- Reporting loss of document.

Any foreigner must have health insurance covering the entire period of the stay in the Czech Republic.

EU country citizens who have not applied for a Residence Permit Card are obligated to register with the Foreign Police no later than within 30 days of the date of last entry into the Czech Republic, if their stay is expected to exceed 90 days. Such obligation also applies to their family members if they stay in the territory of the Czech Republic.

This obligation does not apply to those foreigners who fulfill this obligation via the person providing them with accommodation, based on the assumption that the person providing accommodation fulfils such duty. EU country citizens, upon obtaining a permit for temporary (permanent) residence on the territory of the Czech Republic are obligated to report each and every change within three working days of such change occurring.

It is recommended to insist on the passport being stamped with an entry stamp at the Czech border whenever the foreigner crosses it.

Violation of immigration rules may result in a fine, deportation, prohibition of stay and, in special cases, criminal proceedings.

Business Travel

Business Short-term Visa type C (Schengen)

The Visa Type C is issued for a maximum of two years. It is a Schengen visa allowing the visitor to stay up to a maximum of 90 days in the Schengen Area within a six-month period. If the foreigner uses up all the 90 days in the Schengen Area, the foreigner is obligated to leave the Schengen Area and may only re-enter the Schengen Area after three months of being outside the Schengen Area.

The Visa Type C may be issued for: one entry; two entries; or multiple entries.

Business Long-term Visa

This visa is appropriate for visits expected to exceed 90 days. It is issued for a maximum of one year, but in some cases may be issued for a maximum of six months (*e.g.*, take over of permanent residency permit or long-term residency permit to join the family, study, or scientific research).

Business Visa – Visa type D/VC

This visa is issued to entrepreneurs carrying out in the territory of the Czech Republic business activities.

Visa Waiver

EU citizens do not need a work permit or visa to stay or work in the Czech Republic. They are subject to registration requirement only. Similar treatment applies to citizens of Norway, Lichtenstein, Island, and Switzerland.

Some of non-EU country citizens traveling to the Czech Republic as tourists only are not required to obtain Czech visa, provided that their stay does not exceed stipulated number of days. They are subject to the registration requirement only.

- Up to three months - Andorra, Australia, Brazil, Brunei Darussalam, Canada, Guatemala, Honduras, Hong Kong SAR, Japan, Macao, Monaco, New Zealand, Nicaragua, Paraguay, Salvador, San Marino, Malta, United States of America, Vatican, and Venezuela;
- Up to 90 days - Argentina, Chile, Costa Rica, Croatia, Israel, Korea, Malaysia, Mexico, Panama, Uruguay; and
- Up to 30 days - Singapore.

Training

Same options as for employment assignments.

Employment Assignments

EU country citizens do not need a work permit or visa to stay or work in the Czech Republic. They are subject to registration requirement only. Similar treatment applies to citizens of Norway, Lichtenstein, Iceland, and Switzerland.

Other foreigners may be employed, provided that they have been granted a work permit and a residence permit.

Employers must apply for a permit for recruitment of employees from abroad to the local Labor Office. The employer can be a legal entity registered in the Czech Republic, a foreign company's Czech branch office, or a foreign company authorized to do business in the country. The employer must show that the job cannot be filled by Czech workers.

An application for a work permit for the foreigner is also filed at the local Labor Office. This can be filed by the foreigner or through the prospective Czech employer.

Thereafter, the foreigner can use the approved work permit to apply for the visa at a Czech Embassy or consular post abroad. Although generally a visa can be issued only by the Embassy or Consulate in the country where the application was submitted, in exceptional cases only it may be permitted to apply for a visa in one place and to pick it up at another place.

Work permits are valid only for the employment, job site, and the employer listed on the permit. A change in any of these will require a new work permit.

Note that a work permit to employ non-EU country citizen in the Czech Republic is not required - but the visa is in most cases required - if the employee does not perform work within the territory of the Czech Republic for more than any seven consecutive calendar days or in total 30 days in a calendar year, provided that the employee is at the same time a:

- Performer, performing artist, pedagogical worker, academic worker of a University;
- Scientific, research or development worker, who is a participant of a scientific meeting;

- Scholar or student up to 26 years of age;
- Sportsman; or
- Person providing goods delivery or services within the territory of the Czech Republic, or delivers such goods, or provides installation, or provides guarantee, or repair services under a business agreement.

Residency in the Czech Republic

Temporary Residence Permit

This type of permit is issued to EU citizens, their family members, and family members of Czech citizens.

Permanent Residence Permit

In general, this permit may be issued to a foreigner after five years of continuous stay in the territory of the Czech Republic. In some special circumstances (*e.g.*, asylum), it may be issued immediately and, in some special cases, after four years of continued stay in the territory of the Czech Republic (*e.g.*, international protection purposes).

Long Term Residence Permit

This type of permit is issued to the foreigner, who has a Czech long term stay visa and is willing to stay in the Czech Republic for a period longer than one year, based on the assumption that the purpose of the stay will be identical for the entire period of stay.

For example, it may be issued for purposes of study in the Czech Republic, for purposes of being protected on the territory of the Czech Republic, scientific research, asylum, and diplomatic purposes.

Other Comments

All Czech immigration procedures are time demanding, so advance planning is key. As an example, here is a summary of the key steps of immigration procedure applicable to a non-EU country citizen intending to work in the territory of the Czech Republic in an employment relationship with local employer:

- Preparation stage - two weeks to collect all required documentation;

- Notification of the Czech employer to the Labor Office on the existence of unoccupied job, unless it already exists or global work permit was issued to the employer - period of the administrative proceeding up to 30 days;
- Application of the Czech employer to employ the foreigner - period of the administrative proceeding up to 30 days;
- Application of the foreign employee to be employed by the Czech employer - period of the administrative proceeding up to 30 days;
- Application of the foreigner for short-term employment visa - period of the administrative proceeding up to 30 days (note: this document is not always necessary, it depends on circumstances);
- Application of the foreigner for long term employment visa - period of the administrative proceeding from 90 up to 120 days; and
- Commencement of work in the Czech Republic.

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France

Executive Summary

France is a popular destination for holiday and business travelers alike. While brief visits generally pose no issue, coming to France to work or for longer stays means complying with a strict procedure with various authorities.

It is very important to apply for the appropriate visa in the foreign national's own country before coming to France. Personal appearance at the consular post is required in some cases.

Key Government Agencies

Visa applications are processed at French embassies and consular posts around the world.

The Labour Department (“Direction Départementale du Travail, de l’Emploi et de la Formation Professionnelle” or “DDTEFP”) countersigns employment contracts required for certain working visas.

Work permits required for long-stay visas are handled by a specific immigration office, the National Agency for the Reception of Foreigners and Migration (“Agence Nationale de l’Accueil des Etrangers et des Migrations” or “ANAEM”), which approves files and sends them to the consular post for visa issuance.

Registration may also be required at the local Police department (“Commissariat de Police”) responsible for the place of residence in France.

Current Trend

For twenty years, plans have been made to gather in one structure various aspects of immigration policy, which had been previously split up between the ministries of Interior, Foreign Affairs, Social Affairs and Justice. With the initiative of President Nicolas Sarkozy, a single ministry competent for immigration, integration, national identity and development partnership was created.

French immigration policy pursues four objectives: controlling migration flows; favoring integration; promoting the French identity; and encouraging development partnership.

In addition, France wishes to improve the system of immigration for professionals. Therefore, in response to recruitment needs in certain economic sectors, the French government has decided to encourage immigration for professionals and make it easier for foreign nationals to enter selected professions.

Business Travel

Short Term Visas (less than three months)

In general, foreigners must, prior to coming to France even for a short visit, obtain a visa from the French Consulate in the country where they reside.

The applicant will apply for a Schengen visa, if the main destination is France. The Schengen visa allows entry to France and to move freely within other countries of the “Schengen space.”

Currently, the members of the Schengen space are the following countries: Austria, Belgium, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Island, Italy, Latvia, Lithuania, Luxemburg, Malta, Netherlands, Norway, Poland, Portugal, Slovakia, Slovenia, Spain and Sweden.

It is not possible for a holder of a Schengen visa to visit EU countries that are not members of the Schengen space.

The visa is granted for a maximum period of three months, and allows single or multiple entries. During the validity of the visa, the foreigner is authorized to stay in the Schengen space for the period indicated in the visa.

The application must provide a return ticket and evidence of sufficient resources for the stay in France (provided by the Town Hall).

The starting date for the authorized duration of stay is generally determined by the date stamped on the passport when crossing the border into France. In the absence of a stamp, the foreigner has the burden of proving the actual date of entry in to France (*e.g.*, showing travel ticket).

Visa Waiver

Visas are not required for EU (*i.e.*, 27 countries, Romania and Bulgaria benefiting from that specific status) and EEA (*i.e.*, Norway, Liechtenstein and Island) citizens to visit France.

In addition, the normal visa requirement is waived for trips of up to 3 months for citizens of the following countries: Andorra, Argentina, Australia, Bolivia, Brazil, Brunei, Canada, Chile, Costa Rica, Croatia, El Salvador, Guatemala, Honduras, Israel, Japan, Malaysia, Mexico, Monaco, New Zealand, Nicaragua, Panama, Paraguay, San Marino, Singapore, South Korea, United States, Uruguay, Vatican, and Venezuela. Also included are holders of passports from the Hong Kong Special Administrative Region of the People’s Republic of China and the Special Administrative Region of Macao of the People’s Republic of China, and holders of a valid residence document in France.

Training

Citizens of EU/EEA are able to live and work in France without a visa. Therefore, they are authorized for training without securing a French visa.

Citizens of other countries must qualify for one of the visas discussed in this section. In addition, non-EU/EEA citizens will generally be required to hold a valid work permit, which is obtained at the competent Préfecture in France after the visa is issued. A contract approved by the DDTEFP is required for the visa application.

Short-stay Visa (“visa de court séjour”)

The Short-stay Visa can authorize training assignments for up to 90 days. No extension of stay is possible. Further, no more than 90 days can be spent in France during a six month period. No further administrative steps are required at the French prefecture.

Long-stay Temporary Duration Visa (“visa de long séjour pour durée temporaire”)

The Long-stay Temporary Duration Visa authorizes trainings for up to six months. No extension of stay is possible. No further administrative steps are required at the French prefecture.

Long-stay Visa (“visa de long séjour”)

The Long-stay Visa authorizes foreign nationals to remain for periods longer than six months. Once in France, it is necessary to apply for the residency permit (“carte de séjour”).

Employment Assignments

Corporate Executive Visa

Corporate executives for visa purposes include: the Managing Director of a French corporation (“Société Anonyme” or SA), the President and/or the Managing Director of a simplified incorporation (“Société par Actions Simplifiée” or SAS), the Managing Director (“Gérant”) of a French limited company (“Société à Responsabilité Limitée” or SARL) or the Managing Director (“Responsable en France”) of a branch or a liaison office.

Corporate executives are required to obtain a visa in order to both reside and hold the positions in France. Their visa is processed through the Trade and Foreign Affairs Department.

To hold the above position without residing in France, a non-EU national must still obtain a prior simplified authorization (“récépissé de déclaration”).

Employee Visa

Employee visas require first that the French employer file an application with the DDTEFP. When approved, it is then processed by the ANAEM, who in turn will forward it to the French Consulate. The employee and family members will then be able to collect their long-stay visas from the French Consulate. These proceedings take approximately four to six weeks.

When the employee and family arrive in France, they must undergo a medical examination with the Immigration Office. If coming under the Regular Employee classification, the employee must also take French language lessons, if they are not fluent, and follow civic training.

Upon presentation to the Préfecture of the visa and evidence of their domicile in France, the employee and family will receive a provisional residence permit valid three months (“récépissé”) and then a one-year residence permit (“titre de séjour”). They may also directly obtain a one-year residence permit depending on the Préfecture involved. The employees under the Intra-company Transferee classification receive a three-year residence permit.

For the employee, the residence permit acts both as a residence and work permit.

In principle, the spouse is not allowed to work. However, under certain circumstances, in particular if the employee's spouse entered France under the Intra-company Transferee classification, permission to obtain a work permit may be granted.

In addition to the residence permit, the seconded employees must obtain a work permit ("autorisation provisoire de travail") from the DDTEFP, which is valid for nine months.

The one-year residence permit and the work permit when applicable are renewable. Such renewal must be requested three months prior to the expiration date.

Regular Employees

In principle, new immigrants are not allowed to arrive and work in France. However, a French employer may face difficulties in recruiting a local employee meeting the requirements for the position available. Consequently, the Labor authority, prior to the approval of such an application, must take into account the context of employment in France in the relevant sector. In order for the application to succeed, the employer should therefore characterize difficulties of employment in his sector.

In the event the employer finds a non-EU employee abroad who fulfils the conditions, such employer could be requested to obtain a clearance from the National Employment Agency. This clearance is not a guarantee the work permit application will be approved.

Temporary assignments

Intra-company transferee

The employees in this category ("salariés en mission") are those who are working in a group of companies and who are assigned by a foreign company of that group to a French business which is part of the group. The work permit applications must meet the following conditions:

- The employee has been working for the group for at least three months before the assignment in France;
- The monthly gross salary to be paid while working in France must exceed one and half times the legal minimum salary (known as the SMIC), which currently represents 1,981 euros gross.

The above category includes two types of employees: the ones who become employees of the French business; and the others who, while working in France, remain employees of the foreign employer ("détachés").

The employees will obtain a three-year residence permit renewable once. Such a permit enables the employees to work only in the defined position with the same employer.

Employee seconded in the framework of a service agreement

This category concerns employees temporarily seconded to France by their foreign employer to a third party company for the performance of specific services (*i.e.*, technical assistance) in the scope of a service agreement.

The secondment should not result in the employee's effective involvement in the daily running of the French host company's activity.

Other Comments

It is possible for non-EU nationals, after five years residency in France, to obtain a ten-year residence permit ("Carte de resident"), if they can prove that they have a regular business activity in France (*e.g.*, as corporate executive, regular employee or otherwise) from which they derive sufficient income and declare that they intend to reside in France for a long period or on a permanent basis.

The non-EU spouse of an EU employee working in France may be entitled to obtain a ten-year residence permit. In contrast, the non EU national who is a spouse of a French national can receive only a one-year residence permit, which is renewable once before obtaining the ten-year residence permit. Such a one-year residence permit allows the spouse to work as an employee.

The ten-year residence permit enables the holder to hold any position in France. This permit is renewable. The holder who is absent from France for up to three years may retain the benefit of such a permit.

Children of non-EU nationals residing in France must secure a residence permit ("titre de séjour") after their 18th birthday for the same duration as the permit of their parents. Such residence permit does not allow the children to work.

In case of change of address, a non-EU national who moves from one residence to another must notify the local Police department ("Commissariat de Police") of the new residence.

French residents may be eligible to naturalize and become French citizens after continuously residing in France for five years. Residency during the five-year

qualification period may be achieved by living in France under certain categories of valid residency (*e.g.*, visitor, student, regular employee or corporate executive).

Approval criteria includes assimilation into France (*i.e.*, knowledge of French, insertion into the French community), health (*e.g.*, absence of a chronic condition), morality (*i.e.*, no police indicating an unlawful act in France or abroad), and an acceptable professional and financial profile.

Further Information

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Germany

Executive Summary

Many different kinds of people immigrate to Germany each year. The reasons for leaving their home countries vary, but most foreign nationals come for employment, business or tourist purposes. In order to enter and reside in Germany, any non-European Economic Area (“EEA”) national needs permission in the form of a residence permit for the purpose of the stay.

Key Government Agencies

Depending on their nationality and the purpose and length of their stay, foreign nationals may either require an entry clearance in the form of a visa or they may enter Germany without a visa and apply for a residence permit within Germany. In case the foreign national is required to obtain a visa, the application is submitted to the German Embassy or Consulate General (“Auswärtige Amt”) at the place of residence abroad. Before issuing the visa, the German representation will involve the Aliens’ Office (“Ausländeramt”) responsible for the place of intended residence in Germany and the local labor agency (“Bundesamt für Arbeit”), if necessary, for approval. A prior approval of the local labor agency is required for most work and employment activities that are carried out in Germany.

Foreign nationals from a privileged or semi-privileged country, which is party to a non-visa movement treaty signed by Germany, may enter Germany without an entry clearance and may submit the application to the local Aliens’ Office directly. As far as necessary, the Aliens’ Office will internally involve the labor agency as well.

The updated list of the (semi-) privileged countries can be found at www.auswaertiges-amt.de/diplo/en/WillkommeninD/EinreiseUndAufenthalt/StaatenlisteVisumpflicht.html.

Current Trends

According to the latest studies commissioned by the Federal Ministry of Economy, Germany is currently faced with a lack of qualified employees, which costs German business billions every year. In particular, there is a lack of skilled labor for such positions as technicians, as well as in the academic subjects of mathematics, information technology, natural science and technology. The Federal Government intends to

deal with this deficit of specialists not only by a national campaign for better education, but also by considerably facilitating access to the German employment market for foreign specialists in the areas sought after.

Currently, the possibility exists for some occupational groups, as well as for highly specialized employees, to obtain a residence permit for employment purposes or even an unlimited settlement permit without first having to go through the so-called “labor market check” by the labor agency.

Whilst currently, highly qualified specialists and managers with special occupational experience who intend to apply for a settlement permit have to earn at least double the contribution assessment ceiling of the statutory health insurance carrier (that is, currently at least EUR 86,400), this income limit shall be decreased in the future to the contribution assessment ceiling (west) of the general pension insurance (at present EUR 63,600).

Citizens from the European Economic Area (EEA)

Citizens of EEA countries are, in general, free to reside and work in Germany without performing any prior formalities. Family members of an EEA-national (who are not themselves EEA-nationals) will be required to obtain an “EEA-Family Permit” to accompany or join an EEA-national who is exercising his/her rights to reside in Germany. EEA-nationals and their family members are free to work for a company or be self-employed without the need to obtain work authorization. The only obligation is to register their local address.

Besides Germany the following countries belong to the EEA: Austria, Belgium, Cyprus, Denmark, Finland, France, Greece, Iceland, Ireland, Italy, Liechtenstein, Luxembourg, Malta, the Netherlands, Norway, Portugal, Spain, Sweden and the United Kingdom.

The Middle and East European countries (MOE countries) which entered the EU in May 2004 (Czech Republic, Estonia, Hungary, Latvia, Lithuania, Poland, Slovakia and Slovenia) and January 2007 (Bulgaria, Romania) are excluded from the right of freedom of domicile possibly for up to a maximum of seven years as of the date of accession. They are, however, privileged in the respect that they do not need entry clearances (visas) and may apply for employment-related residence permits from within Germany.

According to treaties between Switzerland and the EU, Swiss nationals enjoy immigration rights equal to those of nationals from EEA countries as well.

Business Travel

Temporary Business Visitor

Except for nationals of non-privileged countries, business visitors are not required to obtain a visa or a residence permit if their stay does not exceed 90 days within a 12-month period.

Anyone who enters Germany as a business visitor is expressly barred from taking employment and to do so is a criminal offence. A business visitor is defined as an individual who normally lives and works outside Germany and comes to Germany to transact business, attend meetings and briefings, for fact-finding, or to negotiate or conclude contracts with German businesses to buy goods or sell services. The visitor must not intend to produce goods or provide services within Germany.

Short Term Visa (Schengen Visa)

Nationals from non-privileged countries are required to obtain a visa for the duration of their business trip to Germany and have, therefore, to apply for such visa at the German diplomatic post abroad.

A valid Schengen Business Visa entitles the holder to travel through and stay in the member countries of the Schengen Agreement (Germany, Austria, Belgium, the Czech Republic, Denmark, Estonia, Finland, France, Greece, Hungary, Iceland, Italy, Latvia, Lithuania, Luxembourg, Malta, the Netherlands, Norway, Poland, Portugal, Slovakia, Slovenia, Spain and Sweden) for a maximum period of three months within a six-month period.

Schengen Visas have to be applied for at the representation of the main destination of the intended travel or, in case a main destination cannot be ascertained, at the representation of the country of the first entry into the Schengen area.

Training

The German Immigration Act does not provide a specific visa category for foreign employees who want to receive on-the-job training in Germany. Training is considered as a kind of employment from the authorities' perspective, therefore trainees must

apply for a residence permit for employment purposes. That being said, there may be some privileges for specific occupational groups, such as information technology specialists or for the case of an international personnel exchange.

Employment Assignments

For most work and employment activities that are carried out in Germany, a residence permit for employment purposes must be requested. This will only be granted with the approval of the labor agency. The residence permit for employment purposes allows a specifically designated foreign employee to carry out a specific job for a particular employer based in Germany. The residence permit will usually be limited to one year but can be extended if necessary. An unlimited settlement permit can be granted from the beginning only to highly qualified specialists or after five years of residency in Germany.

In most cases the labor agency will only approve an employment application in Germany under the condition that:

- No adequately trained or qualified German or EEA personnel is available for the vacancy in question. The labor agency can insist on a four-week waiting period during which they will try to find personnel with German or other EEA-countries citizenship, who can fill the position, before they grant the approval;
- the salary is comparable to that offered to resident workers in the same position; and
- the intended assignment (vacancy) is allowed to be filled by foreign nationals under the ordinance on employment of foreign nationals, which is a detailed catalogue of possible qualifying professions.

International Personnel Exchange Members

Specialists and skilled employees of an internationally operating group who are transferred temporarily to Germany may apply for their residence/work permit under simplified conditions provided that the intended assignment can be seen as part of a personnel exchange program for internationalization of the group. Furthermore, the assignment must be of crucial interest for the cooperation and development of the group or the company in the international market. It is essential that the employees are permanently employed by the company and that they possess

a university diploma or similar education (or a minimum of five years employment with the company). Moreover, it is sufficient that, from time to time, the company also sends skilled employees from Germany to other countries. A work-related residence permit under this provision can be granted for up to three years.

The approval of an intended employment like this has to be granted by a special labor authority (“Zentralstelle für Arbeitsvermittlung” or “ZAV”) without a labor market check, which usually speeds up the visa process considerably.

Service Delivery

Approval from the labor agency is not required for non-EEA employees working for an EEA company that provides its services to customers within Germany, if they are employed at the company’s place of residence and if the assignment to Germany is temporary.

Senior Executives

No approval of the labor agency is required in case the foreign national is:

- Chief-Executive Officer with full power of attorney (“Generalvollmachten”) or “Prokura” as certified/verified by the German commercial register; or
- Member of the executive body of a legal entity (*e.g.*, Managing Director of a GmbH); or
- Partner and/or shareholder of trading or commercial companies with the power to represent the company.

Highly qualified Specialists

Highly qualified specialists may apply for a settlement permit that gives unlimited residence rights to them and their family members. Prior approval for the intended employment from the labor agency is not required in these cases. Highly qualified persons include:

- Scientists with special technical knowledge;
- Teaching or scientific personnel in prominent positions; and
- Specialists and executive personnel with outstanding professional experience who earn a salary corresponding to at least twice the earnings ceiling of the

statutory health insurance scheme (in 2008 that is at least EUR 86,400).

Because of a shortage of qualified employees in Germany the Federal Government intends to decrease this income limit in the future to the contribution assessment ceiling (west) of the general pension insurance (at present EUR 63,600).

Specific assignments

The following categories of visitors are exempt from the requirement of a residence permit for employment purposes, provided the foreign national retains residency abroad:

- Sportsmen and women who take part in official sport festivals (provided that the person has completed their 16th year and that the association or organization pays a gross salary which amounts to at least 50 percent of the contribution assessment ceiling for the statutory pension insurance and the sports qualification as professional athlete or the professional expertise as a trainer has been ascertained by the German sport association);
- Artists who take part in art festivals or guest performances (for a temporary limitation of 90 days within a 12-month period);
- Pupils and students of foreign universities or vocational schools for a holiday job placed by the German labor agency (for a temporary limitation of 90 days within a 12-month period);
- Journalists, who are accepted by the German Press and Information Office (“Presse- und Informationsamt”);
- Trainers who are employees of a company whose business is in a country outside of Germany for the installment or setting up of a “ready-to-use” machine or a (computer) system delivered by their foreign company; for the provision of training for the use of such machine or system and the maintenance or repair thereof. An individual is only eligible for this exemption if it can be shown that the company has sold a product or computer system that its employee shall implement in its customer office and that some installation or training is necessary (“trainer”). The exemption from the work authorization must be approved by the labor authorities.

Other Comments

There are privileges for additional groups (*e.g.*, for foreign students) who may stay in Germany for one year after the successful completion of their exams for the purpose of looking for work or for foreign nationals who come to Germany for mainly charitable or religious purposes.

Foreign nationals may apply for a settlement permit, which gives unlimited residence rights to the applicant and the family in case the foreign national has held a fixed-term residence permit for at least five years and fulfills further requirements (*e.g.*, proving maintenance, sufficient knowledge of the German language, *etc.*).

Spouses and dependent children may accompany the holder of a work related residence permit. These family members may stay for the same period of time as the applicant. However, the applicant must provide evidence of the ability to financially support the family members during their period of stay in Germany. Generally, spouses and dependants of the applicant are not entitled to work during the first two years in Germany unless they have obtained a work-related residence permit in their own right. Family members of a settlement permit holder are allowed to work without restriction.

Foreign nationals who want to be naturalized to German citizenship must have been legally residing in Germany for at least eight years and must fulfill some other preconditions. Such naturalization generally requires that the foreign national be established in Germany (*i.e.*, able to sustain self and family without the help of welfare benefits or unemployment assistance), have no criminal record, and possess adequate command of the German language. Furthermore, applicants are generally requested to give up their present citizenship. In this category, naturalization is generally not possible from abroad.

The same requirements apply in the case of a foreign national who is the spouse or legal partner of a German citizen that wants to become naturalized, provided that they have been married for two years and have been residing in Germany for three years.

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Hong Kong Special Administrative Region

Executive Summary

On July 1, 1997, Hong Kong became a Special Administrative Region of the People's Republic of China ("PRC"). Although part of the PRC, Hong Kong continues to operate under a common law legal system that is distinct from other parts of the PRC.

Key Government Agencies

The Hong Kong Immigration Department ("HKID") is responsible for all immigration related matters. It monitors and controls the movement of the people in and out of Hong Kong by land, sea, and air. The HKID is also responsible for processing applications for visas, right of abode (*i.e.*, permanent residency), naturalisation, Hong Kong travel documents, Hong Kong identity cards, and registrations of births, deaths, and marriages for Hong Kong residents.

Business Travel

Visitor Visa

Foreign nationals who wish to travel to Hong Kong for tourism or business purposes may apply for visitor visas at an overseas PRC consulate or embassy.

Nationals of the following countries always require valid visas for Hong Kong for whatever purpose, including those who are in transit and remain in the airport transit area: Angola**, Bangladesh**, Burundi**, Cameroon**, Democratic Republic of Congo, Republic of Congo**, Republic of Cote D'Ivoire, Eritrea, Ethiopia**, Ghana**, Iraq, Liberia, Nepal, Pakistan**, Sierra Leone, Somalia, Sri Lanka**, and Togo** (** except for holders of Diplomatic and Official passports).

Nationals of the following countries require visas prior to entering Hong Kong, except in direct transit by air and when the individual does not leave the airport transit area: Afghanistan, Albania, Armenia, Azerbaijan, Belarus, Cambodia, the PRC, Cuba, Georgia, Grenada, Iran, Kazakhstan, Kyrgyzstan, Laos, Lebanon, Libya, Republic of Moldova, Republic of Montenegro, Myanmar, Nicaragua, Nigeria, North Korea, Palestine, Panama, Russian Federation, Senegal, Republic of Serbia, Solomon Islands, Sudan, Syria, Tajikistan, Turkmenistan, Ukraine, Uzbekistan, and Vietnam.

The same rule applies to holders of Costa Rican Provisional passports, *Documento de Identidad y Viaje* issued by the Costa Rican Government, Kiribati passports with status stated as “Investor” or “N-Kiribati”, Special Peruvian passports, Tongan National passports, Tongan Protected Person passports, Tuvalu passports with national status stated as “I-Tuvalu”, Uruguay passports issued under Decree 289/90, Vatican Service passports, and holders of travel documents issued by Bophuthatswana, Ciskei, Imamate (or Emamate) of Oman State, Kwa-Zulu, Moari Kingdom of Teiti, the Northern Cyprus Turkish Republic, Taiwan, the Transkei, Venda, Yemen (Royalist authorities), and the Party of Democratic Kampuchea (Khmer Rouge) in Palin, and North West Cambodia.

Holders of stateless travel documents issued by foreign countries/territories whose nationals enjoy visa-free access to Hong Kong may be issued a single or double-journey transit visa valid for three months and good for a stay of seven days, or a visit visa which is good for a stay of 14 days.

PRC nationals residing in Mainland China should apply for and secure appropriate entry permits through relevant Chinese authorities in Mainland China prior to traveling to Hong Kong. Mainland Chinese residents may apply through an authorised travel agent in China to visit Hong Kong on group tours. Mainland Chinese residents from certain provinces may also directly apply through relevant Chinese authorities in Mainland China to visit Hong Kong under the Individual Visit Scheme.

Alternatively, Mainland Chinese residents traveling on PRC passports who are in transit through Hong Kong to and from another country may be granted a stay of seven days without the need to obtain a prior entry visa/permit provided the usual immigration requirements are met, including possession of a valid entry visa for the destination country and a confirmed onward booking.

In addition, certain overseas PRC nationals holding PRC passports may be issued a multiple-journey visit entry permit valid for 24 months and good for a stay of 14 days upon each arrival. The overseas PRC nationals must be permanent residents or ordinarily residents for not less than one year in the country/territory (*e.g.*, US) where the applications are lodged, have no previous adverse records in Hong Kong, and possess ample returnability to and have a steady job or study in the country/territory of domicile.

The government’s regularly updated lists are published on the Internet at www.immd.gov.hk/chtml/hkvisas_4.htm.

All visitors are required to have adequate funds to cover the duration of the stay without working and to hold onward or return tickets.

A visitor can request a limited extension of stay in Hong Kong by applying in person at the HKID. A satisfactory explanation has to be given to the HKID before the extension of stay will be considered.

Visa Waiver

Citizens of certain countries do not need to obtain visas as tourists or for business purposes if they are staying in Hong Kong for a limited period of time. Their permitted period of stay varies depending on their country of citizenship. Extensions of stay are considered on a case-by-case basis by the HKID. Citizens of the following countries are eligible for the visa waiver and permitted period of stay shown below:

Austria	90 days	Italy	90 days
Australia	90 days	Japan	90 days
Bulgaria	90 days	Netherlands	90 days
Canada	90 days	Philippines	14 days
Finland	90 days	Singapore	90 days
France	90 days	Sweden	90 days
Germany	90 days	Switzerland	90 days
Greece	90 days	Thailand	30 days
India	14 days	United Kingdom	180 days
Ireland	90 days	United States	90 days

Non-Visitors

In General

Under current Hong Kong immigration guidelines, a foreign national who wishes to enter Hong Kong, other than as a tourist or for business purposes, should apply for one of the following visas:

- Employment visa;
- Dependent visa;
- Employment (investment) visa;

- Capital investment visa;
- Quality migrant visa;
- Training visa; and
- Student visa.

As a practical matter, nationals of certain countries will not be granted non-visitor visas in most circumstances at the discretion of the HKID. Special guidelines also apply to mainland Chinese nationals.

Training

Training Visa

In general, the training visas are granted to enable foreign and PRC nationals to acquire skills, knowledge or experience that they may return to their respective home countries to make use of what they have learned at the conclusion of the training.

Where the HKID is informed of company personnel coming to Hong Kong for training purposes, it may issue training visas for the period of training or a maximum of 12 months, whichever is shorter, after considering the nature and importance of the training program.

Training visas may also be issued to foreign students who are pursuing their undergraduate degree studies or above from overseas, provided the training in Hong Kong is relevant to their studies.

PRC nationals seeking training visas do not need to meet the offshore residency or offshore permanent resident status requirement.

Student Visa

A foreign national who wishes to pursue studies in Hong Kong must be accepted from one of the qualified education institutions recognised by the HKID. The student visa is valid for a period of six to twelve months, or the period of the academic year, whichever is shorter. It is renewable for further periods of stay, depending on prevailing circumstances.

Students can only remain as students of the specified education institution as stated in the approved student visa application unless prior approval is obtained from HKID. Further, students cannot take up any employment, whether paid or unpaid, or establish or join in any business unless otherwise approved by the HKID.

Employment Assignments

A foreign national who wishes to work in Hong Kong, whether paid or unpaid, and regardless of the length of proposed employment in Hong Kong, must first obtain an employment visa. Failure to do so is an offence under the Hong Kong Immigration Ordinance.

HKID processes each employment visa application on its own merits and normally addresses itself to three main issues:

- Whether the business under which the foreign national proposes to be employed is beneficial to the economy, industry, and trade of Hong Kong;
- Whether the employment of the foreign national is essential to such business; and
- Whether that position may be easily filled by someone locally in Hong Kong.

It is important to show that the foreign national possesses skills, knowledge, and experience that are not readily available or are in shortage in Hong Kong. It could be because the foreign national:

- Is a very highly qualified professional;
- Possesses technical knowledge or know-how indispensable to the company in Hong Kong;
- Possesses acclaimed experience and relevant knowledge; or
- Generally, the proposed stay in Hong Kong will benefit not only the company, but also Hong Kong.

In the case of an intra-company transfer, it is generally sufficient to show that the applicant gathered intrinsic knowledge of the internal administration and operation of the company and this type of knowledge is not readily available locally in Hong Kong during employment with the company abroad.

Extensions of the employment visa are possible. The current renewal pattern is two years, two years, and three years.

The employment visa is employer specific. A foreign national with an employment visa cannot work for any other employer in Hong Kong. If the foreign national leaves his or her employer in Hong Kong, notwithstanding the fact the visa validity has not expired or has lapsed, the foreigner may not take up employment with any other employer in Hong Kong unless prior approval is obtained from the HKID.

If a foreign national with an employment visa wishes to work for someone in addition to the approved employer, the foreigner must first obtain approval from the HKID. This requirement is noteworthy in cases where a foreign national may be required to supervise or engage in activities for several related companies in Hong Kong.

Upon termination, the sponsor in Hong Kong must inform the HKID. The sponsor may be required to bear the cost of the foreign national's repatriation.

Dependent Visa

Foreign nationals not subject to a limit of stay in Hong Kong (*i.e.*, foreign nationals who are Hong Kong permanent residents, residents with the right to land, or on unconditional stay), may sponsor their spouse, unmarried dependent children under the age of 18, and dependent parents aged sixty and above to take up residence in Hong Kong as their dependents. Foreign nationals admitted to Hong Kong to take up employment, or study in full-time undergraduate or post-graduate programs in local degree-awarding institutions, capital investment entrants, or as quality migrants, may sponsor their spouse and unmarried dependent children under the age of 18.

Dependent visa holders are free to study and take up employment in Hong Kong without the need to apply for separate visas, so long as their principal sponsors maintain their employment status with the sponsoring companies in Hong Kong, or if their sponsors are not subject to a limit of stay in Hong Kong. Those dependent visas issued before 15 May, 2006, bearing the condition "Employment is not permitted," may remove the condition by submitting applications to the HKID. The condition will be automatically removed when the dependent visa holder's current visa expires and they are granted extension of stay. The success of a prolonged visitor's visa application is at the sole discretion of the HKID.

Common law and same sex spouses are not entitled to dependent visas, but may be able to obtain prolonged visitor visas.

Employment (Investment) Visa

A foreign national investing and starting a business may apply for an employment (investment) visa. The investment amount must be “substantial,” which generally means a minimum of HK\$500,000, depending on the proposed business venture. The business must be beneficial to the local economy, commerce, and industry of Hong Kong, usually shown by the creation of jobs. Further, it is important to show that the foreign national has the expertise to carry on the business.

Capital Investment Visa

Foreign nationals with net assets under their control and disposal for investment of no less than HK\$6.5 million in either or a combination of two permissible investment assets, namely real estate and financial assets, may be eligible for admission to Hong Kong under the capital investment scheme. The capital investment scheme currently applies to foreign nationals, residents in Macau, mainland PRC nationals who have obtained permanent residency status in an acceptable foreign country, and stateless persons who have obtained permanent residency status in an acceptable foreign country with proven re-entry facilities, and residents of Taiwan.

The foreign national should make the investment in the permissible assets within six months of the lodgment of the capital investment visa application with the HKID, or within six months after obtaining the approved-in-principle from the HKID in order for the investment to be counted under the capital investment scheme. The foreign national is not allowed to realise or cash in any capital appreciation of the qualifying portfolio during the stay in Hong Kong. If the value of the portfolio falls below the original level of HK\$6.5 million, no topping up is required.

The spouse and unmarried dependent children under the age of 18 are eligible to derive visa status. Further, the foreign national and dependents may apply for right of abode after seven years of continuous residence.

Quality Migrant Visa

The Quality Migrant Admission Scheme is available for highly skilled or talented persons between the age of 18 and 50. Applicants need not secure an offer of employment prior to application. There are two types of points-based assessments: General Points Test and Achievement-based Points Test.

The General Points Test allocates marks according to the following five factors:

Factors	Maximum Points
Age	30
Academic / Professional Qualifications	45
Work Experience	50
Language Proficiency in Chinese and English	20
Family Background	20
	165

Applicants must achieve above a minimum mark set by the HKID. The minimum mark is subject to change.

The Achievement-based Points Test is for individuals with exceptional talent or skills, requiring receipt of awards of exceptional achievement (*e.g.*, Olympic medals, Nobel prize) or by showing work recognised by industry peers or significant contribution to the development of the individual's field (*e.g.*, lifetime achievement award from an industry). Applicants must obtain the maximum mark of 165 or face refusal.

High-scoring applicants assessed under either the General Points Test or Achievement-based Points Test will be short-listed for further selection by the Director of Immigration. Applicants who are allotted a place in the scheme quota will be issued with an Approved-In-Principle letter and will be required to attend an interview in person at the HKID in Hong Kong for verification of supporting documents. Upon a satisfactory verification, applicants will receive formal approval and will normally be issued an entry visa or permit for an initial stay of 12 months in Hong Kong. Visas issued under the scheme may generally be renewed provided applicants take steps to settle in Hong Kong and make a contribution to Hong Kong.

Foreign nationals admitted under the Quality Migrant Admission Scheme are allowed to bring the spouse and unmarried dependent children under the age of 18 as dependents into Hong Kong. Dependents are not required to attend the interview for formal approval. The foreign national and dependents are eligible to apply for the right of abode after seven years of continuous residence in Hong Kong.

Nationals of Afghanistan, Albania, Cambodia, Cuba, Laos, Democratic People's Republic of Korea, Nepal, and Vietnam are excluded from the Quality Migrant Admission Scheme.

Mainland PRC Nationals

Despite Hong Kong's reversion to the PRC in 1997, the entry of mainland PRC national into Hong Kong remains quite restrictive.

In general, mainland PRC nationals are not eligible to apply for an employment visa or employment (investment) visa. One exception is where the applicant has resided continuously outside Hong Kong, the PRC and Macau for a period of at least one year immediately preceding the application. Another exception is where the applicant holds unconditional permanent resident status from certain "acceptable" countries (*e.g.*, the U.S.) and has been continuously residing outside Hong Kong, the PRC and Macau immediately preceding the application.

Accompanying dependent family members who are also PRC passport-holders, must also individually meet these same requirements.

The applicant will also have to satisfy the regular requirements as to skills and experience previously mentioned, although certain applicants on official or semi-official status in Hong Kong are exempt.

PRC passport holders residing in Hong Kong do not require re-entry visas to resume residence from a trip outside Hong Kong, provided they return to Hong Kong within 12 months of departure or the limit of stay imposed, whichever is earlier.

Admission of Mainland Talents and Professional Scheme

The Admission of Mainland Talents and Professionals Scheme is quota-free and non-sector specific. Qualified applicants must generally possess a first degree in a relevant field and be offered a benefits package commensurate with the prevailing market rate.

The applicant may apply for change of employment after admission if the new job continues to qualify. The applicant's spouse and unmarried dependant children under the age of 18 may qualify as dependants. The applicant and dependants may apply for the right of abode after seven years of continuous residence in Hong Kong.

The employer must submit the application directly to the HKID on behalf of the applicant. Upon approval of the application, the HKID will issue an entry permit label to the employer for forwarding to the applicant. The applicant must present the entry permit label to the Public Security Bureau in the PRC and apply for an Exit-entry Permit for Traveling to Hong Kong and Macau and a relevant exit endorsement before coming to Hong Kong.

Immigration Arrangements for Non-local Graduates (“IANG”)

Mainland PRC nationals who complete their full-time and locally-accredited programme in Hong Kong (*e.g.*, bachelor degree or higher level studies) may remain or re-enter for employment after graduation.

Under this arrangement, a mainland PRC national who has completed a full-time and locally-accredited programme in Hong Kong may apply for an employment visa, provided the applicant possesses skills or knowledge not readily available or in shortage locally, and is offered a benefits package commensurate with the prevailing market rate.

Persons admitted under the IANG are free to take up and change employment during their permitted stay without the need to seek prior approval from the HKID. The applicant's spouse and unmarried dependant children under the age of 18 may apply to enter as dependants. The applicant and dependants may apply for the right of abode after seven years of continuous residence in Hong Kong.

The successful applicant under the IANG will be issued an entry permit label. The applicant must present the entry permit label to the relevant office of the Public Security Bureau in the PRC and apply for an Exit-entry Permit for Traveling to Hong Kong and Macau and a relevant exit endorsement before entering Hong Kong. If the applicant is currently residing in Hong Kong, after being issued with an entry permit label and endorsed onto the Exit-entry Permit for Travelling to Hong Kong and Macau by the HKID, it is possible to apply for the relevant exit endorsement through China Travel Service (Hong Kong) Limited, as authorised by the Bureau of Exit-Entry Administration of the Ministry of Public Security.

Mainland PRC nationals may also apply for Hong Kong training and student visas.

Hong Kong Identity Card

Once a foreign national has secured the appropriate visa, registration for a Hong Kong identity card with the Registration of Persons Office is required, if the foreign national will be residing continuously in Hong Kong for more than 180 days.

Hong Kong residents aged 11 and above must register for a Hong Kong identity card. Hong Kong residents aged 15 or above must carry at all times a Hong Kong identity card. Failure to do so is an offence under the Immigration Ordinance.

Other Comments

Foreign nationals may be eligible to apply for right of abode after continuously residing in Hong Kong for seven years or more.

Naturalisation to become a PRC national is also possible for those willing to abide by the PRC constitution and laws, if they are near relatives of Chinese nationals, have settled in the PRC, or have other legitimate reasons. Dual nationality is not recognized and applicants must relinquish foreign citizenship.

Further Information

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Republic of Indonesia

Executive Summary

Indonesian law offers several visas to allow foreign nationals to enter for business purposes. For working in Indonesia, however, foreign nationals generally must be sponsored by an Indonesian entity to allow them to enter Indonesia using a Limited Stay Visa. The sponsoring entity also needs to obtain a work permit.

Key Government Agencies

The Immigration Attache at an Embassy or Consular Office of the Republic of Indonesia or other designated official such as a Visa Officer is authorized to issue or refuse requests for Visit Visas and Limited Stay Visas.

Visa issuance must be in accordance with the decision of the Director General of Immigration (“DGI”) on behalf of the Minister of Law and Human Rights (“Departemen Hukum dan Hak Asasi Manusia” or “HAM”). The DGI may fully authorize the Visa Officer to issue or reject applications for Visit Visas.

The Ministry of Manpower and Transmigration (“Departemen Tenaga Kerja Dan Transmigrasi” or “DOMT”) processes applications for work permits.

Admission to Indonesia remains under the authority of the Immigration Officer at the port of entry. A Visit Visa may be issued at an immigration check point.

Business Travel

Foreign nationals coming to Indonesia for business trips may use a Visit Visa (single or multiple), a Visit Visa on Arrival or a Non-Visa Short Term Visit facility.

Visit Visa (Single or Multiple)

A Visit Visa is provided for non-working purposes including all aspects related to governmental duties, tourism, socio-cultural visits, business visits (but not for working) with a stay of 60 days at the maximum for single Visit Visa or with a stay of 60 days for each visit for multiple Visit Visa. Multiple visas can be granted if the activities concerned require several visits to Indonesia, with a maximum period of one year and with no longer than 60 days for each visit. Examples of activities permissible for a holder of a Visit Visa are:

- Visit in relation to a cooperation between the Government of Indonesia and another Government;
- Tourism;
- Family or social;
- Inter educational institutions;
- Participating in a short training;
- Carrying out journalism activities that have received a permit from the competent institution (not applicable for multiple Visit Visa);
- Making a non-commercial film that has received a permit from the competent institution (not applicable for multiple Visit Visa);
- Conducting business discussions, such as sale and purchase of goods and services, and quality control of production;
- Giving lectures (seminar) or joining non-commercial seminars related to social, culture or governmental matters, that has received a permit from the competent institution;
- Participating in a non-commercial international exhibition (not applicable for multiple Visit Visa); or
- Attending meetings with headquarters or the representative in Indonesia.

Non-Visa Short Term Visit

Citizens of Thailand, Malaysia, Singapore, Brunei Darussalam, Philippines, Hong Kong SAR, Macau SAR, Chile, Morocco, Peru, Vietnam and Ecuador are entitled to enter Indonesia on Non-Visa Short Term Visits. This status can be used for the purpose of tourism, socio-cultural visits, business visits (but not for working) and government duties. It can be used for a stay period of 30 days at the maximum.

This visa cannot be extended or converted to other types of visa. The regulations on Non-Visa Short Term Visits do not list examples of activities allowed to be performed by a Non-Visa Short Term visitor. However, it is generally accepted that the type of activities that can be performed by this kind of visitor are the same as those of the holder of a single Visit Visa.

Visa Waiver

Visit Visa on Arrival

Citizens of 63 countries may also obtain a Visit Visa on Arrival to enter Indonesia. The Visit Visa on Arrival is provided for the purpose of governmental duties, tourism, socio-cultural visits, business visits (but not for working) and will be given on arrival in Indonesia with a stay period of from 7-30 days at the maximum, which can be extended with approval from the Director General of Immigration in case of natural disaster in the place where the holder of the Visit Visa on Arrival is located or an accident or illness of the visa holder.

The types of activities that can be performed under Visit Visa on Arrival are theoretically the same as those of a single Visit Visa.

The following countries are presently qualified under this program: South Africa, South Korea, United States of America, Kuwait, Argentina, Laos, Australia, Liechtenstein, Austria, Luxemburg, Bahrain, Maladewa, Belgium, Malta, Netherland, Mexico, Egypt, Bulgaria, Monaco, Cyprus, Norway, Denmark, Oman, the United Arab Emirates, France, Estonia, Poland, Finland, Portugal, Hungary, Qatar, India, China, England, Russia, Iran, Saudi Arabia, Ireland, New Zealand, Iceland, Spain, Italia, Suriname, Japan, Sweden, German, Swiss, Cambodia, Taiwan, Canada, Greece, Brazil, Aljazair, Czech Republic, Fiji, Latvia, Libya, Lithuania, Panama, Rumania, Slovakia, Slovenia, and Tunisia.

Visit Visa on Arrival is only available at major international gateways and seaports in Indonesia. The seaports are: Bandar Bintan Telani Lagoi in Tanjung Uban, Bintan (Sumatera); Bandar Seri Udana Lobam in Tanjung Uban (Sumatera); Batu Ampar in Batam (Batam Island); Belawan in Belawan (North Sumatera); Benoa in Bali (Island of Bali); Bitung in Bitung (Sulawesi); Jayapura in Jayapura (Papua); Marina Teluk Senimba (Batam Island); Maumere in Flores (East Nusa Tenggara); Nongsa in Batam (Batam Island); Padang Bai in Bali (Island of Bali); Pare-pare in Pare-pare (South Sulawesi); Sekupang in Batam (Batam Island); Sibolga in Sibolga (North Sumatra); Soekarno-Hatta in Makassar (South Sulawesi); Sri Bintan Pura in Tanjung Pinang (Riau); Tanjung Balai Karimun (Sumatera); Tanjung Mas in Semarang (Central Java); Tanjung Priok in Jakarta (Capital of Indonesia); Teluk Bayur in Padang (West Sumatra); Batam Centre in Batam (Batam Island); Tenau in Kupang (East Nusa Tenggara Province); and Yos Sudarso in Dumai (Riau Province, Sumatra).

The airports are: Juanda in Surabaya (East Java); Adisutjipto in Yogyakarta (Central Java); Adi Sumarmo in Surakarta (Central Java); El Tari in Kupang (East Nusa Tenggara Province, Timor); Halim Perdana Kusuma in Jakarta (Capital of Indonesia); Hasanuddin in Makassar (South Sulawesi); Ngurah Rai in Denpasar (Island of Bali); Polonia in Medan (North Sumatera); Sam Ratulangi in Manado (North Sulawesi); Selaparang in Mataram (Lombok Island); Sepinggan in Balikpapan (East Kalimantan); Soekarno Hatta in Jakarta (Capital of Indonesia); Sultan Syarif Kasim II in Pekanbaru (Riau Province, Sumatera); Tabing in Padang (West Sumatera); Hang Nadim in Batam (Sumatera); Ahmad Yani in Semarang (Central Java); Husein Sastranegara in Bandung (West Java); and Sultan Mahmud Badaruddin II in Palembang (Sumatera).

Training

As noted above, a Visit Visa and a Visa on Arrival allow foreign nationals to participate in short-term training. However, it is not advisable for participants of on-the-job training to enter Indonesia using a Visit Visa or Visit Visa on Arrival, if they will receive remuneration/wages from the Indonesian entity conducting the on-the-job training or the length of the training is relatively long (*e.g.*, more than three months). In that case, a Limited Stay Visa should be obtained and the Indonesian entity carrying out the on-the-job training should arrange a work permit.

Employment Assignments

Work Permit

Indonesian law requires any employer intending to employ expatriates to obtain a written permit (“IMTA”) from the DOMT. Employers who fail to obtain an IMTA may be subject to a criminal sanction of imprisonment for a minimum of one year and a maximum of four years and/or a fine of a minimum of Rp.100,000,000 and a maximum of Rp.400,000,000.

The process to obtain an IMTA starts with an application for approval of a Foreign Personnel Utilization Plan (“Rencana Penggunaan Tenaga Kerja Asing” or “RPTKA”). The sponsor entity that employs foreign workers must submit an application to the DOMT to obtain RPTKA approval.

Once the RPTKA approval is obtained, the local sponsor entity must submit an application for a recommendation letter for visa application for working purposes, known as “TA.01 recommendation.”

This recommendation letter is issued by the DOMT to the DGI. Based on the TA.01 recommendation, the DGI will then issue a Limited Stay Visa/”VITAS” pre-approval, known as telex VITAS (“Visa Tinggal Terbatas”).

After the issuance of the telex VITAS, the sponsor entity that employs the foreign worker can submit an application for the IMTA. The expatriate employee concerned does not need to come to Indonesia before the IMTA is processed.

The DGI will send a telex VITAS to the designated Indonesian Embassy where the foreign worker picks up the VITAS. The foreign worker is required to apply to the designated Indonesian Embassy in person or appear through an agent.

Once the requirements have been completed, the foreign worker will obtain a VITAS approval stamped in the passport. The VITAS must be used by the foreign worker within 90 days after the date of issuance. This means that within the period of 90 days, the foreign worker is required to enter Indonesia using the VITAS and process more immigration documents.

The accompanying spouse and children up to 17 years old may also enter Indonesia using VITAS. Dependent family members are only entitled to stay with the working spouse or parent - this visa does not entitle them to work. If a spouse would also like to work in Indonesia, the spouse will also need to be sponsored by an Indonesian entity to obtain the appropriate visa and IMTA.

KITAS, MERP and Blue Book

Once the foreign worker has arrived at an Indonesian airport, the immigration officer who is in charge at the airport will provide a stamp of admission that indicates the foreign worker is permitted to enter and must report to the Immigration Office in Jakarta within seven days from the date of arrival at the airport. This means that within this seven-day period, the foreign worker is required to process a Limited Stay Permit (“KITAS”), Multi Exit Re-Entry Permit (“MERP”), and Immigration Control Book (“Blue Book”) at the local immigration office where the foreign worker is domiciled.

The foreign worker is required to present himself to the local immigration office to take fingerprints and put his signature on the forms provided.

By holding a KITAS, MERP and Blue Book, the foreign worker has legally complied with the immigration law and regulations. However, as a KITAS holder, the foreign

worker will also be required to obtain in due course the following additional certificates or permits (in addition, some regions may impose some other additional certificate permits):

- Police Report Certificate (“STM”) issued by the Local Police Office where the foreign worker is domiciled;
- Foreign Domicile Certificate (“SKTT”) issued by the Local Village Office where the foreign worker is domiciled;
- Certificate of Family Composition of Foreign Citizen (“SKSKP”) issued by the Local Population and Civil Registry Office;
- Temporary Residence Card for Foreigner issued by the Local Population and Civil Registry Office;
- Certificate of Police Registration (“SKLD”) issued by the Indonesian Police Headquarters; and
- Report on the existence/arrival of foreign citizens issued by the Local DOMT office where the foreign worker is domiciled.

Other Comments

The Visit Visa and Visit Visa on Arrival allow their holders to enter Indonesia for business purposes. However, some immigration officials (in Jakarta) have viewed that a Visit Visa on Arrival and a Non-Visa Short Term Visit facility are only for “tourism purposes” (not applicable for business purposes). While this view is not necessarily correct from the legal perspective, a better solution to minimize risks of possible difficulties it is more advisable to use a Visit Visa to enter Indonesia for business purposes – keeping in mind, however, that an application for a Visit Visa for business purpose needs to be supported by an Indonesian sponsoring company.

Further Information

Jakarta

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Italy

Executive Summary

The Italian law provides many solutions to help employers of foreign nationals. These range from short-term to long-term visas. Often more than one solution is worth consideration. Requirements, processing times, employment eligibility, and benefits for accompanying family members vary by visa classification.

Key Government Agencies

Italian diplomatic authorities and consular representatives are responsible for visa processing. In order to obtain an entry-visa, an application will have to be filed with the Visa Department along with a number of documents. The issuance of the visa is at the discretion of such diplomatic authorities, meaning that under the applicable laws, the Diplomatic and Consular Representations are entitled to discretionally ask for any additional information or documents they deem necessary to evaluate the application.

Many visa applications require first the approval of a work permit (“nulla osta”) petition by the prospective Italian employer filed with the Italian Immigration Office through a dedicated public office (“sportello unico per l’immigrazione”) responsible for many aspects of the immigration process, together with a number of documents. The issuance of the “nulla osta” is at the discretion of the Immigration Office.

The Immigration Office processes work permit applications through the local Labor Office (“Ufficio Provinciale del Lavoro”) and the “nulla osta” through the local Foreigner’s Bureau of Police Headquarters (“Questura”), which also handles the permit to stay (“permesso di soggiorno”) after arrival in Italy.

Current Trends

A distinction should be made between EU citizens and non-EU citizens as far as immigration and becoming a resident in Italy is concerned.

EU citizens have the right of free movement throughout the EU, though certain restrictions still apply to citizens of those countries that joined the EU in January 2007. If an EU citizen wishes to work or be domiciled in Italy, presence in the

country needs to be declared at the local register office, specifying the purposes and financial means to support the citizen and accompanying family members in Italy.

Non-EU citizens are subject to stricter requirements in order to obtain work and residence permits. There is a fixed quota of permits available each year, and a non-EU person needs gainful occupation with an Italian employer or financial means to support while in Italy.

In a decree dated October 30, 2007, the central government set quota limits on the maximum number of non-EU citizens that may enter the country for residence and working purposes for the year 2007 at 170,000. Another decree was issued allocating a quota limit of 80,000 for seasonal work (*e.g.*, tourism and agricultural sectors).

As in past years, a significant number of quotas are reserved for citizens of specifically designated countries that have enacted bilateral agreements with Italy on immigration issues, as well as for foreigners seeking employment in certain business fields, such as house attendants or caregivers. By the end of 2008, a new ministerial decree is likely to be issued, making available new quota allocations, which are expected to be in the same amount as 2007 (*i.e.*, 170,000).

Further, Italian immigration laws provide for a number of different immigration permits that are granted for specific reasons and outside the numerical restrictions of the quotas.

It is increasingly important for employers to ensure that foreign employees in Italy comply with all legal formalities. Employers of foreign nationals unauthorized for such employment are subject to civil and criminal penalties.

Employers involved in mergers, acquisitions, reorganizations, *etc.*, must evaluate the impact on the employment eligibility of foreign nationals when structuring transactions. Due diligence to evaluate the immigration-related liabilities associated with an acquisition is increasingly important as enforcement activity increases.

Business Travel

Business Visa

Foreign nationals coming to Italy on short-term business trips may use the business visa. In general terms, in order to obtain a business visa, it is necessary that the concerned individual/employee be traveling to Italy for “economic or commercial

purposes, to make contacts with local businesses or carry out negotiations, to learn, to implement or to verify the use of goods bought or sold via commercial contracts and industrial cooperation.”

Employment in Italy is not authorized with a business visa. Each individual may benefit from one 90-day business visa in any given 180-day period, and it allows multiple entries in the Schengen Area during its validity period. This visa requires a return-trip booking or ticket or proof of available means of personal transport, proof of economic means of support during the journey, health insurance with a minimum coverage of € 30,000.00 for emergency hospital and repatriation expenses, the business purpose of the trip and the status as financial-commercial operator of the applicant.

Visa Waiver

As noted previously, EU citizens have the right of free movement throughout the EU, although certain restrictions still apply to citizens of those countries that joined the EU in January 2007.

The normal requirement of first applying to an Italian consular post for the business visa is waived for foreign nationals of certain countries. The permitted scope of activity is the same as the business visa. The length of stay is up to 90 days only, without the possibility of a stay extension or status change. A departure ticket is required.

The following countries are presently qualified under this program: Andorra, Argentina, Australia, Bolivia, Brazil, Brunei, Canada, Chile, Costa Rica, Croatia, Cyprus, Ecuador, El Salvador, Guatemala, Honduras, Israel, Japan, Malaysia, Mexico, Monaco, New Zealand, Nicaragua, Panama, Paraguay, Salvador, San Marino, Singapore, South Korea, Switzerland, United States of America, Uruguay, Vatican (“Santa Sede”), and Venezuela.

The list of qualified countries might change and the regularly updated list is at www.esteri.it/MAE/IT/Ministero/Servizi/Stranieri/ServReteConsolare.htm#ingresso.

Training

Study Visa

A study visa allows foreign nationals to come and stay in Italy for a short or long period in order to attend ordinary university courses, as well as other training courses or vocational training held by qualified or certified entities, or as an alternative to foreign nationals who will perform educational and research activities. This visa requires:

- Documents concerning the study, training or vocational courses to be attended by the applicant;
- Proof of economic means of support during the entire stay in Italy;
- Health insurance covering health care and hospitalization, unless the applicant is entitled to public health assistance in Italy according to any bilateral agreement in force between Italy and his/her country of origin; and
- Age more than 14 years.

Employment Assignments

Permits granted to non EU citizens outside quotas

Permit issued pursuant to article 27, par. 1, lett. a) of the Italian immigration law (Legislative Decree 286/1998)

This is a special type of permit, valid for up to five years, for managers or highly skilled employees employed by a company abroad and who come to Italy in order to perform activities within an Italian company through secondment.

In order to obtain a work and residence permit, an application must be filed through an online system, containing the terms and conditions of a subordinate employment relationship (“contratto di soggiorno per lavoro”) that will be entered into with the foreigner. This “contratto di soggiorno per lavoro” is a substantially new type of employment agreement and will have to contain two requisitions to be valid:

- The guarantee that the employer shall provide the foreigner with a house or other living facilities; and

- The undertaking to pay travel expenses for the foreigner to return to his country of origin, once his permit has expired or he does not obtain a renewal.

The “contratto di soggiorno per lavoro” has to be signed with the mediation of the sportello unico per l’immigrazione. This office, before validating the agreement, verifies that there are no Italian citizens willing to enter into the employment agreement offered to the foreign citizen.

The duration of the permit shall be as follows:

- For seasonal employment, no longer than nine months;
- For fixed term employment, one year; or
- For employment for an indefinite period of time, one year.

The spouse of a holder of a permit and children who enter Italy before the majority age (or for those who, in any case, cannot autonomously provide for their own needs) may obtain a work and residence permit independently from the quota system for the same period of validity of the work permit.

Permit issued pursuant to article 27, par. 1, lett. i) of the Italian immigration law (Legislative Decree 286/1998)

This is a special type of permit for a non-EU citizen, regularly employed and salaried by foreign employers who come to Italy for employment reasons on a temporary basis through secondment in order to perform their activities under a contract (“contratto di appalto”) executed between their employer and an Italian client.

Permits are valid for a maximum period of two years and are not renewable. Also this type of work permit is granted outside numerical quota restrictions that otherwise generally apply to non-EU citizens.

The spouse of a holder of a permit and children who enter Italy before the majority age (or for those who, in any case, cannot autonomously provide for their own needs) may obtain a work and residence permit independently from the quota system for the same period of validity of the work permit.

Employers must promise to give foreign employees wages, working conditions and benefits equal to those normally offered to similar employed workers in Italy.

In order to obtain a work and residence permit, an application must be filed through an online system, containing the terms and conditions of a subordinate employment relationship, known as “contratto di soggiorno per lavoro”, that will be entered into with the foreigner. This “contratto di soggiorno per lavoro” is a substantially new type of employment agreement which will have to contain two requisitions to be valid:

- The guarantee that the employer shall provide the foreigner with a house or other living facilities; and
- The undertaking to pay travel expenses for the foreigner to return to the country of origin, once the permit has expired or is not renewed.

The “contratto di soggiorno per lavoro” has to be signed with the mediation of the sportello unico per l’immigrazione. This office, before validating the agreement, verifies that there are no Italian citizens willing to enter into the employment agreement offered to the foreign citizen.

Other Comments

There are additional visas less frequently used for global mobility assignments worth a brief mention. One of them is the Mission Visa, which is issued at the discretion of the Italian diplomatic authorities and consular representatives in the place of residence of applicants coming to Italy for, *int. al.*, “reasons of public utility between a foreign state/international organization and Italy.” This type of visa is granted outside numerical quota restrictions. This visa requires:

- An invitation letter prepared by the concerned foreign state or international organization outlining clearly the purposes of the invitation, the scope and the description of the mission that the invited applicant will have to perform, the duration of the stay in Italy, and the entity that will bear the travel and living costs;
- Letter from the applicant outlining the proposed itinerary and confirming the purpose of the trip and the duration of the stay as indicated in the invitation letter; and
- A confirmed return airplane ticket or return airplane ticket reservation print-out (open airplane tickets are acceptable).

Processing time for this application will depend on the caseload of the Italian Consulate at the time of application. It is normal for the process to take 90 to 120 days or longer. Once the visa has been issued and within eight days from entering Italy, the concerned employee will have to file an application, via an Italian post-office, to the local police office (“Questura”) in order to complete the immigration procedure and obtain the final stay permit - a meeting with the local police office and the foreigner is required for this purpose.

A non-EU citizen, who has legally resided (*i.e.*, by means of a regular work and residence permit) in Italy for more than 10 years, may request Italian citizenship. Citizenship is discretionally granted by decree of the President of the Republic, upon proposal of the Ministry of Internal Affairs.

Further Information

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Japan

Executive Summary

In general a foreign national who comes to Japan must apply for permission to disembark at the port of entry. If Japanese border officials grant the permission to disembark, residency status from the 27 different types of status of residence will be issued corresponding to the nature and period of stay. Foreigners in Japan are allowed to engage only in those activities permitted under the residency status granted.

Except for temporary visitors, in most cases it is recommended for foreigners to obtain a Certificate of Eligibility prior to coming to Japan.

In addition, foreigners are generally required to obtain an appropriate visa from a Japanese consulate. In Japan the term “visa” carries all, or at least one, of the following meanings:

- a visa issued from a Japanese consulate located overseas;
- permission to disembark applicable at the port of entry; or
- a visa granting residency status.

Key Government Agencies

The Immigration Bureau of the Ministry of Justice has jurisdiction over immigration and residence in Japan. The Immigration Bureau has eight regional immigration bureaus, six district offices, 63 branch offices and three detention centers. The Immigration Bureau is in charge of entry into and departure from Japan, residency, deportation and recognition of refugee status.

The issuance of visas is handled by Japan’s Ministry of Foreign Affairs through consulates and diplomatic offices abroad.

Current Trends

Beginning in November 2007, all applicants (with limited exemptions) upon arrival must submit personal identification, be fingerprinted and photographed as part of an immigration inspection.

In Japan, the focus is on facilitating entry and residency for foreign nationals with specialized knowledge and skills, while the admission of unskilled foreign labor has generally been outside the scope of discussion.

However, Japan's rapidly aging society is resulting in a decreasing workforce since the end of the 20th century. As a result, certain industries face serious labor shortages and are now considering foreign labor as a solution. For example, nursing is an industry where the Japanese government has attempted to address the labor shortage by entering into agreements with certain countries (*e.g.*, Indonesia and the Philippines) to allow citizens of those countries to enter Japan to study and work. It is anticipated that the government will ease restrictions to allow entry of unskilled foreign labor as Japanese industries continue to struggle with labor shortages due to the shrinking work force.

Business Travel

Temporary Visitor

The status of “temporary visitor” is for foreign nationals who intend to stay in Japan for a limited amount of time (up to 90 days) for such business purposes as meetings, contract signings, market surveys and post-sale services for machinery imported into Japan.

Activities involving business management (*i.e.*, profit making activities) or remuneration other than those activities permitted under the residency status (“paid activities”) by temporary visitors is not permitted. Violation of residency status rules is considered illegal labor. Both the foreign worker and employer may incur criminal liability.

“Paid activities” means activities for remuneration for certain services, such as employment by another person or organization for compensation or any other activities for compensation (both financial and material) for completion of any project, work or clerical work. There is an exemption for certain types of incidental or nonrecurring compensation of certain amounts that occur within a regular, daily life.

In principle, temporary visitor status may not be extended because it is intended for foreign nationals who stay in Japan for a short period of time.

Visa Waiver

Currently, Japan has entered into reciprocal visa exemption agreements with 62 countries and regions. Foreign nationals from these areas are not required to obtain a visa to enter Japan if: the purpose of their stay is authorized under the temporary visitor visa status; and the length of the stay does not exceed the terms of the agreement between their country and Japan (either 6 months, 90 days, 30 days or 15 days).

List of Countries and Regions With Visa Exemption

Countries and Regions	Term of residence
<i>Asia</i>	
Singapore	3 months or less
Brunei	14 days or less
Hong Kong (BNO, SAR passport)	90 days or less
Korea	90 days or less
Taiwan	90 days or less
Macau (SAR passport)	90 days or less
<i>North America</i>	
Canada	3 months or less
U.S.A.	90 days or less
<i>Europe</i>	
Austria	6 months or less
Germany	6 months or less
Ireland	6 months or less
Liechtenstein	6 months or less
Switzerland	6 months or less
United Kingdom	6 months or less
Belgium	3 months or less
Croatia	3 months or less
Cyprus	3 months or less
Denmark	3 months or less

Finland	3 months or less
France	3 months or less
Greece	3 months or less
Iceland	3 months or less
Italy	3 months or less
Luxembourg	3 months or less
Macedonia	3 months or less
Malta	3 months or less
Netherlands	3 months or less
Norway	3 months or less
Portugal	3 months or less
San Marino	3 months or less
Slovenia	3 months or less
Spain	3 months or less
Sweden	3 months or less
Andorra	90 days or less
Bulgaria	90 days or less
Czech Republic	90 days or less
Estonia	90 days or less
Hungary	90 days or less
Latvia	90 days or less
Lithuania	90 days or less
Monaco	90 days or less
Poland	90 days or less
Slovakia	90 days or less

Latin America and Caribbean

Mexico	6 months or less
Argentina	3 months or less
Bahamas	3 months or less
Chile	3 months or less
Costa Rica	3 months or less
Dominican Republic	3 months or less
El Salvador	3 months or less

Guatemala	3 months or less
Honduras	3 months or less
Suriname	3 months or less
Uruguay	3 months or less
Barbados	90 days or less

Middle East

Israel	3 months or less
Turkey	3 months or less

Oceania

Australia	90 days or less
New Zealand	90 days or less

Africa

Lesotho	3 months or less
Mauritius	3 months or less
Tunisia	3 months or less

Note that if there is a waiver of visa requirements of up to three months or 90 days, upon landing foreigners are granted a temporary visitor status for a period of 90 days (15 days for Brunei).

Nationals of countries and regions that have taken measures concerning the waiver of visa requirements with Japan for stays of up to six months are granted permission to stay in Japan for 90 days at the time of entry. Nationals of these countries and regions who wish to stay in Japan for more than 90 days must apply at their nearest immigration authority in Japan for an extension of their period of stay.

In the case of Bangladesh, Pakistan and Iran, the waiver of visa requirements is temporarily suspended. Further, it is recommended that citizens of Malaysia, Peru and Colombia obtain a visa.

Training

Trainee status is granted to foreign nationals who come to Japan in order to acquire technological skills or knowledge by training at public organizations or private companies.

Trainee status was designed to facilitate international cooperation with, and contribution to, developing countries by inviting nationals from those countries to come to Japan for training. Trainee visa holders are expected to contribute to the development of their countries after training in Japan.

Despite its stated purpose of facilitating cooperation with developing countries, trainee visa status is actually very difficult to obtain. Applicants must submit detailed information, including not only personal information but also the contents of the training, the profile and the training system of the inviting organization, the training period, and any limitations on the number of trainees invited and compensation.

Employment Assignment

Foreigners may engage in the activities authorized for the specified period of time under their visa only after obtaining the appropriate residency status. Therefore, it is crucial that the applicant and intended activities meet the criteria for at least one residency status category, as well as fulfill the criteria required specifically by the status of residence for which they are applying.

Among the 27 types of visas allowed in Japan, 21 create residency status and allow the applicant to engage in profit making activities and paid activities. The four most common residency statuses for employment are Engineer, Specialist in Humanities/International Services, Intra-company Transferee and Investor/Business Manager visas, as well as the Dependent visa for dependent family members.

Engineer

Foreigners coming to engage in services that require technology and/or knowledge pertinent to physical science, engineering or other natural science fields, on the basis of a contract with public organizations or private companies in Japan generally rely on Engineer residency status. For these purposes, natural science includes such fields as agriculture, medicine, dentistry, pharmacology, *etc.* Typical professions requiring Engineer visa status are IT or biotechnology engineers.

The law requires the activities to be based on a contract with public or private organizations in Japan, therefore, the applicant must enter into an employment agreement, service contract or consignment agreement, *etc.* The applicant's employer must have an office located in Japan and, in many cases, is required to arrange social and labor insurance for the applicant.

Applicants must either:

- Have graduated from or completed a course at a college or acquired an equivalent education majoring in a subject relevant to the skills and/or knowledge necessary for the proposed employment;
- Have at least ten years experience (including time spent studying the relevant skills and/or knowledge at a college or upper secondary school, *etc.*); or
- Be coming to work in a job that requires skills or knowledge concerning information processing for which the applicant has passed an information processing skills examination designated by the Minister of Justice or has obtained the information processing skills' qualification designated by the Minister of Justice.

In addition, the applicant must be offered a salary equal to salary a Japanese national would receive for comparable work. It is currently understood that a minimum of 200,000 JPY is to be paid as monthly salary.

Specialist in Humanities/International Services

This visa was designed to authorize services that: require knowledge pertinent to jurisprudence, economics, sociology or other human science fields; or to engage in services that require specific training or sensitivity based on experience with foreign cultures based on a contract with public or private organizations in Japan.

Examples are professionals in international trade and/or sales, translation and interpretation requiring language skills, copywriting and public relations requiring sensitivity unique to foreign background and fashion design.

This visa also requires an employment agreement, service contract or consignment agreement, *etc.* The applicant's employer must have an office located in Japan and in many cases is required to arrange social and labor insurance for the applicant.

Applicants must either:

- Have graduated from or completed a course at a college or acquired an equivalent education majoring in a subject relevant to the skills and/or knowledge necessary for the proposed employment;

- Have at least ten years experience (including time spent studying the relevant skills and/or knowledge at a college or upper secondary school, *etc.*); or
- If the job requires specific training or sensitivity based on experience with foreign cultures, the applicant must have a minimum of three years experience in the relevant field, except where the applicant is to engage in translation, interpretation or language instruction.

Further, the applicant must receive salary equal to salary a Japanese national would receive for comparable work. It is currently understood that a minimum of 200,000 JPY is to be paid as monthly salary.

Intra-company Transferee

This visa authorizes activities on the part of personnel transferred to business offices in Japan for a limited period of time from business offices established in foreign countries by public or private organizations which have head offices, branch offices or other business offices in Japan and where applicants' work at these business offices in the activities described in the Engineer or Specialist in Humanities/International Services status.

The applicant must be transferred from a business office located overseas to a business office in Japan, both offices being of the same company, to engage in a job requiring skills or knowledge pertinent to physical science, engineering or other natural science fields, or knowledge pertinent to jurisprudence, economics, sociology or other human science fields, or to engage in services which require specific training or sensitivity based on experience with foreign cultures.

The main difference among Inter-company Transferee, Engineer and Specialist in Humanities/International Services is that an Inter-company Transferee status does not require the applicant to have a contract with public organizations or private companies in Japan. The applicant therefore may receive salary from business offices overseas.

Transfers between offices of the same company include transfers between the parent company and its subsidiary as well as transfer between group companies that have a certain level of financial ties with each other. In addition, applicants for Intra-company Transferee residency status are different from applicants who are to operate or manage businesses of business offices located in Japan (who should apply for the Investor/Business Manager status).

Applicants must have been employed at business offices outside of Japan for at least one year immediately prior to the transfer to Japan in a position that falls under the residency status categories of Engineer or Specialist in Humanities/International Services.

Further, the applicant must receive salary equal to salary a Japanese national would receive for comparable work. It is currently understood that a minimum of 200,000JPY is to be paid as monthly salary.

Investor/Business Manager

This visa authorizes foreign nationals to commence the operation of international trade or other activities, invest in international trade or other businesses, and operate or manage international trade or other business on behalf of a foreign national (including foreign corporations). This includes foreign nationals who intend to:

- Invest in and operate a business in Japan;
- Operate a business on behalf of foreign nationals who have invested in such business;
- Operate a business on behalf of foreign nationals who have begun operations of such business;
- Manage business on behalf of foreign nationals who have begun such operations or have invested in such businesses; or
- Manage businesses operated in Japan by foreign nationals.

Investor/Business Manager residency status is for applicants who substantively operate or manage a business (“Business Operator”) by making decisions regarding important business operations, business operation or the duties of the company auditors and for employees engaged in management of the company’s internal departments of a certain level or higher (“Managers”). Examples of Business Operators include the president, director and auditor, *etc.* Examples of Managers includes department managers, factory heads and branch manager, *etc.*, subject to the size of the business and the number of employees at the office in Japan.

To qualify, the office for the business concerned must be located in Japan (for private companies, the office needs to be registered with the Legal Affairs Bureau) and the business must have the capacity to employ at least two full-time employees residing

in Japan in addition to those who operate or manage the business. Full-time employees mentioned here excludes foreign nationals residing in Japan, except for those foreign nationals with residency status as “Permanent Resident,” “Spouse or Child of Japanese National,” “Spouse or Child of Permanent Resident” or “Long Term Resident.”

Further, if the applicant is to invest in international trade or other business in Japan and operate or manage that business, or if the applicant is to operate or manage international trade or other businesses on behalf of foreign nationals who have begun such operations in Japan or has invested in such a business in Japan, the following conditions must be satisfied:

- The office for the business must be located in Japan (for private companies, the commercial registration must be completed prior to the visa application); and
- The business concerned must have the capacity to employ at least two full-time employees residing in Japan in addition to those who operate and/or manage the business. Full-time employees mentioned here excludes foreign nationals residing in Japan, except for foreign nationals with residency status as “Permanent Resident,” “Spouse or Child of Japanese National,” “Spouse or Child of Permanent Resident” or “Long Term Resident.”

If the applicant is to engage in the management of international trade or other business in Japan, the applicant must:

- Have at least three years experience in the operation or management of the business (including the time during which the applicant majored in business operation and/or management at a graduate school); and
- Receive salary equal to salary a Japanese national would receive for comparable work.

Dependent

Residency status as a Dependent is for applicants whose daily activities are as the spouse or dependent child of foreign nationals who stay in Japan with a status of residence other than “Diplomat,” “Official,” “Temporary Visitor,” “Pre-college student” or “Designated Activities.”

A dependent spouse must be legally and substantively married to the principal applicant. The Immigration Bureau does not recognize common-law or same-sex

marriages. Dependent children include adult children (age 20 or above) and adopted children.

Permissible “daily activities” include non-profit making activities which family members are reasonably expected to be engaged in, such as household duties, attending elementary and high schools and excludes profit making activities and paid activities. However, job hunting is considered to be within a Dependent’s authorized activities.

Other Comments

Certificate of Eligibility

The Certificate of Eligibility (“CoE”) is a document issued by the Minister of Justice, certifying that the applicant fulfills the requirements for the residency status requested, prior to their arrival at a port of entry to Japan. It is the applicant’s responsibility to prove conformance to the disembarkation and residency requirements. The CoE procedure, which aims to complete the inquiry into the applicant’s qualification prior to arrival, helps to expedite the process for permission to disembark at the port of entry.

The CoE evidences that the examination of residency status and disembarkation permission have already been completed. Therefore a CoE will speed up the visa process at the Japanese consulate overseas (usually complete within three to five business days after filing) as well as the process for obtaining disembarkation permission at the port of entry.

In principle, the applicant’s proxy (*e.g.*, staff of the inviting company) or its agent (*i.e.*, authorized attorney at law and administrative scrivener or “gyoseishoshi”) in Japan must submit the CoE application to the local Immigration Bureau. The application documents, as provided by the Immigration Control Act Enforcement Regulations, differ depending on the status of residence.

Reentry Permit

The residency status granted to foreign nationals at the time of their entry automatically expires upon departure. If a foreign national subsequently wishes to re-enter and continue the residency status they were previously granted, it is important to obtain permission prior to departure. By obtaining permission prior

to leaving, the procedure for entry and landing can be simplified and the foreign national can retain residency status for the period originally granted.

Further, a foreign national with a re-entry permit may register personal identification information (*e.g.*, fingerprints and photograph) with the Immigration Bureau prior to departure in order to further simplify the immigration inspection at the time of departure and re-entry.

Extension of Period of Stay

If a foreign national wishes to remain in Japan under the same residency status beyond the period originally approved and for the same purpose, they must apply for permission at their local Immigration Bureau before the current visa expires.

Filing an application does not mean an extension of stay will be approved. The Minister of Justice will give permission only if the Minister determines there are reasonable grounds to grant an extension.

As mentioned earlier, Temporary Visitor status basically may not be extended, because it is intended only for foreign nationals who plan to stay in Japan for a short period of time.

Change of Residency Status

If a foreign resident in Japan wishes to change the activities authorized under their current residency status, they must obtain permission to change their residency status from the local Immigration Bureau.

Certificate of Authorized Employment

A Certificate of Authorized Employment certifies that a foreign national seeking employment in Japan is legally authorized to be engaged in certain types of jobs. This certificate may be issued by the Minister of Justice when a foreign national files an application with the local Immigration Bureau for such purposes, such as when intending to switch to another company for a job which falls under their current residency status.

Alien Registration

A foreign national who has stayed or intends to stay in Japan for more than 90 days must file an alien registration application at the local municipal office for the area in which they live.

Once registration is completed, a Certificate of Alien Registration certifying registration will be issued from the municipality. All foreign nationals 16 years old or over are required to carry a Certificate of Alien Registration at all times during their stay in Japan.

If there is any change to information registered under the Certificate of Alien Registration (*e.g.*, change of address), a foreign national must apply to register the change at the local municipal office for the area in which they live within a certain period of time.

Further Information

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Republic of Kazakhstan

Executive Summary

In the Republic of Kazakhstan, the procedures to obtain visas are complicated and time-consuming. Foreigners coming to Kazakhstan for work, studies or living may face a heavy bureaucracy. In addition to work visas, foreign employees must also obtain a work permit.

Kazakhstan recognizes two types of foreigners:

- Foreigners permanently living in Kazakhstan (“Permanent Foreigners”); and
- Foreigners temporarily residing in Kazakhstan (“Temporary Foreigners”).

Permanent Foreigners are those who hold a Kazakhstani residence permit. Permanent Foreigners may work in Kazakhstan without a work permit or a work visa on the same basis as citizens of Kazakhstan. They are also covered by the social and pension schemes adopted in Kazakhstan. In contrast, Temporary Foreigners are those that reside in Kazakhstan on the basis of their national passport and a Kazakhstani visa, and, in order to hire a Temporary Foreigner, an employing company must obtain a work permit.

Subject to certain exceptions, some of which are specifically addressed below, a foreign citizen must obtain a visa before entering to Kazakhstan. There are different types of visas, which depend on the purpose of stay and the status of a foreigner: (1) Diplomatic Visas (up to 2 years); (2) Official Visas (up to 2 years); (3) Investor Visas (up to 2 years); (4) Business Visas (up to 1 year); (5) Private Visas (up to 90 days); (6) Tourist Visas (up to 60 days); (7) Student Visas (up to 1 year); (8) Work Visas (up to 1 year); (9) Medical Treatment Visas (up to 6 months); (10) Permanent Residence Visas (up to 90 days); and (11) Transit Visas (up to 30 days).

Generally, obtaining a Kazakhstani visa consists of the following two stages:

- I Stage - obtaining a visa endorsement number from the Consular Service Department (the “Consular Department”) of the Ministry of Foreign Affairs; and
- II Stage - obtaining a visa on the basis of the visa endorsement number from a Kazakhstani consulate or embassy abroad.

Key Government Agencies

The Ministry of Foreign Affairs (“MFA”) is responsible for visa processing at embassies and consular posts abroad.

The Ministry of Internal Affairs (“MIA”) handles registration of foreigners in the country.

Current Trends

Single entry business, tourist and private visas are now available to citizens of 28 developed nationals without the normal requirement of an invitation from Kazakhstan.

In 2008, a number of important changes were implemented. Work permits became more generally required for foreigners after the elimination of exceptions that previously existed for qualified foreign executives and management. Regulation of the recruitment process used to test local labor market conditions was increased and a points-based system was established to evaluate foreigners, with less discretion by the government to set special conditions for employers.

Business Travel

Business Visa

A business visa is required if a foreigner is employed abroad and visits Kazakhstan for a short business trip. The permissible activities for the Business Visa include a business meeting or negotiations, attendance of symposiums, conferences, tenders, conclusion of contracts, creation of a joint venture, marketing, participation in exhibitions and fairs, trade operations and international transportation, and consulting and audit services.

A foreigner may work in Kazakhstan on the basis of a business visa for up to 60 calendar days per calendar year. If the foreigner works or stays for business purposes for a longer period, this is deemed to be employment in Kazakhstan. In such cases, the company must obtain a work permit, and the foreigner must obtain a work visa.

Swedish, Finnish and German citizens are entitled to obtain a Kazakhstani visa using a simplified procedure. This means that Swedish, Finnish and German citizens can obtain a Kazakhstani business visa on the basis of a written request addressed to the MFA from a company registered in Kazakhstan.

Nationals of certain economically developed and politically stable countries may obtain Kazakhstani visas simply on the basis of an invitation of a Kazakh legal entity. These countries include Australia, Austria, Andorra, Argentina, Belgium, Bulgaria, Brazil, Vatican, the United Kingdom, Hungary, Greece, Denmark, Israel, Ireland, Iceland, Spain, Canada, Cyprus, Costa-Rica, Cuba, Latvia, Lithuania, Spain, Lichtenstein, Luxemburg, Malta, Mexico, Monaco, Nauru, the Netherlands, New Zealand, Norway, Portugal, Poland, Romania, San Marino, Singapore, Slovakia, Slovenia, the United States of America, Turkey, Uruguay, Czech Republic, Chile, Switzerland, Sweden, Finland, France, Germany, Korea, Estonia, South Africa, Jamaica, and Japan.

Visa Waiver

There are a number of foreign states that have signed international agreements with Kazakhstan, which allow citizens to enter and reside in Kazakhstan without any visa for a certain period of time.

Note that absence of a visa requirement does not necessarily exempt companies that employ the citizens of such countries from the requirement to obtain a work permit. Only Permanent Foreigners are exempted from the requirement for a work permit.

Turkish citizens holding a foreign passport may stay in Kazakhstan without a visa for up to one month. This agreement does not specify whether this one month, visa-free stay period covers a single trip or a series of trips.

Turkish citizens residing in Kazakhstan without a visa are not allowed to work in Kazakhstan during the one month period of their visa-free stay. If the purpose of the stay is business or employment, a Turkish citizen must obtain an appropriate visa for entering Kazakhstan. If the purpose of the stay is employment, his/her company must also obtain a work permit.

The citizens of Russia and some other CIS countries (*e.g.*, Belorussia, Kyrgyzstan, Tajikistan and Azerbaijan) are exempted from the requirement to obtain a Kazakhstani visa.

Moreover, Russian, Belorussian, Kyrgyz, Tajik and Azerbaijani citizens may enter and reside in Kazakhstan with their national passports without a Kazakhstani visa for an unlimited period of time.

Ukrainian citizens, except those who have a residence permit, may reside in Kazakhstan without a visa for up to 90 calendar days from the date of entrance to Kazakhstan. If a Ukrainian citizen intends to stay longer, a Kazakhstani visa must be obtained.

Training

Student Visa

Students, including trainees, must obtain a student visa. Student visas are issued on the basis of the visa endorsement of the MFA. The latter is granted on the basis of petition of a respective educational institution.

Employment Assignments

Work Visa

A work visa is required if a foreigner is employed in Kazakhstan. If the foreigner has a family, members of his family are granted a work visa together with the foreigner's application. A foreigner may be hired by a local or a foreign company, but as long as the employment activities are carried out in Kazakhstan, a work visa is required. As mentioned above, a business trip or a series of business trips that exceed in total 60 days per calendar year can trigger the requirement for obtaining a work visa.

In addition to obtaining a work visa, the employer must also obtain a work permit to hire foreign labor for a position and to hire this particular employee. No foreigner can be hired without a work permit.

It is important to consult the specific Kazakhstani Consulate or Embassy abroad where the work visa application will be filed, as the requirements vary from one country to another.

Secondment

There is another option for staying in Kazakhstan for business purposes on a business visa without a work permit or a work visa. A foreign employee may work in Kazakhstan without a work permit for up to 180 calendar days on the basis of a business visa if seconded to a Kazakhstani company by a foreign company. However, the secondment arrangement will not work unless a Kazakhstani employee is seconded to the same foreign company for the same period of time.

Permanent Residence

Permanent residence visas are also issued on the basis of visa endorsement. In addition, permanent foreigners must receive a residence permit, which allows them to reside in Kazakhstan for an unlimited period of time.

Investor Visa

Investors may obtain a one-entry investor visa without any invitations within one day provided there is a solicitation addressed to a Kazakh consulate from foreign companies. Investor visas are granted to the CEOs and representatives of senior management of foreign firms and companies investing in the economy of Kazakhstan, as well as to the members of their families.

Visa obtaining procedures for participants of the Regional Financial Sector of Almaty city (*e.g.*, dealers, brokers and issuers) and members of their families are simplified and they may obtain one-entry and multiple investor visas within one and five working days accordingly.

Other Comments

Foreigners violating the migration rules may be punished in accordance with Administrative and/or Criminal Law. Depending on the grievance of the violation, a foreign citizen who violates any visa, work permit or migration rules may face the following administrative liability penalties:

- Administrative fine;
- Forced curtailment of stay in Kazakhstan;
- Administrative arrest for up to 15 calendar days; and
- Forced deportation from Kazakhstan.

A foreign citizen may be forcefully deported from Kazakhstan only on the basis of a court ruling. Deported foreigners will not be allowed to enter Kazakhstan for five years from the date of deportation.

A Kazakhstani company that violates the work permit or migration rules of Kazakhstan may face one of the following penalties:

- Administrative fine; or

- Suspension or revocation of the work permit issued to the company.

In addition, there is potential criminal liability. If a foreign citizen does not leave Kazakhstan when told to do so by the migration police, the punishment may include:

- Criminal fine;
- Administrative arrest for up to six months; or
- imprisonment for up to one year.

For intentional illegal crossing of the Kazakhstani border (*e.g.*, without a national passport or a proper visa), a foreigner may be penalized as follows:

- Administrative fine; and
- imprisonment for up to 2 to 5 years.

A company manager who repeatedly violates the work permit rules of Kazakhstan may be penalized as follows:

- Administrative fine; and
- Forced community service work for 100 to 240 hours.

Further Information

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Malaysia

Executive Summary

As the domestic economy continues to enjoy foreign direct investments and with the need for foreign expertise in Malaysia, Malaysian immigration laws provide a range of visas and passes to non-Malaysians in entering and remaining in Malaysia for business purposes.

Key Government Agencies

While certain government bodies have the authority to approve the employment of non-Malaysians, the Malaysian Immigration Department (“Jabatan Imigresen”) processes all applications for and is the issuing body of all immigration passes and visas. It also enforces immigration laws and policies in Malaysia together with the Royal Malaysian Police Force. Visas are issued by the Malaysian Immigration Department at all points of entry into Malaysia.

Depending on the nationality, it may be necessary to obtain a pre-entry visa. Applications from abroad for visas which permit a longer duration of stay in Malaysia may be sent to a Malaysian embassy.

Current Trends

Malaysia has always welcomed skilled foreign nationals. Of late, the government has become increasingly concerned regarding the large number of foreign blue-collar employees in Malaysia and has indicated that it would take steps to reduce Malaysia’s dependency on such foreign employees. While this will largely affect unskilled workers, in the coming years employers may need stronger justification for bringing in to Malaysia foreign nationals, as a whole. It is expected that this may affect certain industries more than others.

Generally, the Malaysian Immigration Department has not unreasonably withheld approvals for skilled foreign employees who will assume managerial, technical or executive posts in Malaysia. The Malaysian Immigration Department has also recently improved its internal systems and processing timeframes have been shortened as a

result. A higher success rate in obtaining immigration passes may be seen in certain industries or fields, such as oil and gas, science and medicine, information technology and aerospace.

Extensive reform of Malaysia's immigration laws in the near future appears to be unlikely.

Business Travel

Social Visit Pass

For a short stay in Malaysia for social or business purposes, other than for employment, a Social Visit Pass may be obtained at the point of entry into Malaysia. The validity period of the Social Visit Pass varies, depending on the nationality of the traveler. Depending on the nationality, a visa issued from the Malaysian embassy may be required.

The Social Visit Pass is solely for the purpose of a social, tourist or business visits. For business purposes, a person who has been issued with the Social Visit Pass is permitted to carry out the following activities while in Malaysia:

- Attending meetings;
- Attending business discussions;
- Inspection of factory;
- Auditing company's accounts;
- Signing agreements;
- Conducting survey on investment opportunities or setting up a factory; and
- Attending seminars.

The Social Visit Pass does not permit its holder to exercise employment in Malaysia nor to undertake any activity which are outside the scope of the above permitted activities.

As the Social Visit Pass permits its holder to remain in Malaysia for a limited period, Social Visit Pass holders should be mindful of not overstaying the stipulated

duration. Generally, extensions will not be granted unless there are special personal circumstances.

Training

Visit Pass (Professional)

Employers who wish to second their non-Malaysian employee to Malaysia on a temporary basis, should arrange for the employee to be issued with the Visit Pass (Professional).

For background, a Visit Pass (Professional) is for engaging in a professional occupation or work in Malaysia. A Visit Pass (Professional) may be used only for secondments; there must be no employee-employer relationship with the local sponsor (the Malaysian entity at which the employee is seconded). Normally, a Visit Pass (Professional) is granted only for a period of three to six months, but may be extended to a maximum period of twelve months.

The intended holder of a Visit Pass (Professional) must register with the Malaysian Inland Revenue Board before submitting the application.

In the application for a Visit Pass (Professional) submitted by the local sponsor, the local sponsor must disclose the activities that the applicant intends to conduct in Malaysia. The local sponsor must also agree to be responsible for the maintenance and repatriation, should it become necessary. A Visit Pass (Professional) holder may only conduct the activities for which the pass has been approved. It is a condition of the Visit Pass (Professional) that any change in the business or professional purposes for which the Visit Pass (Professional) is issued must be made with the written consent of the Director-General of Immigration.

Employment Assignments

Employment Pass

An Employment Pass is issued to a managerial or professional-level foreign national who is to be employed by a Malaysian entity (*i.e.*, Malaysian incorporated subsidiary, Malaysian registered branch of a foreign corporation or a Malaysian representative office). The Employment Pass is valid for two years. Any Malaysian employer

applying for an Employment Pass must show why the foreign national must be employed, rather than a Malaysian citizen or permanent resident. An acceptable reason is that there is no Malaysian citizen or permanent resident available who is suitable in terms of academic qualifications and relevant practical experience or technical skills. An Employment Pass will allow the holder to engage in a full range of employment activities.

Application for an Employment Pass should be made three months prior to the arrival of the foreign employee. It is common, although not always advisable, for a foreign national to enter on a Social Visit Pass obtained by oral application at the point of entry (or at the relevant Malaysian embassy prior to traveling) and for the employer thereafter to apply for an Employment Pass prior to taking up employment. The Social Visit Pass encompasses the permissible business activities mentioned above and employment is not permitted.

A limited number of Employment Passes may be granted to foreign nationals employed by a Malaysian subsidiary. Generally, the Malaysian Immigration Department is reluctant to grant employment passes to foreign employees of a branch of a foreign company except with a letter of support from a Ministry or government body, such as where the branch is involved in a government project. However, it appears that this policy has been slightly relaxed and it may be possible for the Immigration Department to grant up to two Employment Passes for key positions.

The application for an Employment Pass is a two-stage process.

First, the applicant is required to apply for an expatriate post (an application “for the services of an expatriate”) prior to the application for the Employment Pass, by submitting a completed Form DP 10. This form must be accompanied by a letter

of justification in the Malaysian language from the intended employer justifying why the post must be held by a foreigner, whether there are any prerequisites, qualifications, and experience not available in Malaysia and whether steps have been taken to recruit a Malaysian. The letter of justification should indicate the benefits the company and the expatriate could bring to the Malaysian economy and the labour force.

Generally, the application is made to the Malaysian Immigration Department. However, for certain industries, separate government agencies have been authorized to approve the employment of expatriates and applications should be sent to these appointed agencies instead:

- Manufacturing and its related services sectors - Malaysian Industrial Development Authority
- Information technology sector, specifically companies that have been awarded MSC Malaysia (formerly known as the Multimedia Super Corridor) approval - Multimedia Development Corporation
- Financial, insurance and banking sectors - Central Bank of Malaysia
- Securities and the futures market - Securities Commission

Applications for the above industries may be more expedient. However, sector-specific guidelines and requirements are imposed by the relevant approving agencies.

Second, once approval of the expatriate posting is granted, the application for the issuance of the Employment Pass can be submitted. An application for renewal before its expiry may be submitted but there is no guarantee of approval.

After the Employment Pass is issued, the passport needs to be submitted to the Malaysian Immigration Department for the endorsement of the Employment Pass.

Reference Visa

Nationalities of certain countries are required to obtain a Reference Visa for purposes of employment. The Reference Visa must be applied for and obtained prior to entry into Malaysia. The Reference Visa can be collected from a Malaysian mission in any country once the issuance of the Employment Pass is approved by the Malaysian Immigration Department.

Holders of passports of the following countries do not require a Reference Visa for the purposes of employment. Holders of passports of all other countries not listed will be required to obtain a Reference Visa.

Europe	Africa	America / Caribbean	Pacific Oceania	Asia
Cyprus	Botswana	Antigua and Barbuda	Australia	Brunei
Ireland	Gambia	Bahamas	Fiji	Maldives
Liechtenstein	Guinea Republic	Barbados	Kiribati	Singapore

Europe	Africa	America / Caribbean	Pacific Oceania	Asia
Netherlands	Kenya	Belize	Nauru	
San Marino	Lesotho	Canada	New Zealand	
Switzerland	Malawi	Dominica	Papua New Guinea	
United Kingdom	Mauritius	Grenada	Samoa	
	Namibia	Guyana	Solomon Islands	
	Seychelles	Jamaica	Tonga	
	South Africa	Saint Kitts and Nevis	Tuvalu	
	Swaziland	Saint Lucia	Vanuatu	
	Tanzania	Saint Vincent and the Grenadines	Western Samoa	
	Zaire	Trinidad and Tobago		
	Zambia			
	Zimbabwe			

Visit Pass (Temporary Employment)

A Visit Pass (Temporary Employment) may be obtained where the foreigner is to be employed by a Malaysian entity for 12 months or less. The procedure, timing and the supporting documents to apply for a Visit Pass (Temporary Employment) are generally similar to that for the Employment Pass.

Other Comments

Many holders of the Employment Pass would like to bring their families to Malaysia. Dependant passes are available for the spouse and children below 21 years of age. Dependant passes should be applied for simultaneously with the application for the issuance of the Employment Pass.

For foreign nationals who are not employed in Malaysia and yet would like to reside in Malaysia, the government of Malaysia has introduced the Malaysia My Second Home Programme to encourage non-Malaysians to reside in Malaysia. Non-Malaysians under the programme remain in Malaysia on a Social Visit Pass, together with multiple entry visa. The Social Visit Pass is valid for ten years with the possibility of an extension for another ten years. Under this programme, successful applicants are not allowed to work or to be employed while in Malaysia. This programme does not guarantee permanent resident status.

There are financial requirements, but participants are also provided with various incentives during their stay in Malaysia under the programme. These include, amongst others, acquisition of residential units, car purchase, education and tax exemptions.

Further Information

Our **Immigration to Malaysia Manual** provides further information relating to residing in Malaysia and citizenship.

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Mexico

Executive Summary

This chapter outlines how foreign nationals may remain in Mexican territory under the proper immigration category and characteristic, performing lucrative or non-lucrative activities, according to their purpose to remain in Mexico. Companies and foreign nationals need to know, in a clear and concise manner, the different type of visas and the activities that may be performed with them in Mexico, whether lucrative or not.

To determine the adequate authorization for each activity or business, the type of visa to be secured must be determined, as well as the activities to be performed and, moreover, to specify if the activities that are to be performed are on behalf of a Mexican entity or not. All of this is needed in order to avoid the imposition of fines that apply to the sponsoring company and to the foreign national, or in certain cases, the foreign national's deportation.

Key Government Agencies

The local, state and central offices of the National Immigration Institute (“Instituto Nacional de Migración” or INM), under the Ministry of the Interior (“Secretaría de Gobernación” or SEGOB), hold the power to authorize all kinds of immigration permits after the foreign national's first entry into Mexico, such as the change of immigration status, renewals, change or extension of activity, change or extension of employer and renewed permanence, among others.

The Ministry of Foreign Affairs (“Secretaría de Relaciones Exteriores”) is the authority responsible for granting citizenship through the naturalization process, as well as all communication between the INM and the Mexican Embassies and/or General Consulates. The Embassies and the General Consulates incorporate them and are authorized exclusively to issue permits to enter the country.

Current Trends

Recently Mexico has been making important changes to the immigration policies in order to secure foreign investment and reduce bureaucratic tendencies in the immigration processes. Some of these changes are increasing the maximum time

allowed in Mexico on a business visa from 30 days to 180 days, as well as reducing the list of nationalities subject to a special regulation (*i.e.*, previous entry permit), such as is the case for India, Colombia, Cuba and China, et al.

Although these changes have helped many foreign nationals to avoid long and bureaucratic processes at the INH, they are not enough. Thus, a complete restructure of the immigration process is needed and long awaited in Mexico.

Business Travel

There are two types of visa that may be appropriate for business visas to Mexico – the FMN and FMVC visas.

FMN (NAFTA Permit) Visa

These visas are only for citizens of the United States of America and Canada. The FMN visa allows business travelers to enter temporarily into the country and engage in any of the activities authorized by the North America Free Trade Agreement (“NAFTA”). Permitted activities include business visitors, traders and investors, professionals, and personnel transferred within a company. The validity of this visa will be 180 days. If the foreign national wishes to prolong presence in the country, then an application should be filed for the FM3 visa.

It is possible to request a new FMN visa each time the foreigner enters the country. It is important that the foreign national return the visa to any immigration authority before its expiration date and upon their definitive exit of the country; otherwise, they may be subject to an administrative sanction.

FMVC Business Visa

This visa can be issued to permanent residents of US and Canada, regardless of their nationality, as well as for citizens of countries that Mexico considers as “Released” countries (“group III”). During their stay in Mexico, foreign nationals with this visa shall not carry out any lucrative activity and they shall only carry out one of the following activities: Business Visitors, Consultants, Technicians and Personnel Transferees.

This visa will be valid for up to 180 days and prior to its expiration date foreign nationals must return it to the INH before their definitive exit of the country. In case the foreign national wishes to extend the stay in Mexico, they should apply for the FM3 visa or face administrative sanctions.

The entry into Mexico by any foreign national is subject to the classification of nationalities, which is divided into groups as seen below.

Classification of Nationalities

Group I - Citizenships subject to a special regulation (previous permit)

Citizens from the following countries must have a Mexican sponsor request a previous entry permit at the INH prior to the foreign national entering Mexico. No foreign national in this classification will be granted a visa and allowed entry into Mexico without this special permit.

Afghanistan	North Korea	Iran	Mauritania	Thailand
Albania	South Korea **	Jordan	Oman	Tajikistan
Saudi Arabia	Chad	Kazakhstan	Pakistan	Taiwan
Algeria	Egypt	Kyrgyzstan	Palestine	Tunes
Armenia	United Arab Emirates	Kuwait	Qatar	Turkmenistan
Bahrain	Utopia	Lebanon	Sahrawi	Turkey
Bangladesh	Spain **	Libya	Syria	Uzbekistan
Brunei	Russian Federation	Malaysia	Somalia	Vietnam
Colombia *	Indonesia	Morocco	Sudan	Yemen
	Iraq			

* Only when requesting internment into Mexico for activities related to finance and real estate.

** Only when an Immigrant Visa is requested.

Group II - Regulated Nationalities

Citizens from the following countries must request a visa from the nearest Mexican Embassy or General Consulate before entering Mexico. Mexican Embassies and Consulates are allowed to issue certain visas to these foreign nationals.

Antiguan, Barbadian	Congo	Guinea Bissau	Moldova	Saint Kits and Principe
Angola	Zaire	Guinea Equatorial	Mongolia	Senegal
Azerbaiyan	Costa de Marfil	Haiti	Montenegro	Serbia
Barbados	Croatia	Honduras	Mozambique	Seychelles Islands
Belarus	Cuba	India	Namibia	Sierra Leone
Belize	China	Jamaica	Nauru	San Vicente and Granadas
Benin	Djibouti	Kenya	Nepal	Sri Lanka
Bolivia	Dominica	Kiribati	Nicaragua	South Africa
Bosnia- Herzegovina	Dominican			
Rep.	Laos	Niger	Surinam	
Botswana	Ecuador	Lesotho	Nigeria	Swaziland
Brazil	El Salvador	Liberia	Palau	Tanzania
Burkina Faso	Eritrea	Macedonia	Panama	Oriental Timor
Burundi	Fiji	Madagascar	Papua New Guinea	Togo
Bhutan	Philippines	Malawi	Paraguay	Tonga
Cape Verde	Gabon	Maldives	Peru	Trinidad and Tobago

Cambodia	Gambia	Mali	Rwanda	Tuvalu
Cameron	Georgia	Marshall Islands	Salomon Islands	Ukraine
Central Africa	Ghana	Mauricio	Occidental Samoa	Uganda
Colombia	Grenada	Myanmar	Saint Kitts	Zambia
Camorras	Guatemala	Micronesia	Santa Lucia	Zimbabwe
	Guinea			

Group III - Released Nationalities

Citizens from the following countries do not require any special documentation before entering Mexico.

Germany	Chile	Finland	Japan	Netherlands
Andorra	Cyprus	France	Liechtenstein	Poland
Argentina	South Korea	United Kingdom	Lithuania	Portugal
Australia	Costa Rica	Greece	Leonia	Rumania
Austria	Denmark	*Hong Kong	Luxemburg	Saint Marino
Bahamas	Slovakia	Hungary	Malta	Singapore
Belgium	Slovenia	Ireland	Monaco	Sweden
Bulgaria	Spain	Iceland	Norway	Switzerland
Canada	United States of America	Israel	New Zealand	Uruguay
Czech Republic	Estonia	Italy		Venezuela

* Chinese citizens with a passport expedited by the Special Administrative Region of Hong Kong.

As described above, nationals of countries for groups I and II must request a visa before entering Mexico, either at any of the Consular offices abroad or directly at the NII through a sponsoring party. Nationals of these countries may be issued either an FMVC business visa, or an FM3 Non Immigrant Visa authorized for business meetings.

FM3 Nonimmigrant Visitor for Business or Investors

Foreign nationals may also obtain an FM-3 visa authorized for business purposes. These are usually issued by Mexican Consulates abroad, and depending on the Foreign National's nationality, some may need a previous entry permit authorized by the NII in order for the visas to be issued.

Authorized activities on these visas other than normal business meetings include visitors who seeks admittance to: learn about investment alternatives; make or supervise a direct investment; direct investment; represent a foreign corporation; or enter into commercial transactions.

Training

Although Mexico does not have a specific visa intended for training or training programs, an authorization may be issued for these purposes. Foreign nationals who wish to enter the country for business purposes must request an FM3 nonimmigrant visa.

This visa may be requested as a nonimmigrant student when the training program is a prerequisite at a university in order to formalize studies in the foreign national's country of origin, or it may be requested as a nonimmigrant visitor when a company wishes to transfer personnel from one related company to another for training.

This visa may be requested at Mexican consular offices abroad, as well as at the INM through a change of immigration status for nationalities without a restriction to enter Mexico or those that require a previous entry permit.

Employment Assignments

FM3 Nonimmigrant Visa

FM3 nonimmigrant visa status can be issued to a foreign national who, pursuant to a valid permit issued by the INM, is temporarily admitted to Mexico for any of the purposes listed below.

Technician or Scientist Visitor

Technicians and scientists can secure the FM3 visa if coming to:

- Begin a specific investment project;
- Advise public and private institutions;
- Prepare and direct investigations;
- Hold conferences, courses or divulging some type of knowledge;
- Carry out technical activities in the elaboration of an investment project;
- End or start the operation of the construction of a plant;
- Assist other technicians having previously entered into a services agreement; or
- Carry out activities contemplated in an agreement of transference of technology, patents or labels.

Professional Visitor

The FM3 visa is also used by foreign professionals coming in the exercise of a profession, either: in an independent manner; rendering a service to a corporation; or rendering services to public or private institution.

In order for a foreign national to carry out the profession in Mexico, registration is required before the Secretary of Education (“SOE”) of the certificates of showing professional studies and diplomas. These certificates must be dully legalized and translated into Spanish by a translator authorized by the Supreme Court. The SOE is authorized to grant the proper registration of the Professional Title and Professional ID card, so that the foreigner’s profession may be accredited and may be carried out in Mexico.

Director and Manager Visitor (Trustworthy Position)

The FM3 can be issued to foreigners coming to perform directionary positions or as a sole administrator, or other positions that require the absolute confidence and trust of the company or institution established in Mexico, provided that, at its discretion, the SEGOB determines that there is no duplication of jobs and that the managerial or executive position truly requires a foreigner.

Member of a Board of Directors

Foreign national coming to attend board of directors meetings and corporate shareholders assemblies may apply for the FM3 visa.

In order to gain authorization for this characteristic, foreign nationals must present evidence of their authorization as board members issued by a board member meeting. Status is authorized for up to one year and is renewable up to four times, with multiple entries and exits. The only condition for this document is that the foreign national's stay in Mexico cannot exceed 30 days for each entry.

FM2 Immigrant Visa

The FM2 is appropriate for foreigners coming to Mexico for the purpose of remaining in the country for long periods of time and who seek permanent residency. Further, foreigners who hold FM2 visa status for five consecutive years may apply for immigrant status or citizenship.

FM2 visa status is granted for five years. Foreigners maintaining FM2 status must prove that they are in full compliance with the conditions imposed upon their admission to the country, and in compliance with the conditions established by the applicable laws, in order to request the renewal of the immigration document annually, if approved.

The FM2 is available to investors, professionals, directors and managers (trustworthy positions), scientists, artists and athletes, and technicians categories.

Immigrants may also enter the country as "Assimilated Immigrants," which refers to foreign nationals who enter the country to perform any allowed and honest activity, when they have been assimilated to the average national or have or had a Mexican spouse, son or daughter, so long as they are not included in the previous characteristics in the terms that the RMIL establishes.

Other Comments

Mexican Entities Receiving Services from Foreign Employees

Federal Labor Law protects the economic development of the country and the Mexican workers. For that purpose, all companies or businesses are obligated to at least employ 90% of Mexican workers.

In the technical and professional categories, the employees must be Mexican citizens with the exceptions when there are no specialized employees in that field; in such case, the employer could temporarily hire foreign employees, provided that they do not exceed 10% of the total workforce. The employer and foreign employees in the technical and professional categories have the joint liability of training the Mexican employees in their specialty. In addition, company physicians must be Mexican citizens.

Note that these rules are not applicable in the case of foreign general managers and corporate officers.

Basic File

A company or institution that has foreign nationals rendering services must request the INM to open a “Basic file,” which shall be incorporated with the information of the company or institution and the Mexican and foreign employees that work for it. This information must be updated periodically.

The law provides that companies or institutions that have foreign employees rendering services are obligated to confirm that they have all the immigration documentation that certifies their legal stay in the country and that they are authorized to perform their activities in national territory. Otherwise, the company and the foreign national may be subject to a sanction.

Any changes of activities or employers must be previously authorized by the INM, otherwise, companies and foreign nationals are also subject to administrative sanctions, or even deportation.

Additionally, the Mexican company or institution that has foreigners rendering services, whether they are its employees or not, have a joint liability toward them, and in its case, the company will be obligated to cover all expenses and sanctions that apply, even the deportation expenses.

When a foreign company employs a foreign national to render services in Mexican territory, it is recommended to request that their immigration document specifies the relationship between the foreign national and the foreign company, with the purpose of avoiding a labor relationship tie between the foreign employee and the Mexican company or institution, and thus avoid any further contingency.

Cancellation or Discharge of Immigration Authorization

The law provides that any company or person having a foreign national at their service or under its economic dependency, are obliged to inform the INM, when the conditions to which the foreign national is subject are to cease, or are not satisfied or complied with, within 15 days of such event.

With such notice, the INM will cancel the original document or will discharge the authorization granted. In order to comply with this obligation, it is compulsory that the immigration document has not yet expired.

It is very important for companies or persons to which the foreign national provides a service to notify the INM when such state of affairs has ended. In this form, they will properly fulfill their obligation established by law; and also, they will cease to stand as jointly liable regarding the foreign national's immigration status.

Further Information

Baker & McKenzie's *Mexico Immigration Manual* provides further information about Mexican business visas, including a broader range of nonimmigrant visas, the immigration process, and immigration-related responsibilities for employers and foreign national employees.

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Kingdom of The Netherlands

Executive Summary

Under Dutch immigration law, there are various procedures available in order to obtain the required work- and residence permits for foreign employees. These procedures range from temporary business visa to permanent residence permits. Often more than one procedure is worth consideration. Requirements and processing time vary by procedure.

Key Government Agencies

The Ministry of Foreign Affairs issues visas through Dutch embassies and consulates around the world.

The Immigration and Naturalization Service (“Immigratie- en Naturalisatiedienst” or “IND”) is part of the Ministry of Justice and, in general, is responsible for the decision in the visa applications and residence permit applications.

The Centre for Work and Income (“CWI”) of the Labour Inspectorate of the Ministry of Social Affairs and Employment handles work permit applications, with investigations and enforcement actions involving employers and foreign national being the particular focus of the Labour Inspectorate in the same ministry.

Current Trends

In a bid to have a modern immigration policy based on the participation of migrants in the Dutch society, immigration regulations are changing rapidly.

To provide a clear definition of the categories of migrants that may be permitted into the Netherlands, the government has chosen to modernize the present immigration policy. The government envisages that the new immigration policy facilitates a quick and alert reaction to the needs of the society and labor market, as well as an optimization of the possibilities that immigration offers. The contribution of the migrants to Dutch society is the basic element in the new regulations.

In the present system, one can apply for residency in the Netherlands on 26 different grounds. There is no logical cohesion between the various grounds of stay and, at times, adjustments are required. In order to streamline the number of residence

categories and to benefit fully from the contribution of migrants to the Dutch society, the government envisages an admission policy that is based on the following five categories: Temporary Workers and Work or Study Exchange Programs; Students and Workers with a fixed term contract; Knowledge Migrants and Highly Skilled Workers; Family and Partner; and Humanitarian reasons.

Business Travel

Not exceeding 3 months

Foreign nationals coming to the Netherlands from most countries are generally required to have a tourist or a business visa to enter the Netherlands. It is advisable to check with the Dutch embassy or consulate to confirm whether a visa is required, since the countries qualifying for visa waiver can change.

The visa is issued for a maximum period of 90 days, and is not extendible. Furthermore the holder of the visa may remain no longer than 90 days within half a year within the Schengen Area, whose member states include: Austria, Belgium, the Czech Republic Denmark, Estonia, Finland, France, Germany, Greece, Iceland, Italy, Latvia, Lithuania, Luxembourg, Malta, the Netherlands, Norway, Poland, Portugal, Spain, Slovakia, Slovenia and Sweden.

Visa Waiver

Passport holders of the following countries do not require a visa for a stay of 90 days or less: Andorra, Argentina, Austria, Australia, Brazil, Brunei, Bulgaria, Canada, Chile, Costa Rica, Croatia, Cyprus, Czech Republic, Denmark, El Salvador, Estonia, Finland, France, Germany (Federal Republic), Greece, Guatemala, Honduras, Hungary, Iceland, Ireland, Israel, Italy, Japan, Liechtenstein, Lithuania, Malaysia, Malta, Mexico, Monaco, New Zealand, Nicaragua, Norway, Panama, Paraguay, Poland, Portugal, Romania, San Marino, Singapore, Slovakia, Slovenia, South Korea, Spain, Sweden, Switzerland, United Kingdom, United States of America, Uruguay, Vatican City, and Venezuela.

Temporary Stay (MVV) Visa

A foreign national intending to remain in the Netherlands for more than three months must apply for a residence permit. The conditions for obtaining a residence

permit depend entirely on the purpose of coming to the Netherlands. A foreign national wishing to work in the Netherlands must, usually, obtain three types of documents:

- A temporary residence permit (“Machtiging tot Voorlopig Verblijf” or “MVV”), which enables the holder to enter the Netherlands. An MVV is not required for citizens of the European Economic Area, the European Union and Switzerland, Japan, Canada, Australia, United States, Monaco, and New Zealand. Foreign nationals in the possession of these nationalities may enter the Netherlands without an MVV or business visa and may apply for a residence permit;
- A residence permit, which enables the holder to live in the Netherlands; and
- Under certain conditions, a work permit, which enables the holder to work in the Netherlands.

The foreign national can apply for the MVV visa in the country of residence, or the employer in the Netherlands or the person with whom the foreign national will be staying in the Netherlands can file the application in the Netherlands.

Processing takes between two weeks to six months, depending on the purpose of stay. For employment purposes, and if the Dutch employer applies by means of the expedited procedure, the MVV will usually be granted within two to three weeks. During the MVV procedure, the foreign national is not allowed to enter or reside in the Netherlands.

Residence permit

A foreign national who intends to stay in the Netherlands for more than three months and who has gained entrance to the Netherlands, is required to obtain a residence permit (“verblijfsvergunning”). A residence permit will not be granted if the foreign national was first required to obtain an MVV.

The residence permit is generally issued for a maximum of one year and if no changes of circumstances have occurred, it is extendible on a yearly basis. After having been in the possession of a residence permit for five years, the foreign national may apply for a permanent residence permit. This permanent residence permit is renewable every five years.

Training

A trainee is a foreign employee that will receive on-the-job training for a maximum period of 24 weeks. The purpose is to allow foreign nationals to receive training and experience abroad that is required for their function back in their home country.

A work permit application must be filed with the CWI. A detailed training program must be presented as well as declarations from the employer and the Dutch company that the trainee will not fulfill a vacancy in the Netherlands. Compensation for the training is required.

As soon as the foreign employee has gained entrance to the Netherlands and, if intending to remain for a period longer than three months (and up to 24 weeks), a residence permit application must be filed. This residence permit will be granted as soon as the work permit has been issued.

Training in the Netherlands is essentially treated like an employment assignment and the discussion in that section is relevant here too.

Employment Assignments

An employer who wants to recruit an employee from outside the European Union (“EU”) or European Economic Area (“EEA”) usually needs to apply for a work permit for that employee. The Netherlands has temporarily opted out for the full mobility of the workforce in respect of two new EU members (Romania and Bulgaria), which means that those nationals require work permits.

There are different procedures for the work permit applications. The applicable procedure depends entirely on the applicant’s specific circumstances, the nature of the current employer abroad, and the nature of the company offering the work in the Netherlands.

Generally, the Dutch employer must prove that the labor market has been scanned for workers who have priority. In this respect, the employer must prove that the vacancy has been reported to the CWI and, usually, to the European Employment Service (“EURES”) for at least five weeks prior to the work permit application. Furthermore, the employer is required to advertise the job in a Dutch national newspaper, a professional journal, and must have engaged a recruitment office. If a company is unsure whether it must report the vacancy, the company is advised

to consult an attorney. In order to avoid unexpected refusals, companies should be cautious about assuming that a job does not need to be reported to the various authorities.

The application procedures for different types of employment require extensive preparation. This is not only necessary for the application as described above, but also for those who want to stay in the Netherlands as self-employed, for those who want to work in a university, the field of sports, or elsewhere.

The different types of procedures for which a recruitment period as stated above is not necessary, are mentioned in the below paragraphs.

Intracompany Transfer

Multinational companies seeking to temporarily transfer foreign employees to the Netherlands can do so under the intracompany transfer, if:

- The employee will receive an annual salary of at least € 50,000;
- The multinational company has affiliates in at least two different countries; and
- The multinational company has a worldwide turnover of at least € 50 million.

The work permit application generally takes between three to five weeks (nearer to three than five weeks) and will be valid for a maximum of three years. The residence permit will be granted within six months after the approval of the work permit and is valid for one year. The residence permit can be extended on a yearly basis as long as all the conditions (intracompany transfer) are still met with. As soon as the foreign employee has been in the possession of work and residence permits for three consecutive years, work in the Netherlands is permitted without having to be in the possession of a work permit.

The spouse or partner of the foreign employee may only work if their employer is in the possession of a work permit.

Customer producer relationship

The “customer producer relationship” allows foreign nationals to work in the Netherlands on a work permit if:

- There is not an actual employer in the Netherlands, but only a customer;
- The employee will be sent to the Netherlands in order to supply/adapt/install goods on a contract basis as well as provide instructions on the use of the goods;
- The employee has been employed for at least one year;
- The salary of the employee is less than the value of the supplied goods; and
- The supplied goods must be produced primarily by the employers company.

The work permit application will take three to five weeks and the work permit will be valid for a maximum of three years. The residence permit will be granted within six months after the approval of the work permit and is valid for one year. The residence permit can be extended on a yearly basis as long as all the conditions are still met. As soon as the foreign employee has been in the possession of work and residence permits for three consecutive years, work in the Netherlands is permitted without having a work permit.

The spouse or partner of the foreign employee may only work if their employer is in the possession of a work permit.

Knowledge Migrant

As of 2004, skilled and highly educated foreign workers do not require work permits for employment. In order to define the so-called “knowledge migrant,” the choice has been made for one objective criterion - the salary. A knowledge migrant is a foreign national who will be employed in the Netherlands and receives an annual salary of at least € 47,565 or € 34,881, if age 30 years or younger.

An important requirement is that the Dutch affiliate must be admitted to the knowledge migrant regulation. The IND will first investigate whether there are any objections to the admittance of the affiliate. This procedure takes approximately two to three weeks after the IND has received a complete request for admittance.

After admittance, the Dutch affiliate may apply for the residence permits for employees who fulfill the salary criterion. The employee will receive a residence permit for five years, assuming that the passport and employment contract are valid for at least five years. Should this not be the case, then the residence permit will be issued for the shortest validity period mentioned in the employment contract or passport.

The employee may start working in the Netherlands upon receipt of the decision in the residence permit application. The spouse or partner of the employee may work in the Netherlands without a work permit as soon as the residence permit of the employee has been granted.

Self Employment

A foreign national can be classified as a self-employed person upon proof:

- Of ownership of more than 25% of the shares in a Dutch limited liability company or if the sole owner of a company; and
- That an essential Dutch interest will be served. This latter requirement is extremely difficult to fulfill and, as such, residence permits as a self-employed person are rarely issued.

Although a work permit is not required, a residence permit is. The residence permit will be issued as long as the company serves an essential Dutch interest. Furthermore, the IND expects that the business will provide the foreign national with sufficient long-term means of support.

Dutch-American Friendship Act

Under the Dutch-American Friendship Act, US citizens are allowed to remain in the Netherlands as a self-employed person without having to serve an essential Dutch interest. To qualify, the US citizen must be coming either to conduct trade and activities related to this trade between the Netherlands and the US or engage in a professional practice in which a considerable amount of money has been invested. In this context, it should be noted that “professional practice” does not include the free profession (*i.e.*, lawyers, dentists, doctors *etc.*).

The amount of money that is brought into the company is one of the determining factors as to whether or not to grant the residence permit. The following is applicable:

- General partnership (“vennootschap onder firma”). At least 25% of the firm capital, with a minimum of € 4,500;
- Limited partnership (“vennootschap onder commandite”). For the managing partner, the same as the general partnership is applicable. Since the limited partner cannot be classified as a self-employed person under Dutch immigration law, limited partners cannot qualify;

- Private company with limited liability (“Besloten vennootschap”). At least 25% of the firm capital. The firm capital in the Netherlands must be at least € 18,000, so that the substantial capital must be at least € 4,500;
- Corporation (“Naamloze vennootschap”). At least 25% of the firm capital is at least € 45,000). The substantial capital must be at least € 11,250; or
- One-man operation. A minimum investment of € 4,500.

Other Comments

In addition to the employment-based permits, immigration to the Netherlands is possible through family-based immigrant permits or exchange programs.

Immigrants to the Netherlands are often interested to become Dutch citizens. This is possible after they have been in the possession of a Dutch residence permit for five consecutive years.

Further Information

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Philippines

Executive Summary

Since 1989, the Philippines relaxed immigration policies for the benefit of investors and retirees who wish to obtain permanent residence.

Key Government Agencies

The Bureau of Immigration is responsible for visa processing and the monitoring of the entry and exit of foreign nationals in the Philippines. Unlike in other jurisdictions, the work visa application process is usually initiated upon the arrival of the foreign national in the Philippines.

The Department of Labor and Employment (“DOLE”) is involved in the process when the foreign national intends to work in the Philippines. DOLE determines whether the foreign national is competent, willing and able to perform the requested services.

The Department of Foreign Affairs, through embassies and consulates around the world, is responsible for granting entry visas to restricted foreign nationals.

Business Travel

Temporary Visitor/Tourist Visa

Restricted nationals are required to obtain a Temporary Visitor/Tourist Visa from the Philippine Embassy or Consulate in their country of origin or residence. In addition to a Temporary Visitor/Tourist Visa, they must hold valid tickets for their return journey to the port of origin or next port of destination. Department regulations require that passports are valid for a period of not less than six months beyond the contemplated period of stay.

An alien who wishes to extend his or her stay must obtain the approval of the Bureau of Immigration (“BI”).

Visa Waiver

Non-restricted nationals are allowed to enter the Philippines without visas for a limited period, with the exact number of days of stay depending upon the country of passport issuance.

Nationals from the following countries are allowed to enter the Philippines without a visa for a period of stay of 21 days or less: Andorra, Angola, Antigua and Barbuda, Argentina, Australia, Austria, Bahamas, Bahrain, Barbados, Belgium, Benin, Bhutan, Bolivia, Botswana, Brazil, Brunei Darussalam, Bulgaria, Burkina Faso, Burundi, Cambodia, Cameroon, Canada, Cape Verde, Central African Republic, Chad, Chile, Colombia, Comoros, Congo, Costa Rica, Cote d'Ivoire, Cyprus, Czech Republic, Democratic Republic of the Congo, Denmark, Djibouti, Dominica, Dominican Republic, Ecuador, El Salvador, Equatorial Guinea, Eritrea, Ethiopia, Fiji, Finland, France, Gabon, Gambia, Germany, Ghana, Gibraltar, Greece, Grenada, Guatemala, Guinea, Guinea-Bissau, Guyana, Haiti, Honduras, Hungary, Iceland, Indonesia, Ireland, Israel, Italy, Jamaica, Japan, Kenya, Kiribati, Kuwait, Lao People's Democratic Republic, Lesotho, Liberia, Liechtenstein, Luxembourg, Madagascar, Malawi, Malaysia, Maldives, Mali, Malta, Marshall Islands, Mauritania, Mauritius, Mexico, Micronesia, Monaco, Mongolia, Morocco, Mozambique, Myanmar, Namibia, Nepal, Netherlands, New Zealand, Nicaragua, Niger, Norway, Oman, Palau, Panama, Papua New Guinea, Paraguay, Peru, Poland, Portugal, Qatar, Republic of Korea, Romania, Rwanda, Saint Kitts and Nevis, Saint Lucia, Saint Vincent and the Grenadines, Samoa, San Marino, Sao Tome and Principe, Saudi Arabia, Senegal, Seychelles, Singapore, Slovakia, Solomon Islands, Somalia, South Africa, Spain, Suriname, Swaziland, Sweden, Switzerland, Thailand, Togo, Trinidad and Tobago, Tunisia, Turkey, Tuvalu, Uganda, United Arab Emirates, United Kingdom of Great Britain and Northern Ireland, United Republic of Tanzania, United States of America, Uruguay, Venezuela, Vietnam, Zambia, and Zimbabwe.

Holders of the following passports are allowed to enter the Philippines without a visa for a stay not exceeding 59 days: Brazil and Israel.

Holders of following passports are allowed to enter the Philippines without a visa for a stay not exceeding seven days: Hong Kong SAR, British National Overseas (BNO) passports, Portuguese Passports issued in Macao, and Macau Special Administrative Region (SAR) passports.

Visa waiver visitors are still required to comply with the passport and return ticket requirements. Immigration Officers at ports of entry may exercise their discretion to admit holders of passports valid for at least 60 days beyond the intended period of stay.

Employment Assignments

Multiple Entry Special Visa

Multiple Entry Special Visas are available to:

- foreign personnel of offshore banking units of foreign banks duly licensed by the Central Bank of the Philippines to operate as such; and
- foreign personnel of regional or area headquarters of multinational companies which are officially recognized by the Philippine Government.

These foreign nationals, their spouses and unmarried minor children under 21 years of age, if accompanying or joining them after their admission into the country as non-immigrants, may be issued multiple entry special visas valid for three years, which may be renewed upon legal and meritorious grounds.

Special Non-immigrant 47(a)(2) Visas

The Philippine President is authorized to issue this visa when public interest warrants. The President, acting through the appropriate government agencies, has exercised this authority to allow the entry of foreign personnel employed in supervisory, technical or advisory positions in Export Processing Zone Enterprises, Board of Investments registered enterprises, and Special Government Projects.

The employing entity must apply with the relevant government agency for authority to employ the foreign nationals. This visa is generally valid for an initial period of one year and is renewable from year to year. The dependents are entitled to the same visa.

Pre-arranged Employment Visas/9(g) Visa

This visa is available to foreign nationals who will be occupying an executive, technical, managerial or highly confidential position in a Philippine company. This is also available to foreign nationals who are proceeding to the Philippines to engage in any lawful occupation, whether for wages or salary or for other forms of compensation where a *bona fide* employer-employee relationship exists.

The petitioning company must sufficiently establish that there is no person in the Philippines that is willing and competent to perform the labor and service for which the alien is hired, and that the admission of the alien will be beneficial to the public interest.

Dependents are entitled to the same visa.

Treaty Traders' or Investors' Visa

An alien investor is entitled to enter the Philippines as a treaty trader or investor if he/she is a national of the United States, Germany or Japan, countries with which the Philippines has concluded a reciprocal agreement for the admission of treaty investors or traders. The local petitioning company must be majority-owned by United States, German or Japanese interests. The nationality of the foreign national and the majority of the shareholders of the employer company must be the same.

The term “treaty trader” includes an alien employed by a treaty investor in a supervisory or executive capacity.

The following must be proved:

- the alien or the employer intends to carry on “substantial trade” between the Philippines and the country in which the alien is a national; or
- the alien intends to develop and direct the operations of an enterprise in which the alien or the employer has invested, or is in the process of investing, a substantial amount of capital.

“Substantial trade” refers to a non-nationalized business in which an investment in a substantial amount in Philippine currency has been made. It is important to note, however, that the size of the investment is merely one of the factors considered in determining what is deemed “substantial trade.”

When granted, the visa extends to the investor’s spouse and unmarried children below 21 years of age. It is generally valid for a one-year period subject to extension upon application of the investor.

Subic Bay Freeport Work Visa

Foreign nationals who possess executive or highly technical skills, which the DOL certifies no Filipino citizen within Subic Bay Freeport Zone possesses, may apply for this type of work visa with the Subic Bay Metropolitan Authority. This work visa is valid for one year and renewable from year to year.

Special Clark Work Visa

Foreign nationals who possess executive or highly technical skills, which no Filipino citizen within the Clark Economic Zone possesses, may apply for this type of work visa with the Clark Development Authority.

Alien Employment Permit (“AEP”)

In addition to acquiring the appropriate work or employment visa, a foreign national who wishes to work in the Philippines must, through the petitioning Philippine company, obtain an AEP.

The issuance of an AEP is subject to the non-availability of a person in the Philippines who is competent, able and willing to perform the services for which the foreign national is desired.

Under present immigration rules, a pending AEP application constitutes a provisional permit for the foreign national to work during the pendency of work or employment visa application.

Special Work Permit (“SWP”)

An SWP may be obtained by a foreign national who intends to engage in a professional or commercial undertaking, which is not considered purely local employment, such as:

- professional athletes competing only for the limited period of their authorized stay;
- foreigners of distinguished merit and ability entering to perform exceptional temporary services, but having no contract of pre-arranged employment;
- artists and other performers who wish to perform in the country when the audience pays for the performance;
- certain foreigners, coming primarily to perform a non-competitive temporary service or to take non-competitive training, who would be classifiable as temporary workers or industrial trainees;
- foreigners authorized to search for hidden treasure;
- movie and television crews filming in the country; and
- foreign journalists pursuing their profession in the country.

Other Comments

Generally, a foreign national may acquire immigrant status in the Philippines if his country reciprocally allows Philippine citizens to become immigrants in that country. This privilege is usually embodied in a reciprocity agreement between the Philippines and the foreign national's country. There are three types of immigrant visas: quota (or preference); non-quota; and special resident visas ("SRRV" and "SIRV").

The issuance of quota or preference visas is governed by an order of preference and requires possession of qualification, skills, scientific, educational or technical knowledge that will advance and be beneficial to Philippine national interest. They are issued on a calendar basis and cannot exceed the numerical limitation of 50 in a given year.

The most common type of non-quota visa is one that is issued to a foreign national on the basis of marriage to a Philippine citizen.

The SRRV visa is available to foreign nationals and former Filipinos at least 35 years of age, and who deposit the minimum amount required by law with an accredited bank, to be invested in any of the specifically designated areas.

The SIRV is a program offered by the Philippine Government to alien investors wanting to obtain a special resident status with multiple entries for as long as the required US\$75,000 investment subsists.

A variation of the SIRV is issued to investors in tourist-related projects and tourist establishments. A foreign national who invests the amount of at least US\$50,000 in a qualified tourist-related project or tourism establishment, as determined by a governmental committee, shall be entitled to an SIRV.

Similar special resident visa benefits are available to any investor who has made and continues to maintain, an investment of not less than US\$250,000 within the Subic Bay Freeport Zone.

It is possible for residents of the Philippines to naturalize and become citizens. Dual citizenship is permitted.

Further Information

Baker & McKenzie's **Philippine Immigration Manual** provides further information about Philippine business visas, including a broader range of nonimmigrant visas, the immigration process, and immigration-related responsibilities for employers and foreign national employees.

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Poland

Executive Summary

All nationals of the European Union (“EU”) and the European Economic Area Member States (“EEA”), and Switzerland (jointly “EU citizens”), enjoy freedom of movement and the right of residence, as well as being exempt from the obligation to have a work permit to be employed, in Poland.

Citizens of countries that are not members of the EU, EEA, or Switzerland (the “non–EU citizens”) who wish to stay and/or work in Poland are subject to a different legal regime than the EU citizens. The non–EU citizens have to obtain a visa, a work permit or a working visa, depending on the purpose of their entrance to Poland. Grant of any of this document usually depends on the citizenship and profession of the person applying for them.

As a general rule, in order to perform work in the Republic of Poland legally, a non–EU citizen should have a work permit issued by a Polish local authority – “Voivode (województwo)”. Work authorization is required regardless of whether a foreigner is to perform work in Poland on the basis of an employment contract or on the basis of another type of agreement such as a service agreement, or is entrusted with the performance of any other kind of remunerated work within Poland. The exceptions to that rule are detailed in the part concerning employment assignments.

Key Government Agencies

Polish consulates abroad are responsible for processing Polish visas. When crossing the border a foreigner may be required to prove financial means sufficient to cover the cost of entry, stay, and exit from Poland. The decision to refuse entrance into the Republic of Poland may be issued by the Commander of the Border Guards, if the foreigner’s details are included in the register of foreign nationals denied the right to stay within the Republic of Poland or the foreigner lacks a valid travel document or another valid document certifying his/her identity and citizenship. The decision to refuse entry may be appealed with the Commander of the Border Guard Unit.

Applications for registration and issuance of residence cards and visas confirming foreigners' legal stay in Poland are submitted to the Voivodeship Office (Department of Citizen's Affairs) competent for the place of residence of the foreigner in Poland.

The Head of the Office for Foreigners is the central authority of the Polish central government administration competent for handling all matters connected with foreigners' entry into, transit through, residence in, and leaving of the Republic of Poland, granting to foreigners the refugee status, asylum, tolerated stay and temporary protection with reservation to the competencies of other authorities as provided for in the applicable laws. The Minister competent for internal affairs exercises supervision over activities of the Head of the Office for Foreigners.

In order to perform work in Poland legally, a non – EU citizen, should have a work permit issued by one of Polish Voivodes (województwo). The basic overview of the procedure for obtaining the work permit and categories of foreigners exempted from the obligation to have it, are presented below. All the information concerning the procedure and obligations are also available at the Social Affairs Departments of Voivode Offices, in case of the Mazowsze Voivodeship – Warsaw, the information is available at the Mazowsze Regional Labor Office.

Current Trends

After Poland's entry into the EU on May 1, 2004, all nationals of the EU Member States as well as the EEA Member States (including Switzerland) are allowed to enter Poland without having to obtain a visa – simply on the basis of a valid travel document (passport or national identity card) issued by his/her state of origin confirming the person's identity and citizenship.

The Member States of the EU (currently 27 countries) are: Belgium, France, Holland, Luxemburg, Germany, Italy (first countries of the United Europe), Denmark, Ireland, Great Britain (since 1973), Greece (since 1981), Spain, Portugal (since 1986), Austria, Finland, Sweden (since 1995), Poland, Slovakia, Slovenia, Lithuania, Latvia, Hungary, Czech Republic, Estonia, Malta, Cyprus (since 2004), Bulgaria, Romania (since 2007).

The Member States of the EEA are: all of the EU Member States, plus Iceland, Norway, Lichtenstein.

Switzerland is not a member state of the EU or the EEA.

A total of 29 states, including 25 EU states (except for Ireland, United Kingdom, Bulgaria and Romania) and four non-EU members (Iceland, Norway, Liechtenstein and Switzerland), are bound to the full set of rules in the Schengen Agreement, which deals with the abolition of systematic border controls among the participating countries. On December 21, 2007, Poland joined the Schengen Agreement, which means that as of that date there are no EU internal borders (on land and water) between Poland and other EU countries. The air borders at airports were internally opened for the other Schengen zone countries on March 30, 2008.

According to the Council Regulation (EC) No 539/2001 of March 15, 2001 (with further amendments) following on from the Schengen Agreement, today nationals of the following countries are not required to be in possession of a visa for entry and stay as tourists for a period not exceeding three months when crossing the external borders of the Schengen Agreement Member States: Andorra, Antigua and Barbuda, Argentina, Australia, Bahamas, Barbados, Brazil, Brunei Darussalam, Chile, Canada, Costa Rica, Croatia, Guatemala, Honduras, Israel, Japan, Malaysia, Mauritius, Mexico, Monaco, New Zealand, Nicaragua, Panama, Paraguay, Salvador, San Marino, Saint Kitts and Nevis, Singapore, South Korea, United States of America, Uruguay, Venezuela, Vatican, Special Administrative Regions of the People's Republic of China: Hong Kong SAR and Macao SAR, and British Nationals (Overseas) not holding United Kingdom citizenship.

As a basic rule in Polish law, a foreigner who is a citizen of two or more states is treated as a citizen of the state whose travel document was the basis for entry into the Republic of Poland.

Business Travel

EU Citizens

EU citizens may enter and reside in the Republic of Poland for a period not exceeding three months, on the basis of a valid travel document or another valid document certifying his/her identity and citizenship. A family member of an EU citizen who is a non – EU citizen, may enter Poland on the basis of a valid travel document or a visa, if required. During the stay within Poland for up to three months, a family member who is a non – EU citizen must have a valid travel document.

EU citizens should have the right to stay in Poland for a period no longer than three months, if:

- an employee or a self-employed person in Poland (in this case the right to stay extends over family member staying in Poland with an EU citizen);
- covered by the general health insurance or is a person entitled to health insurance or is a person entitled to health insurance benefits on the grounds of the regulations on coordination, and is in possession of enough funds to provide for the cost of the stay in Poland without the need to make use of social insurance benefits (in this case the right to stay extends over family member staying in Poland with an EU citizen);
- studies or receives vocational training in Poland and is covered by the general health insurance, is a person entitled to health insurance, or is a person entitled to health insurance benefits on the grounds of the regulations on coordination on health insurance benefits financed from public funds and is in possession of enough funds to provide for health coverage in Poland without the need to make use of social insurance benefits (in this case the right to stay extends over the spouse and child supported by an EU citizen or spouse and accompanying family members coming to Poland);
- married to a Polish national.

If the residence in Poland lasts for more than three months, an EU citizen is obliged to register the residence address in the Voivodeship Office competent for the place of residence in Poland. A family member who is a non – EU citizen is obliged to obtain an EU citizen family member residence card.

The application for registration of or issuance of the residence card for a member of an EU citizen's family must be submitted personally to the competent Voivodeship Office no later than on the next day following the end of three months from the day of entry into the Republic of Poland.

Non-EU Citizens

Foreign nationals coming to Poland on short-term business trips will most likely use one of these types of visitor's visas:

- Visitor's visa – issued as a uniform or domestic visa.
- A uniform visitor's visa – gives right of entry and continuous stay inside the Schengen member states or for several consecutive stays for a total period not

exceeding 3 months within the period of six months, counted from the day of the first entry into the said territory.

- A domestic visitor's visa – gives right of entry and continuous stay in the Republic of Poland or for several consecutive stays for a total period not exceeding one year during the visa's validity period.

A domestic visitor's visa can be issued for the purposes of entry and stay described below, if the circumstances of the stay require a foreigner to stay for more than 3 months.

The purposes of entry and stay are:

- a visit;
- carrying on economic activity;
- conducting cultural activity or participation in international conferences;
- performing official tasks by representatives of authorities of a foreign state or an international organization;
- participating in proceedings for granting an asylum;
- performing work, receiving or providing education or training,
- enjoying temporary protection;
- participating in a cultural or educational exchange or humanitarian aid program, or program of holiday jobs for students.

The period of stay under the domestic visitor's visa must be defined within the limits specified above, according to the purpose indicated by the foreigner.

Training

According to the Polish law there is no specific type of visa designed exclusively for training.

EU citizens have the right to stay in Poland for the purpose of studying according to the regulations described above.

For non-EU citizens the most suitable solution for training purposes is to obtain a visitor's visa (either uniform or domestic), depending on the type and length of

training. The regulations concerning the domestic visitor's visa provide that this type of visa can be issued for the purposes of performing work, receiving or providing education and training, *etc.*

It should also be noted that EU citizens do not need any visa or work permit to receive training in Poland. According to the internal regulations, there are also several categories of non-EEA nationals who are not required to possess a work permit in Poland in connection with training, such as:

- trainers and qualified advisors participating in programs financed by the EU, other international organizations or by loans taken out by the Polish government;
- foreign language teachers – native speakers, citizens of the U.S.A., Canada, Australia, New Zealand;
- people who occasionally give lectures and presentations (not exceeding 30 days a year), if they have permanent residence abroad;
- students of Polish universities – during summer break – in July, August and September;
- students on internships arranged by international student associations;
- students within a framework of co-operation between Polish employment services and their partners abroad;
- foreign students on paid internships; and
- scientists in research and development institutions.

In case a non-EU citizen intends to stay in Poland longer than the period of stay envisaged by the visa issued for the purpose of education, it is possible to apply for a temporary residence permit in Poland for a specified period of time. That document can be issued for the period necessary for achieving the purpose of the foreigner's stay in Poland, but not longer than two years. When staying abroad, an application for the temporary residence permit should be filed via the consular office. If the foreigner is in Poland, application for that permit is made to the Department of Citizen's Affairs at the Voivodeship Office in the capital city of the respective Voivodeship.

Employment Assignments

EU Citizens

All nationals of the EU citizens are exempted from the obligation to have a work permit to be employed in Poland.

As long as EU citizens are in paid employment (or perform work in Poland as independent service provider or on other basis), they are subject to the same legislation for social contributions and benefit from the same advantages as national employees.

Every EU citizen may make use of public employment services.

Non-EU Citizens

According to Polish law, a foreigner wanting to work legally in the Republic of Poland must obtain – a work permit (“pozwolenie na pracę”), issued by one of Polish Voivodeship Offices, and a document confirming his/her legal stay in Poland with the right to perform work, which is either a: visa for the purpose of work (“wiza krajowa pobytowa w celu wykonywania pracy”), issued by a Polish consulate or a temporary residence permit in Poland for a specified period of time (“zezwolenie na zamieszkanie na czas oznaczony”) issued by the Department of Citizen’s Affairs at the Voivodeship Office.

There are several categories of foreigners who are exempted from the obligation to obtain a work permit. These categories are in particular:

- all nationals of the EU Member States as well as the EEA Member States (including Switzerland) and members of their families;
- foreigners with a settlement permit;
- foreigners granted a long-term EC resident status in Poland and their spouses;
- foreigners granted a long-term EC resident status in another EU country, with a temporary residence permit in Poland, issued on the basis of employment;
- foreigners with a temporary residence permit in Poland issued on the basis of the declared intention to start business or study in Poland, marry a Polish citizen and other reasons;

- refugees, people granted temporary protection, people granted the tolerated stay status;
- foreigners holding a valid Pole Card;
- foreigners who are allowed to perform work in Poland without having to obtain a work permit according to international contracts and agreements binding the Republic of Poland and signed with the country of their citizenship;
- members of Military Forces stationed in Poland;
- journalists and other foreign mass media correspondents;
- artists (individual or in groups) participating in different kinds of artistic events (not exceeding 30 days a year);
- sportsmen performing for institutions registered in Poland;
- people posted by their foreign employers (provided that they have permanent residence abroad), for the period not exceeding 3 months, for the purpose of:
 - assembly, maintenance or repairs of devices, equipment *etc.*, if the foreign employer is a manufacturer thereof;
 - acceptance of goods produced by a Polish company;
 - assembly and disassembly of exhibition stands.
- people posted by the EU employer to provide services in Poland;
- members of management or supervisory boards, if the time of their stay does not exceed 30 days a year;
- citizens of Turkey who have been to Poland on the basis of legal stay for at least four years;
- citizens of neighboring countries, for the period not exceeding 90 days within six months; and
- the above mentioned foreigners who entered Poland for training purposes.

A work permit is a specific type of authorization issued following an investigation by labor authorities into the reasons for employing foreigners in Poland. As a rule, a work permit is issued if there are no Polish (or EEA and Swiss citizens) candidates to be found on the domestic market.

In general the procedure for obtaining a work permit consists of three stages:

- Obtaining a promissory decision for a work permit locally by the employer;
- Obtaining a work visa/residency card by the non-EU national; and
- Obtaining the work permit by the employer.

Commencing work in the Republic of Poland without a work permit (third step of the above procedure) is strictly prohibited and may result in criminal liability of the individual concerned and the hosting entity employing the individual. Illegal employment (without the work permit) or other breach of the employment regulations is also likely to cause a one-year ban on obtaining of work permits by the employer concerned, as well as by the foreigner who broke the law.

A work permit is applied for and issued to an employer as permission to employ a specific, named, non-EU citizen, for a specific job, for a specific period of time. Moreover, if a foreigner performs work in various positions at the same employer, a work permit for each position is needed.

First, the legal entity or person who wants to employ the non-EU citizen (the “Employer”) undertakes to attempt to fill the vacancy with a Polish national or another person who does not require a work permit (EEA and Swiss citizens in particular). In order to do so, all reasonable efforts should be made. The Employer is obliged to make an announcement of a free vacancy in the labor agencies – District Labour Office competent for the place in which the work is to be performed, press, internet and in the EURES (the European Employment Services network).

If there are no Polish or EEA (or Swiss) national citizens available suitable for the post, the Labour Office issues an appropriate confirmation to the employer in writing.

Once the Employer obtains the confirmation from the District Labour Office, it submits an application for issuance of a promissory decision on a work permit for a foreign national, together with a copy of the confirmation, to the local immigration authority (the immigration section of the Voivodeship Office).

The Employer is obliged to provide in the application the personal details of the foreigner, the details of the passport document, and, if any, information on the foreigner’s qualifications and professional experience. Original documents confirming this information must be presented to local authorities when a work permit is applied for.

Furthermore, the Employer must specify the proposed post in Poland and the intended period of employment, and give details of the legal basis of employment (*e.g.*, employment agreement, service agreement, *etc.*). All documents submitted to Polish immigration authorities must be in Polish. Therefore, certain documents, such as the foreigner’s certificates and diplomas, will have to be translated into Polish by a certified translator.

After submitting the application form, the Voivode examines the application taking into account the local labor market situation – through the “labor market test” or the economic needs test, in case the labor market test is not applicable for any reason.

In case the “labor market test “ shows that there are not any Polish (or EEA and Swiss) candidates on the local labor market fulfilling the Employer’s criteria, the Voivode issues a promissory decision that precedes the issue of the work permit.

The promissory decision on the work permit is granted for a period not exceeding one year.

After having obtained a promissory decision for a work permit, the Employer must deliver this to the non-EU citizen to submit when applying for the work visa.

In case a non – EU citizen intends to stay in Poland longer than the period of stay envisaged by the visa issued for the purpose of work, it is possible to apply for a temporary residence permit in Poland for a specified period of time. That document can be issued for less than two years, no longer than the time the promissory decision is issued for. When staying abroad, an application for the temporary residence permit should be filed via the consular office. If the foreigner is in Poland, application for that permit is filed with the Department of Citizen’s Affairs at the Voivodeship Office.

It should also be noted that, after arrival to Poland, the foreigner is obliged to legalize residence in Poland with the administrative local authority at their temporary registered address in Poland.

The final stage is issuance of the work permit following submission of another application by the Employer to the Voivodeship Office. The work permit is issued if the procedure for obtaining the work visa is completed successfully.

The work permit is issued for a period not longer than the period of stay specified in the work visa or in the employee’s temporary residence permit in Poland for a specified period of time (see “Other Comments” below).

After the non–EU citizen receives the above mentioned permit, the Employer informs the Voivode of the possible date of commencement of work and the Voivode issues a work permit. The work permit document is issued in three copies, one for the Employer, one for the employee and one for the Voivode Office.

After that the Employer signs an agreement with the non–EU citizen for the time specified in the work permit. The contract should strictly reflect conditions in the work permit – as regards time, place of work, position *etc.*

Change of work place requires immediate notification to the Voivode.

In case the residence procedures are prolonged after the work permit promise is received, the Employer should inform the Voivode.

A domestic visitor’s visa for the purpose of performing work may be issued to a non–EU citizen who presents a promise of issue of a permit to work in the Republic of Poland or a written declaration of the employer of the intention to entrust the foreigner with the performance of work if no work permit is required. This type of visa is issued by the consul competent with respect to the place of permanent residence of the foreigner.

That kind of visa can be issued for the period of stay corresponding to the period indicated in the promise or declaration, but no longer than one year. A foreigner who intends to perform in the Republic of Poland seasonal work for a specified time must be issued a domestic visitor’s visa for the purpose of performing work for a period of stay corresponding to the period indicated in the promise of issue of a work permit, but not longer than six months.

Security Contributions

According to Polish Law, there are four kinds of social security contributions that an employer and employee are obliged to pay in connection with the employment agreement.

As regards payment of social contributions for non – EU citizens, Polish Law states that that duty arises in the country in which the person is employed and where the work is being performed. – “*Lex loci laboris.*”

That means that the Employer employing a foreign worker (as an employee or an independent service provider) in Poland is subject to Polish social security laws and

not the social security laws of the country in which the Employer entity might be located or which the foreign worker is a citizen of. The effect of this is that the foreign Employer who does not have its place of business in Poland is obliged to register with the Social Security Agency and pay all the required social security contributions for any worker employed in Poland.

There are several exceptions from the above rule, such as employees who were posted by their Employers (provided they have permanent residence abroad) to perform work in Poland for a specified period of time or nationals of countries which are parties to international agreements, recommendations, conventions and provisions binding on the Republic of Poland in scope of social contributions regulations.

Other Comments

All applications for visas and residence or work permits must be written in Polish on the official forms. Documents drawn up in languages other than Polish, attached to the application, must be submitted with their translations into the Polish language by a sworn translator.

All foreigners staying in the Republic of Poland register on their own with the administrative local authority at their temporary registered address in Poland, if they do not stay at a hotel or at the host party's premises during their stay in Poland. In such a case this registration should follow an uninterrupted stay of four days in Poland at the latest. In order to be registered, a foreigner will be required to present the relevant work visa/residence or work permit or - in case of EU Citizens - a passport.

The visitor's visa of a foreigner staying in the Republic of Poland can be extended if all the following conditions are met:

- There is an important professional or personal interest of the foreigner or humanitarian considerations in favor of it;
- The events which are the reason for applying for visa extension were beyond the foreigner's control and could not be foreseen at the time when the visa was issued;
- The circumstances of the case do not indicate that the purpose of the foreigner's stay in Poland will be different from the declared one; and
- The circumstances against issuing a foreigner a visa do not occur.

The period of stay in the Republic of Poland on the basis of an extended visa may not exceed the period of stay envisaged for the given type of a visitor's visa.

If a foreigner intends to stay in the Republic of Poland longer than the period of stay envisaged by the visa instead of extending the visa, the foreigner can apply for a temporary residence permit in Poland for a specified period of time. That document is issued for the period necessary for achieving the purpose of the foreigner's stay in Poland, but not longer than two years, and is issued usually with the connection of a different basis, such as:

- Holding a promise or an extension of promise of issue of a work permit or a written employer's declaration of the intention to entrust the foreigner with the performance of work if no work permit is required;
- Carrying on economic activity pursuant to the provisions applicable in this field in Poland, which activity is beneficial to the national economy;
- Intending to continue artistic activity;
- Participating in professional training or internship conducted within the framework of EU programs;
- Marrying a Polish citizen; or
- Other reasons specified in the Aliens Act of 13 June 2003 (Journal of Laws of 2003, No. 128, item 1175 with further amendments).

The legal stay in the Republic of Poland is also guaranteed by obtaining a

- A settlement permit.

A permit to settle is issued to a foreigner who:

- is an underage child of a foreigner holding a permit to settle, and was born in Poland,
- has been married to a Polish citizen for at least three years before filing the application and, immediately before that had continuously stayed in Poland for at least two years on the basis of a permit to reside for a specified period of time,
- immediately before filing the application had continuously stayed in Poland for a period not shorter than 10 years on the basis of a consent of tolerated stay or for five years in connection with obtaining the refugee status,

- is a child of a Polish citizen who exercises parental authority over him/her.
- A long-term EC resident stay permit is granted to a foreigner who has stayed in Poland immediately before filing the application, legally and continuously for at least five years and who has:
 - a stable and regular source of income sufficient to cover the costs of maintenance for himself/herself and dependent family members,
 - health insurance within the meaning of provisions on natural health insurance or insurer’s confirmation of coverage of the costs of medical treatment in Poland.

A long-term EC resident stay permit can not be obtained by foreigners who:

- stayed in Poland in order to undergo studies or professional training,
 - had consent for tolerated stay, asylum, status of refugee granted in Poland or enjoyed temporary protection or applied for one of mentioned instruments,
 - is/was an “au pair” worker, seasonal worker, worker delegated by a service provider for the purpose of cross – border provision of services.
- A long-term EC resident status in another EU country, with a temporary residence permit in Poland, issued on the base of employment.

Foreigners holding a refugee status and people granted temporary protection or the tolerated stay status are also in the Republic of Poland legally.

Citizenship of the Republic of Poland can be granted by the President of the Republic of Poland. A foreigner is eligible to apply for citizenship, if he/she has resided in Poland for at least five years on the basis of a permit to settle. The period may be reduced to three years if a foreigner is married to a Polish citizen; however, marriage to a Polish national does not affect the citizenship of either party.

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Russian Federation

Executive Summary

Under Russian law, an employer planning to employ foreign nationals who need visas is required to obtain a permission to hire foreign nationals, work permits and work visas for such foreign nationals before they may start performing their job duties in Russia. Currently, citizens of the majority of countries - the US, Canada, China, India, Japan, Korea, as well as all Latin America and the European Union countries - are required to obtain visas to enter Russia. A work visa is generally issued for a period of one year.

Those foreigners who do not need a visa to enter Russia are still required to obtain work permits before they start their employment in Russia.

Foreign citizens who enter Russia on business visas have the right to participate in negotiations, training, *etc.*, but cannot be legally employed prior to obtaining a work visa and work permit.

The procedures for obtaining permission to hire, a work permit and a work visa invitation involve several consecutive steps, and take about four to six months to complete. As a precondition for obtaining permission to hire and a work permit, a company is to annually file an application for a quota for work permits for the following year before May 1 of the current year. Thus, employment of a foreign national requires advance planning to allow sufficient time for such procedures.

Importantly, the Russian migration legislation is currently subject to significant amendments and changes, so the procedures involved can be modified at any time. It is highly recommended to verify the procedures and documentary requirements on a case-by-case basis in advance.

Currently, the procedures for obtaining permission to work in Russia for foreign national employees are comparable in their complexity and duration to those in the USA or Western Europe.

Key Government Agencies

Visas are obtained at Russian Embassies and consular posts abroad on the basis of an official visa invitation issued by the Russian immigration authorities, a governmental

agency or an international organization registered with the Russian Ministry for Foreign Affairs, upon the application of the inviting party. A foreigner should present the original visa invitation, together with other documents required for the visa, to a relevant Russian Consulate to evidence the invitation to visit Russia.

The visa invitation for a work visa should be obtained by the employer. An employer planning to employ a foreign national employee who enters Russia under a visa regime needs to obtain three documents:

- Permission to hire and use foreign employees (“Permission to Hire”);
- An individual work permit for each individual foreign national employee (“Work Permit”); and
- A work visa invitation.

All these documents can be obtained from the Federal Migration Service (“FMS”).

Current Trends

Work Permit and work visa requirements are enforced by the FMS with increasing vigor. The latest amendments to the Russian Administrative Offences Code have significantly increased the penalties for non-compliance with these requirements. Non-compliance can result in significant adverse consequences for the employer, its officers, and the foreign national employee, including, *inter alia*, heavy fines, and, in the worst cases, deportation from Russia of foreign nationals who do not have the relevant permission or the wrong type of visa, suspension of operations of the employer.

Business Travel

Ordinary Business Visa (“Business Visa”)

Foreign nationals coming to the Russian Federation on short-term business trips may use an ordinary business visa. As a general rule, visitors with business visas visit Russia for the purpose of participation in key negotiations on business and economic matters, for professional trainings at Russian joint ventures or accredited representative offices of foreign commercial entities, or to attend exhibitions or other events. But in all of these cases such business purpose-visits are assumed to be short.

There are three types of business visa:

- Single entry;
- Double entry; and
- Multiple entry.

Single and double entry business visas may be issued for a term of up to three months. A multiple entry business visa may be issued for a term of up to one year, but it can be used for a limited period of time only.

Currently any foreigner can stay in Russia on the basis of a one-year multiple entry business visa – without having to leave Russia – for up to 90 days in a period of 180 days. Thus, the maximum period of uninterrupted stay in Russia on the basis of such business visa is currently 90 consecutive days, and the maximum period of stay in Russia is 180 days per year. Every 90 days foreigners on a one-year multiple entry visa have to leave the country. Upon re-entry, the foreigner can stay in Russia for no longer than another 90 days.

A foreign national is prohibited from being employed or from working under a civil law contract based on a business visa. Therefore, in order to legitimately enter Russia for the purpose of being employed or to provide services under a civil law contract, a foreign national should hold a work visa and a Work Permit. Additionally, it is impossible to change the type of visa (*i.e.*, from a business to work type). Entering Russia with a business visa for the purpose of employment is considered a misrepresentation in declaring the purpose of visiting Russia. It is considered an administrative violation and is severely prosecuted if disclosed.

Visa Waiver

There are several narrow exemptions when a visa is not required for entry into the Russian Federation. These exemptions apply, in particular, to the following foreign nationals:

- Citizens of all CIS countries except for Georgia and Turkmenistan;
- Permanent residents of Russia holding a permanent residence permit; and
- Refugees.

In addition, some citizens of Georgia and Turkmenistan enter Russia under the visa-free regime. However, the situation with issuance of visas to citizens of Georgia is unclear in 2008 due to the suspension of diplomatic relations between Russia and Georgia.

Employers do not need to obtain a Permission to Hire foreign nationals who do not need a visa to enter Russia. Prior to commencing work in Russia, however, such foreign nationals should obtain individual Work Permits. When hiring such foreign nationals, employers must ensure that they have a valid Work Permit for holding the job position for which they are hired.

Training

Foreign nationals visiting Russia to participate in professional trainings can obtain an ordinary business visa. As mentioned above, foreign citizens entering Russia under a business visa are not allowed to be employed or to work in Russia. Therefore, in the event a foreigner participates in on-the-job training, the hosting party should arrange for a training plan and other formal documents confirming the educational nature of such training program. Furthermore, foreigners participating in such training programs should not be paid salaries. If they are, their participation in such training programs could be considered employment.

Employment Assignments

All employers operating in Russia who plan to conclude a labor or civil law contract with foreign employees who enter Russia under a visa regime must obtain the following:

- Permission to Hire - for the employer;
- Work Permit - for each foreign employee; and
- Invitation for a work visa - for each foreign national employee.

The current procedure for obtaining the above documents involves several consecutive steps, and takes about four to six months to complete. Accordingly, employment of a foreign national in Russia requires advance planning to allow sufficient time for the procedure.

Ordinary Work Visa (“Work Visa”)

The current procedure for obtaining a Work Visa for a foreign national may be used by both Russian legal entities and accredited representative offices or branch offices of foreign firms. Importantly, this procedure has become available for accredited representative offices and branches of foreign firms for just several months. Relevant government agencies and institutions that are authorized to accredit representative offices and branches of foreign firms in Russia may initiate changes to this procedure.

The procedure for obtaining a Work Visa consists of the following four steps:

- Step 1 - The employer registers with the FMS as an inviting party for visa invitation purposes, and obtains a registration card confirming such registration. This step normally takes at least two to three weeks to complete. Under the obligatory requirements of the FMS imposed on all applicants, the set of documents required for the registration of the employing company, accredited representative office or branch, and all further visa support applications, must be filed only by an officer of the company/rep office or branch. Such officer should hold a relevant power of attorney issued by the employer. In case of initial registration, the presence of the employer’s CEO/Chief Representative is required.
- Step 2 - The employer obtains an Invitation for a Single Entry Visa from the Federal Migration Service. This step usually takes at least two to three weeks to complete. The maximum validity of the invitation is three months.
- Step 3 - The foreign national planning to work in Russia obtains a Single Entry Visa at the Russian consulate in the country of citizenship or even in the country of residence, with documentation certifying the ground for stay in such country for a period exceeding 90 days (*e.g.*, a residence permit). A Single Entry Visa is obtained on the basis of the Invitation for a Single Entry Visa provided by the employer. If the foreign national obtained the visa invitation while in Russia, it is necessary to leave Russia and apply to the above-mentioned Russian consulate abroad to obtain the entry visa. The foreign employee’s current Russian visa, if any, is cancelled simultaneously with the issuance of the new entry visa.
- Step 4 - The foreign national exchanges the Single Entry Visa for a Multiple Entry Work Visa upon arrival to Russia. The set of documents required for the exchange is submitted to the FMS upon arrival.

Accredited representative offices or accredited branches of foreign firms may also use the traditional procedure and apply for Work Visa support to their accrediting body. In this case, such representative/branch office of a foreign firm must first obtain a Personal Accreditation Card for the foreign employee from the accrediting body, and then apply to the accrediting body to obtain an Invitation for a Single Entry Visa from the Federal Migration Service. This procedure is less time consuming and does not require preliminary registration with the FMS for work visa invitation purposes. The procedure for obtaining a Russian visa by a foreigner in the traditional procedure is similar to the procedure described above. Please refer to Step 3 above in the procedure for obtaining a Work Visa.

The maximum duration of a Work Visa is one year, but it can be limited by the expiry term of other documents (*e.g.*, passport, Work Permit or personal accreditation card). Renewal of a Work Visa involves a less complicated procedure.

Permission to Hire and Work Permit

The employer is not allowed to employ a foreign national who enters Russia under a visa regime without a relevant Permission to Hire, and the foreign national employee is not allowed to start working without obtaining both a Work Permit and Work Visa.

The total number of foreign employees that can be legally employed in Russia each year is established by the Russian Government on an annual basis. Employers planning to employ foreign nationals in the following year should file information on their need for foreign employees with the Public Employment Service before May 1 of the current year.

Currently, an employer that plans to hire foreign nationals who require a visa to enter Russia should apply for Permission to Hire and Work Permits using the so-called “one-window” approach to the Federal Migration Service, submitting all the necessary documents in both paper and electronic (CD) form.

However, prior to applying to the FMS, the employer needs to file information with the Public Employment Service on its needs re employees (*i.e.*, inform on the existing vacancies of the employer). In the event the Public Employment Service provides the employer with a local candidate for any such vacancy, the employer would have to hire such candidate or prepare a motivated rejection of such candidate in order to be able to justify its need for specifically a foreign employee.

A further application to the FMS can be submitted no earlier than one calendar month after the above-mentioned information on the need for additional employees is filed with the Public Employment Service.

Among the documents to be submitted for the obtaining of a Work Permit, the FMS requires original medical certificates. Such medical certificates should be obtained by the foreign national employee at local medical establishments holding the relevant licenses. The foreign national employee is required to personally show up at one of such medical establishments for medical tests, an examination, and an interview. Importantly, the medical certificates have an effective term of only three months. They should be issued no earlier than three months before receiving the Work Permit from the FMS.

The procedures for obtaining Permission to Hire and Work Permits can be modified by the FMS at any time, so it is highly recommended to verify the procedures and documentary requirements on a case-by-case basis in advance.

A Work Permit is normally issued for a term of up to one year from the date when the Permission to Hire was issued, but it can be renewed for a shorter term. Renewal of a Work Permit involves the same procedure and takes the same amount of time as obtaining the first Work Permit.

A Work Permit is valid only for a single employing entity, in a single constituent region of the Russian Federation (*e.g.*, Moscow), and for holding a single job (*e.g.*, General Director). Thus, two Work Permits would be required for a foreign employee holding two jobs in Russia, and a third Work Permit would be required if the employee changes employers, or is transferred to another job (*e.g.*, promoted) or to a different region in Russia.

After obtaining the Permission to Hire and Work Permit, the employer needs to document the commencement of employment with a foreign national employee in accordance with Russian labor law requirements. In particular, the employer should execute a Russian law employment agreement in Russian or accompanied by a Russian translation, issue an internal HR order on the employee's appointment to a particular job position, insert an entry in the employee's labor book on hiring, complete the employee's personal data card (Form T-2) and arrange for other HR paperwork. All these documents must be issued in the Russian language.

Work Permit Waiver

The current Russian legislation provides for several narrow exemptions when the employee is not required to obtain a Russian Work Permit. These exemptions apply, in particular, to the following foreign nationals:

- Citizens of Belarus;
- Permanent residents of Russia holding a permanent resident permit;
- Employees of diplomatic and consular institutions of foreign countries in Russia, or employees of international governmental organizations enjoying diplomatic status, and their private domestic employees;
- Participants of the State Program for Assistance to the Voluntary Movement to the Russian Federation of Compatriots Residing Abroad and their family members;
- Employees of foreign legal entities (producers or suppliers), performing installation (contract supervision) works, servicing and/or repairs of technical equipment supplied to the Russian Federation by their employers;
- Journalists duly accredited in the Russian Federation;
- Students at Russian educational institutions working during vacations;
- Students at Russian educational institutions who work in their educational institutions in positions of auxiliary educational staff; and
- Lecturers invited to Russia to give lectures in educational institutions, except for those persons who perform pedagogical activity in professional religious educational institutions (in ecclesiastical educational institutions).

Other Comments

Under Russian law, the Russian migration authorities should be notified of the arrival of every foreign national entering Russia under any type of visa or enjoying a visa-free regime (*i.e.*, follow the migration notification requirement). Specifically, the employing/hosting party (*e.g.*, landlord) should notify the Russian migration authorities of such arrival at the place of temporary stay by way of a formal written notice within three business days of the arrival date.

Every time the foreign national leaves Russia or even just visits another city for more than three business days, the Russian migration authorities should also be

notified of such departure within two business days as of the departure date. In case the foreign national visits another city within Russia for more than three business days, similar migration notification should be performed. In practice, formal written notices on arrival/departure of a foreign national employee are submitted by the hosting party (*i.e.*, by the employer, hotel staff).

Provision of Services in Russia without the Required Permission to Hire and/or the Work Permit

The employer and/or its officers could be subject to the following administrative fines for violation of immigration requirements. A fine of up to RUB 50,000 could be imposed on the employer's officers who are found responsible for use and employment of foreign nationals without relevant permissions. A fine of up to RUB 800,000 could be imposed on the employer for the same violation.

Additionally, fines may be imposed for each violation separately, *e.g.*, one fine for the absence of Permission to Hire foreigners, another fine for the absence of Work Permit, *etc.* In a worst case scenario, violation of Russian migration laws could lead to the annulment of the employer's Permission to Hire foreigners, or even temporary suspension of the employer's activities for up to 90 days.

At the same time, the foreign national could be subject to an administrative fine of up to RUB 5,000, and, far more seriously, deportation from Russia. For foreign nationals, deportation or imposition of administrative fines may trigger difficulties in visiting Russia and/or obtaining Work Permits and work visas in the future.

Failure to comply with the visa regime requirement

A foreign national entering Russia for the provision of services under a civil law contract or for employment purposes on the basis of a visa other than work visa (*e.g.*, under a business visa instead of a work visa) is an infringement of the visa regime. The employer and/or its officers could be subject to an administrative fine of up to RUB 50,000 for use of the above services or employment of the foreign national without having obtained the relevant visa for the foreign national. Additionally, a fine of up to RUB 500,000 could be imposed on the employer.

The foreign national could also be subject to an administrative fine of up to RUB 5,000 and, in a worst case scenario, deportation from Russia. Deportation or imposition of administrative fines may trigger difficulties in visiting Russia and/or obtaining Work Permits and work visas in the future.

Failure to Notify the Migration, Employment, or Tax Authorities on Employment/ Contracting of a Foreign Citizen

Under Russian law, the employer must notify certain local state authorities of the employment of a foreign national. Notification of an application for the visa invitation/conclusion of an employment agreement with foreign nationals should be filed by the employer with the local tax office within ten days as of the date of the application's filing or conclusion of the employment agreement. Notifications on employment of foreign nationals entering Russia under a visa regime should also be submitted to the local office of the Public Employment Service and to the local office of the State Labor Inspectorate within one month from the date when the employment agreement was concluded.

Upon conclusion of an employment agreement with a foreign national employee who does not need a visa to enter Russia, the employer should notify the local tax office thereof within ten days as of the employment agreement's conclusion, and the local offices of both the Public Employment Service and the FMS within three days as of the employment agreement's conclusion.

Failure to comply with the requirement to file the above notifications on employment of a foreigner could result in the imposition of additional administrative fines on the employer and/or its officer in the amount of up to RUB 50,000 on the employer's officers, and up to RUB 800,000 on the employer or, in a worst case scenario, administrative suspension of the employer's operations for a term of up to 90 days.

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The Kingdom of Saudi Arabia

Executive Summary

The process of employing a foreigner in the Kingdom of Saudi Arabia (the “Kingdom”) is relatively complicated compared to other countries, but is expected to be simplified as a result of the Kingdom’s accession to the World Trade Organization (the “WTO”).

Citizens of member countries to the Gulf Cooperation Council (“GCC”) - Saudi Arabia, Qatar, Oman, Yemen, United Arab Emirates and Kuwait - are allowed to enter into each member country’s territory without the need to obtain an entry visa. In some cases, presenting a national identification card suffices.

Key Government Agencies

With respect to the employment of foreigners, the Ministry of Labor is responsible for work permits.

The Ministry of the Interior’s Directorate General for Passports is responsible for issuing residence permits.

Once the required authorizations from the relevant agencies are obtained, the Ministry of Foreign Affairs through Saudi Arabian embassies and consulates will be the first contact point with the employee and will be responsible for the issuance of visas.

The process of employing a foreigner in the Kingdom is relatively complicated compared to other countries, but is expected to be simplified as a result of the Kingdom’s accession to the WTO.

Business Travel

Business Visit Visa

A Business Visit Visa may be issued based upon a letter of invitation by a Saudi person for business reasons. The issuer of the invitation letter (“Sponsor”) would normally be required to sponsor the holder of the Business Visit Visa during the stay in the Kingdom.

The original purpose of Business Visit Visas is to allow foreigners to enter into the Kingdom for conducting limited business transactions with the Sponsor. By way of

example, this would include negotiations of agreements, or holding business meetings generally. In practice, however, business visit visas are very commonly used to facilitate rendering short term or intermittent contractual services (*e.g.*, managerial, professional, technical or consultancy services) and the practice has been historically tolerated by the Saudi authorities.

Beyond this limited scope, Business Visit Visas do not grant foreigners the right to work or reside in the Kingdom.

Visa Waiver

Citizens of Bahrain, Kuwait, Oman, Qatar and United Arab Emirates are not required to have visas to visit the Kingdom.

Training

There is no visa designed expressly for training, but the visas discussed for employment assignments might be appropriate in some circumstances.

Employment Assignments

As a general rule, foreigners may not come or be brought to the Kingdom to work unless the prior approval of the Ministry of Labor is obtained.

In order for the required permits to be issued, the following conditions must be met:

- The foreigner must have entered the country legally. For a non-resident, this would require obtaining the Work Visa;
- The foreigner must possess vocational skills or educational capabilities needed in the Kingdom that are either lacking or insufficiently available;
- The foreigner must have a contract with a Saudi employer or a non-Saudi employer authorized to do business in the Kingdom; and
- The foreigner must be under sponsorship of an employer.

In relation to this last requirement, a foreign employee may not leave the current position with his employer unless the approval of the current employer is obtained to transfer sponsorship to the prospective new employer. This rule governs all foreigners working in the country, regardless of their time in the Kingdom.

As a pre-requisite for obtaining the Work Visa, the employer should have an “immigration file” opened with the Ministry of Interior. The immigration file typically contains up-to-date information on the residency status of each of the employer’s expatriate manpower. Once the immigration file is opened, an employer can thereafter obtain the Work Visa after obtaining the Ministry of Labor’s approval, who will in turn instruct the Ministry of Foreign Affairs to have the relevant Saudi embassy issue the required visa.

At that point, the prospective employee will be required to present the following to the relevant Saudi embassy:

- A valid employment contract in Saudi Arabia (which has to be either with a Saudi citizen, company or a foreign entity licensed to conduct business in the Kingdom);
- Educational diplomas or certificates by the prospective employee;
- Medical reports; and
- Three recent passport photographs.

After the Work Visa is issued, the employee will be required to obtain a residency permit (“igama” or “iqama”) and a work permit before commencing work in the Kingdom. The issuance of the aforementioned permits begins with filing an application with the Ministry of Labor. After its approval, the Ministry of Labor will forward the application to the Ministry of Interior for the issuance of the required residency permit.

Work Temporary Visa

Although this type of entry visa has not been implemented yet, it is worth noting that in connection with its accession to the WTO, Saudi Arabia agreed to grant work temporary visas valid for up six months to employees of non-resident companies having contracts with customers in the Kingdom to enable them to perform such contracts.

Seasonal Employment Visa

This type of visa is available for those who wish to enter the Kingdom during the annual pilgrimage (“hajj”) season for the purpose of filling certain required positions.

The procedures for issuing a Seasonal Employment Visa starts with filing an application with the Ministry of Labor by the Saudi employer requesting permission to allow certain expatriate workers to enter the Kingdom during the pilgrimage season only for carrying out certain tasks. If the Ministry of Labor approves the application, the prospective employee will be required to present to the Saudi embassy in the relevant country a valid employment contract in applicant's country, in addition to an attestation by the worker that the purpose of coming to the Kingdom is solely for work and not the performance of pilgrimage.

Group Employment Visa

In order to facilitate bringing foreign workers to the Kingdom, it is currently possible for employers to apply for a Group Work Visa, also referred to as "block visa." The objective of the Group Employment Visa is to enable business owners to process multiple visas simultaneously for certain positions without the need to initially identify the prospective employees by name. The application is usually submitted on the basis of the number of workers required for each profession. Upon the approval of the application, the required number of visas will be issued and copies of which will be sent along with other documentary requirements to the relevant Saudi embassies. Thereafter, the prospective employee will submit the passport to the Saudi embassy in order to have the passport stamped with the required visa.

Other Comments

Foreigners who overstay their visit in the Kingdom are subject to monetary fine and incarceration pending deportation proceedings. It is important to clarify from authorities upon arrival as to the permitted length of stay, which is not necessarily the same as the validity date of the visa itself.

Visitors to the Kingdom must abide by the country's Islamic laws and regulations, and respect its society's values and traditions.

A medical report showing that the foreigner is free of any contagious disease is generally required for work and residence permits.

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Singapore

Executive Summary

Singapore's receptiveness to foreign talent is evident in its immigration laws, which offers many solutions to help employers of foreign nationals. Such solutions range from temporary, nonimmigrant visas to permanent, immigrant visas, although requirements, processing times, employment eligibility, and benefits for accompanying family members necessarily vary by visa classification.

Key Government Agencies

The Work Pass Division ("WPD") of the Ministry of Manpower ("MOM") facilitates and regulates the employment of foreign nationals in Singapore. This is achieved through the administering of three types of Work Passes, namely: Employment Passes, S Passes and Work Permits.

The Immigration & Checkpoints Authority ("ICA") is a government agency under the Ministry of Home Affairs. ICA has brought together the former Singapore Immigration & Registration ("SIR") and the enforcement work performed by the former Customs & Excise Department ("CED") at the various checkpoints. ICA is responsible for the security of Singapore's borders against the entry of undesirable persons and cargo through our land, air and sea checkpoints. ICA also performs other immigration and registration functions such as issuing travel documents and identity cards to Singapore citizens and various immigration passes and permits to foreigners. It also conducts operations against immigration offenders.

Other relevant agencies may include SPRING Singapore, a governmental board overseeing Singapore's productivity standards and quality ("SPRING"), the Economic Development Board ("EDB") and the Monetary Authority of Singapore ("MAS").

Current Trends

In the light of the West's current economic downturn, Asia, which has emerged relatively unscathed from the sub-prime debacle, is now an obvious destination for business professionals looking to relocate and participate in its booming economies.

Singapore, with its policy of welcoming foreign talent, is well placed to be the centre of attraction. Besides offering ample financial opportunities, the city-state boasts of a high standard of living in the essential areas of health care, education, accommodation, order and security. As a further boost to Singapore’s efforts to be an Asian hub, the authorities simplified its immigration laws to facilitate access by the globe-trotting talent.

Employers of foreign nationals are thus presented with the opportunity to grow and ride the Asian economic wave, with the possibility of reaping significant benefits. To do that, employers must first familiarize themselves with the immigration laws relevant for global mobility assignments. In this regard, this Singapore chapter offers an introductory insight.

Business Travel

Visitor Visa

Foreigners visiting for short business negotiations and discussions may generally enter Singapore on a visit pass. Visit passes are issued on arrival in Singapore and the permitted period of stay is usually either 7, 14, 30 or 90 days. Extensions are considered on a case-by-case basis.

With the limited exception in some cases for Diplomatic and Official passport holders, foreigners holding travel documents issued by the following countries, however, will require entry visas prior to arrival in Singapore:

Afghanistan	Algeria	Bangladesh
Cambodia	Common Wealth of Independent States ¹	Egypt
India	Iran	Iraq
Jordan	Lebanon	Libya
Morocco	Myanmar	Pakistan
People’s Republic of China	Saudi Arabia	Somalia
Sudan	Syria	Tunisia
Yemen		

¹ Armenia, Azerbaijan, Belarus, Georgia, Kazakhstan, Kyrgyzstan, Moldova, Russia, Tajikistan, Turkmenistan, Ukraine, and Uzbekistan.

In addition, those holding Hong Kong Special Administrative Region Documents of Identity, Refugee Travel Documents issued by Middle-East countries, Palestinian Authority Passports, Temporary Passport issued by the United Arab Emirates, and Macau Special Administrative Region Travel Permit will also require an entry visa.

Professional Visit Pass

The following groups of foreigners who wish to take up short-term professional assignments (not more than three months) in Singapore will require a professional visit pass from the MOM:

- foreigners who enter Singapore to conduct or participate in conferences, seminars, workshops or gatherings of a racial/communal, religious, cause-related or political nature;
- foreign religious workers coming to Singapore to give religious and other related talks;
- foreign journalists and reporters, including accompanying crew members, who are in Singapore to write a story or cover an event; and
- foreign artists performing at nightclubs, lounges, pubs or other similar entertainment outlets.

An application for a professional visit pass takes approximately two weeks to process. The application must be submitted through a local sponsor (*i.e.*, a Singapore registered organization). For performing artists, the local sponsor is required to post a security bond and deposit of S\$3,000 in the form of a cashier's order. The security deposit will be refunded after the artist's departure from Singapore is confirmed and provided there has been no breach of the conditions stipulated in the security bond.

Waiver

The professional visit pass requirement is waived for the following groups of foreigners traveling to Singapore on short-term professional assignments:

- Artists such as those in cultural troupes and performances;
- Camera crew, film directors, actors, actresses, foreign models and photographers on location shooting;

- Professionals, speakers and lecturers who are here to attend, conduct or participate in seminars, workshops or conferences (this exemption does not apply to such events which are racial/communal, religious, cause-related or political in nature);
- Professional artists who wish to exhibit their works;
- Cultural missions;
- Sportsmen who are engaged by local sports clubhouses or who are here for sports competition/events;
- Exhibitors in exhibitions or trade fairs; and
- Journalists, reporters or accompanying crew members who are supported/sponsored by the Singapore Government agencies to cover or write a story in Singapore.

These above foreigners are allowed to carry out their assignments within the validity of the visit pass granted to them at the point of entry upon their arrival in Singapore.

The waiver of the professional visit pass requirement does not exempt the listed foreigners from seeking the approval of the appropriate authorities concerned. For example, a foreign artist will still have to apply to the police for a Public Entertainment License to exhibit his works in Singapore. If these foreigners require a longer stay in Singapore and the total period (including the visit pass granted to them upon arrival in Singapore) does not exceed three months, they may apply for an extension of stay. Those who require more than three months stay will have to apply for a work pass from the MOM.

Training

Training visit passes are available to foreigners coming to Singapore to undergo training. An application for a training pass takes approximately three weeks to process. The application must be submitted through a local sponsor (*i.e.*, a Singapore registered organization).

Employment Assignments

In General

All matters pertaining to the employment of foreigners in Singapore come under the review of the MOM.

The MOM adopts a graduated approach towards foreign talent, offering the most attractive terms to those who can contribute most to the economy, to help draw them to Singapore.

Top talent including professionals, entrepreneurs, investors and talented specialists, such as world-class artists and musicians, are allowed to come to Singapore with their spouses, children, parents and parents-in-law. This privilege, however, is not extended to all workers.

The “P” Pass

“P” passes are issued to foreigners who hold acceptable tertiary/professional qualifications and who are seeking professional, administrative, executive or managerial jobs in Singapore or who are entrepreneurs or investors.

There are two types of “P” passes: “P1” pass for those who earn S\$7,001 and above per month; and “P2” pass for those who earn S\$3,501 up to S\$7,000 per month.

The spouse and children of “P” pass holders (both “P1” and “P2”) are eligible for Dependent passes to stay in Singapore and their parents and parents-in-law are eligible for Long-term Social Visit Passes.

The “Q1” Pass

“Q1” passes are meant for foreigners who earn S\$2,501 up to S\$3,500 per month and possess acceptable degrees, professional qualifications or specialist skills.

The spouse and children of “Q1” pass holders are eligible for dependent passes to stay in Singapore. However, the parents and parents-in-law of “Q1” pass holders are not eligible for long-term social visit passes.

The “S” Pass

The “S” pass is a new category of work pass that replaces the “Q2” Pass effective July 1, 2004. It is meant for foreigners whose basic monthly salary is at least S\$1,800.

Applicants for “S” passes are assessed on a points system, taking into account multiple criteria including salary, education qualifications, skills, job type and work experience. A monthly levy of S\$50 per month also applies and there is a 5% cap on the number of “S” pass holders in each company based on the company’s number of local workers and work permit holders.

The spouse and children of “S” pass holders are eligible for dependent passes to stay in Singapore if the basic monthly salary is equal to or more than S\$2,500.

Additional Information

The “P”, “Q1” and “S” passes are generally valid for up to two years and may be renewed upon expiry for a period usually of up to three years. The MOM may, at its discretion, issue exceptional candidates with renewable passes valid for up to five years.

Application for an employment pass is submitted to the Employment Pass Department of the MOM. Processing time is approximately three weeks. Upon approval of the application, the MOM will then advise the category under which the pass has been granted (*i.e.*, “P1”, “P2”, “Q1” or “S”).

If an applicant is required to commence employment in Singapore before the employment pass is approved, it is possible to request a temporary employment pass, valid usually for one month. A temporary employment pass is not automatically given but is subject to the MOM’s consideration and approval. A temporary employment pass is not available for “S” pass applicants.

Short-Term Employment Pass may be applied for foreigners who wish to work in Singapore on a specific project or assignment up to a maximum of one month. The Pass will be issued on a one-time and strictly non-renewal basis. You may apply for Short-Term Employment Pass if you earn a monthly basic salary above S\$2,500 and hold acceptable tertiary/professional qualifications.

EntrePass

The EntrePass is an Employment Pass for foreign entrepreneurs who would like to start businesses in Singapore. It is jointly determined by the MOM and SPRING. Applicants are to submit their applications to the MOM. All applications are assessed by SPRING. The MOM will issue Employment Passes for successful applicants. All public queries and appeals can be directed to both the MOM and SPRING.

A foreign entrepreneur who is ready to start a new company / business and will be actively involved in the operation of the company / business in Singapore can apply for an Employment Pass under the EntrePass scheme. At the point of submission for the EntrePass application, the applicant must not have registered the business with the Accounting and Corporate Regulatory Authority (“ACRA”) for longer than six months.

The proposed business venture must not be engaged in illegal activities. In addition, businesses not of an entrepreneurial nature (*e.g.*, coffeeshops, hawker centers, food courts, foot reflexology, massage parlors, karaoke lounges, money changing/remitting, newspaper vending, geomancy, tuition services) will not be considered for an EntrePass.

The Personalized Employment Pass

The MOM introduced a Personalized Employment Pass (“PEP”), effective January 1, 2007. The PEP is granted to suitable Employment Pass holders or foreigners who have graduated from local institutions of higher learning, and have worked in Singapore for a period of time.

The current Employment Pass is linked to a specific employer and any change in employers requires a fresh application for an EP. As such, unless an EP holder is able to find employment with a new company, he may be required to leave Singapore if he does not hold any other relevant entry permits, such as a social visit pass. In contrast, the PEP is linked to the individual employee and will be granted on the strength of an individual’s merits. The PEP will allow holders to remain in Singapore for up to six continuous months in-between jobs. PEP holders can generally take on employment in any sector, except that some jobs may require prior permission.

The following groups of EP holders will be eligible for a PEP, if they had earned a basic salary of at least S\$30,000.00 in the preceding year:

- P1 and P2 pass holders that have at least two years’ working experience on a P Pass;
- Q1 pass holders with at least five years’ working experience on a Q1 Pass; and
- Foreign students from institutions of higher learning in Singapore with at least two years’ working experience on a P or Q1 Pass.

The MOM will be flexible in considering individual cases that do not meet the minimum criteria but which, based on the individual circumstances, merit the issuance of the PEP.

The PEP will be valid for five years and it will be non-renewable. The minimum salary requirement of S\$30,000 will continue to apply throughout the five-year validity of the PEP. A PEP holder will retain the dependants' privileges of his original EP pass or current eligibility at the point of PEP application, whichever is higher. P1, P2 and Q1 Pass holders are eligible to bring their spouse and children under the age of 21 into Singapore on Dependants' Passes. A PEP Pass holder can also bring his or her parents and parents-in-law into Singapore on Long-Term Social Visit Passes. Those employees who switch to higher-paying jobs may apply for the corresponding dependents' privileges.

PEP holders and their employers will need to keep the MOM informed of any changes in the PEP holders' employment status and contact particulars and will have to agree to reveal their annual basic salary to the MOM. The processing time for a PEP application is estimated to be about two weeks from submission.

Work permit or R Pass

A work permit or "R" pass may be issued to lesser skilled or unskilled foreign workers (*e.g.*, foreign factory workers, construction workers, domestic maids, *etc.*) who earn S\$1,800 or less per month. It is, however, generally necessary for the employer to show that there is a shortage of local labor and/or that no suitably qualified Singaporeans are readily available.

Generally, "R" passes are issued for a period of two years depending upon the nationality and qualifications of the applicant, as well as the type of industry in which the applicant will be employed.

"R" passes will be issued to semi-skilled foreign workers with a Level 3 National Technical Certificate or other suitable qualifications as well as unskilled foreign workers.

Foreign workers holding "R" passes will not be allowed to bring their immediate family members to live with them in Singapore.

Companies employing foreign workers are usually required to pay a foreign worker levy, the amount of which varies from industry to industry and depending on whether the worker is skilled or unskilled.

An application for a work permit or “R” pass is submitted to the Work Permit Department of the MOM and takes approximately one to seven days to process.

Other Comments

Global mobility today has wider connotations than merely working abroad. The phrase also encapsulates the idea of taking up permanent residence in another country and, ultimately, citizenship.

Non-Singaporeans who are below 50 years of age can become Singapore permanent residents (“PRs”) by obtaining an Entry Permit (an application for an Entry Permit is an application for PR). Applications by foreigners who are 50 years of age and above will be considered on a case by case basis. The grant of PR is at the sole discretion of the Singapore authorities and no reasons or explanation will be given in the event that an application is not approved.

Eligibility is generally based on family relationships, employment or investment. Singapore uses a points system that considers the following factors:

- Type of work pass;
- Duration of stay in Singapore;
- Academic qualifications;
- Basic monthly salary;
- Age; and
- Kinship ties in Singapore.

To maintain permanent resident status, all permanent residents who intend to travel out of Singapore must first obtain re-entry permits and must return to Singapore within the validity period of the permit. A Singapore PR will lose his or her PR status if he or she remains outside of Singapore without a valid Re-Entry Permit.

A re-entry permit is usually valid for multiple journeys for a period of either five or 10 years. A re-entry permit may not be issued or renewed if the permanent resident does not continue to be gainfully employed in Singapore or does not maintain sufficient connections with Singapore.

Singapore citizenship may be acquired by birth, descent, registration or naturalization. The waiting period for permanent residents to qualify for Singapore citizenship is currently two to six years. Applicants must be of good character, financially able to support themselves and their dependents, and intend to reside permanently in Singapore. The evaluation criteria takes into consideration how the rest of the applicant's family, for example the applicant's spouse and children, can integrate into Singapore society, evaluating beyond the immigrant's demonstrated educational qualifications and immediate economic contributions. The decision to confer citizenship is discretionary and will be decided on the merits of each case. Dual citizenship is not permitted, so applicants must be prepared to renounce citizenship for all other countries.

All male permanent residents and citizens in Singapore, aged 16 to 40 years (or 50 years for officers and members of certain skilled professions) are subject to the Enlistment Act. Male ex-Singapore citizens and ex-Singapore permanent residents who are granted Singapore permanent resident status are liable to be called upon for national service.

A first generation permanent resident is automatically exempt from national service. However, he will be required to register himself with the Central Manpower Base, if he is below 40 years of age, upon which he will receive an exemption notice. The male children of a first generation permanent resident are, however, liable for national service.

Further Information

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Spain

Executive Summary

Although Spanish immigration law has not fully adapted to the great immigration increase that has taken place in the country, it offers several alternatives to the different situations an employer of a foreign (non-EU) national may encounter. These range from temporary, nonimmigrant visas to temporary work and residence authorizations and permanent residence authorizations. Often more than one solution is worth consideration. Requirements, processing times, employment eligibility, and procedures for accompanying family members vary depending on the situation.

Key Government Agencies

There are several public institutions involved in the processing of visas and/or work and residence authorizations. The Ministry of External Affairs, Directorate of Consular Affairs (the “Ministry”) is responsible for visa processing at Spanish consular posts abroad. Spanish Consulates abroad have the capacity of directly granting temporary visas for business visitors, students and tourists. Such types of visas would not entail residence status for the foreigner.

All residence visas or labor related visas require first the approval of the Government Delegations or Subdelegations located at the province where the foreign national will live in Spain. Regarding non-lucrative or non-labor (*i.e.*, that do not authorize to work) residence visas, the applicant must file the petition at the Spanish Consulate that will forward it for approval to Spain to the relevant Government Delegation/Subdelegation with jurisdiction over the applicant’s future domicile in Spain. With respect to work related visas, they require first the approval of a work and residence authorization petition by the prospective employer in Spain. Depending on the characteristics of the Spanish company employing the foreign national, the petition must be filed either at the “large companies unit” of the State Secretariat of Immigration of the Labor Ministry or filed with the Government Delegation/Subdelegation.

Inspection and admission of travelers is conducted by the Customs and Border Protection agency at Spanish ports of entry and pre-flight inspection posts. Investigations and enforcement actions involving employers and foreign nationals is the focus of both the Labor Ministry Inspectorate and the Foreigner’s Brigade dependent of the National Police department.

Current Trends

Border protection activity and enforcement of immigration-related laws that impact employers and foreign nationals have increased in Spain and in Europe. The Government is making bigger efforts in avoiding illegal immigration. Employers of foreign nationals unauthorized for such employment are increasingly subjected to administrative and criminal penalties. Concerns about the impact of foreign workers on the Spanish labor market given the very high current unemployment rate in Spain and the lack of personnel to handle the procedures are frequently the reasons to justify longer processing times and an increase in refusals of petitions. Employers should evaluate alternatives prior to hiring foreigners as they should not rely on past practices for continued success.

Employers involved in mergers, acquisitions, reorganizations, *etc.*, must also bear in mind the status of foreign employees and the impact on the employment eligibility of foreign nationals when structuring transactions. Due diligence to evaluate the immigration-related liabilities associated with an acquisition is increasingly important as enforcement activity increases.

Reform of Spanish immigration law seems to be an objective of the Government, mainly procedures for family members as well as cutting down illegal immigration (residence permits based on the individual's insertion in Spanish society may be eliminated - "*autorización de residencia por arraigo social*").

Business Travel

Foreign nationals coming to Spain on short-term business trips may use short term or multiple short term stay visas. In both cases, the purpose of the foreigner's stay in Spain must be either business or tourism but under no circumstance should it be work.

Unfortunately, regulations do not clearly establish what activities are included in the term "business" as opposed to "work" although the line between one and another may be determined based on the duration of the foreigner's stay in the country. A business visitor may very well carry out a commercial and professional activity in Spain such as business meetings, conferences, negotiations and general administration activities. Employment in Spain or work related activity is prohibited.

- Short term stay visas. Valid for a maximum three month stay in Spain. It may be issued for one, two or multiple entries.

- Multiple short term stay visas. They authorize the foreigner to multiple stays in Spain but such stays may not exceed 90 days (continuous or spread out) within a six month period. The visa is normally valid for a year but may exceptionally be issued to be valid for several years.

Visas may be extended in Spain but only if the visa authorizes a stay that does not exceed ninety days, for instance, when the visa granted to the individual is valid for one month only, the foreigner may try to obtain an extension prior to the visa's expiry but may only be granted an additional sixty days.

Unless the foreigner qualifies as a student, for stays over 90 days within a 6 month period, the foreigner must obtain a residence visa.

To extend the visa, the foreigner must prove sufficient funds to cover expenses during the stay; medical insurance; accommodation; proof of intent to depart Spain (*e.g.*, a departure ticket) and, finally, proof of the business purpose of the stay in Spain.

Visa Waiver

The normal requirement of first applying to a Spanish consular post for the short term stay visa is waived for foreign nationals of certain countries. The permitted scope of activity is the same as short term stay or multiple short term stay visas. The length of stay is up to 90 days within a six month period only, without the possibility of a stay extension or status change. A departure ticket is required together with proof of financial means during stay in Spain, medical insurance and accommodation.

All EU and EEE countries together with the following non-EU/EEE countries are presently qualified under this program: Andorra, Argentina, Australia, Brazil, Brunei, Da Russa Lam, Canada, Chile, Costa Rica, Croacia, El Salvador, Guatemala, Honduras, Israel, Japan, Malaysia, Mexico, Monaco, Nicaragua, New Zealand, Panama, San Marino, Singapore, South Korea; Switzerland, United States of America; Uruguay Venezuela; special administrative region of Hong Kong (People's Republic of China) and special administrative region of Macao (People's Republic of China).

Training

If the purpose of the foreign national's stay in Spain is studying, or carrying out scientific or medical investigation or training related activities that are not professionally remunerated, it is appropriate to obtain a student visa at the Spanish Consulate in the country of origin or country of legal residence abroad.

The student visa applicant must provide proof of enrollment in official studies or investigation centers, private or public, with an approved attendance schedule and studies/training or investigation plan. The foreigner qualifying as a student must show sufficient funds to for support during studies or investigation (scholarships or personal funds). Once the student is in Spain, an application for a student card must be submitted. The card is will be valid for the duration of the studies/training program, up to a maximum one year. The student card may be extended if the studies/training or investigation continue. The student's spouse and minor children may also obtain a student visa and a student card.

Holders of student cards may work in Spain under certain conditions:

- Medicine and Surgery students; Psychology students; Pharmacy; Chemistry or Biology students holding a degree officially authorized by the Ministry of Culture and Education in Spain and that are enrolled to study specialization studies in Spain may carry out remunerated work as required by the such specialization studies. Such activity must be notified to labor authorities in Spain; and
- Holders of student cards may obtain a work authorization conditioned to the validity of the student card to work on a part-time basis or full-time but in this later case, the work authorization will be valid for a maximum 3 months, as long as the student card is valid for such time period.

Holders of student cards for, at least, three years may convert the student card into a work and residence authorization if the following conditions are met:

- The student must have finished his/her studies/investigation activities satisfactorily.
- The student mustn't have been granted a scholarship inherent to cooperation or country development programs (private or public).
- The conversion petition must be filed within the 3 months prior to the student card expiry date.

Family members of students who meet the above requirements to convert their student cards into a work and residence permit may also convert their student cards into non-lucrative residence permits.

Employment Assignments

The options regarding the type of work permit to be obtained are the following:

Transnational Work and Residence Permits (formerly type “G” permits)

Applicable to intracompany transfers, when a multinational decides to assign an employee temporarily from one of its work centres located outside of the European Union (EU) to Spain (excluding transfers for training purposes); or for temporary assignments from a company located out of the EU to a company in Spain pursuant to service agreements entered into by both companies.

This type of permit has maximum one year duration and may be extended for an additional year. However, in practice if Social Security treaties between Spain and other countries enable maintenance of social security contributions for longer than two years, the transnational work permit may be extended in accordance to such social security treaty.

Certain conditions must be met as follows:

- The employee’s length of services in the company must be of at least nine months, and of at least one year within the same field of activity;
- During the employee’s temporary transfer, his or her employment relationship (payroll and social security payments) must be maintained in the transferring entity; and
- The employee who is being transferred should hold legal and stable residence in the country from which the employee is transferred for the duration of the Spanish assignment.

Transnational work and residence authorizations are the only authorizations that allow maintenance of employment abroad, that is, the foreigner should not be hired locally in Spain and does not have to contribute to Spanish social security locally unless there is no Treaty between Spain and the country assigning the employee to Spain. In this later case, social security contributions must be made locally either by the Spanish subsidiary or by the company abroad that will have to register as an employer in Spain for social security purposes.

Fixed Term Duration Work and Residence Permits

These permits authorize the performance of activities which by their nature are limited in time. Certain situations may fit into such type of permits:

- Seasonal activities, with a maximum duration of nine months within a period of twelve months;
- Installation of industrial or electric plants, maintenance of productive equipments, start up procedures, *etc.*;
- Fixed term activities performed by the top managers, professional athletes, performance artists, *etc.*; and
- Occupational training and professional practice.

With the exception of the permit for seasonal activities, which is limited to nine months as mentioned above, the general maximum initial duration of this permit is one year, although it may be extended for as long as the employee's fixed term employment contract is also extended.

Fixed term duration work and residence permits imply hiring the foreign employee locally by a company duly registered for employment and tax purposes in Spain.

Temporary Work and Residence Permit (formerly type B-initial permit)

Such permit has an initial one year duration and may be extended annually until the employee obtains a permanent residence permit in Spain (after five years of legal residence). At present, the alternatives for obtaining this type of permit are quite restrictive as the employee must meet either comply with:

- Personal conditions: The individual must be an ascendant or descendant of a Spanish national, the spouse of a foreigner that holds a renewed residence permit in Spain, a national of Peru or Chile, or meet other specific personal requirements; and
- Special conditions related to the position in the Spanish company: The employee must be, for instance, a top management employee with power of attorney granted in the employee's favor to represent the Spanish company (ample powers should have been granted), or the employee must be a highly qualified employee whose position is directly related to the Spanish company's management

or administration, or the employee must be a highly skilled specialist necessary to install or repair imported productive equipment, *etc.*

If none of these conditions are met, the approval of the work permit will depend on the unemployment rate in Spain, in which case the approval would only be issued if: the position offered in Spain is included in the “Difficult Coverage Job Position Catalog” (“C atologo de Ocupaciones de Dif cil Cobertura”); or the Spanish company obtains a certificate from the relevant Employment Office indicating that there are no unemployed people registered that meet the conditions required for the position.

Processing States

Stage 1. Submitting work and residence authorization at the Government Delegation/ Subdelegation or Large Companies’ Unit of the State Secretariat of Immigration of the Labor Ministry.

Stage 2. Approving work and residence authorization. The immigration authorities may take from one to three months to adjudicate the work and residence authorization. A notification of approval will be issued and, normally, sent by mail to the Spanish company sponsoring the work permit application. Such notification must be given to the employee.

Stage 3. Applying for work/residence visa. The employee will 30 days as from the notification of approval is received to apply for and obtain the work and residence visa at the Spanish Consulate in the country of origin or country of legal residence with jurisdiction over the employee’s residence.

Stage 4. Issuing visa. Once the application for the visa has been filed, the Consulate may take from 48 hours to 30 days to approve and issue it. Once the visa approval has been notified to the employee, the foreigner will have 60 days to retrieve it at the Spanish Consulate’s premises. Regulations establish that the retrieval should be made personally by the foreign employee. The ordinary work/residence visa is valid for 90 days and authorizes one entry into Spain/Schengen territory. The employee must enter Spain within the visa’s validity.

Stage 5. Working in Spain and obtaining Foreigner’s ID Card. Once the foreign employee enters Spain with the visa, employment is authorized. The foreign employee will have 30 days as from entry to attend the relevant immigration office (*e.g.*, police station for foreigners) with jurisdiction over his/her residence in Spain to apply for the foreigner’s ID card that is the final document that will serve for purposes of identification in Spain together with the individual’s passport.

Family Members

Family members (spouse, children under 18 or dependant ascendants when there are justified reasons to approve their residence in Spain) may obtain a non-lucrative residence permit that does not authorize to work in Spain following the below procedures:

- Via the Large Companies' Unit of the State Secretariat of Immigration of the Labor Ministry ("Unidad de Grandes Empresas"). This unit processes work and residence authorizations for companies that have either: (i) more than 1000 employees in Spain; (ii) a volume on investments in Spain over 200 million euros; or, finally (iii) if the company has declared a gross investment (funds from abroad) of, at least 20 million euros. This said, if the foreign employee holds a top management position, the residence permits of the family members must be applied for and processed together with the work and residence authorization of such foreign employee. Therefore, when the employee's work authorization is approved, the family members' non-lucrative residence authorizations are also approved.
- Via family reunion. The foreign employee who has applied for the renewal of the residence permit may apply for the family's residence authorizations at the Government Delegation/Subdelegation with jurisdiction over the residence in Spain. If the residence authorizations are approved, family members will have 30 days to submit their residence visa applications at the Spanish Consulate located in their country of origin or country of legal residence. Once the visas have been issued on the applicants' passports they may travel to Spain and apply for their foreigner's ID cards.
- Via ordinary non-lucrative residence authorizations. Family members of top management employees may submit their visa applications at the same time the employee does (please see stage 3 of the procedure to obtain a work and residence authorization in Spain). However, their residence visas will be approved 3-4 months after filing the applications. The reason for the delay is that their applications are forwarded to Spain so that the Government Delegation/ Subdelegation approves the applications. The process of transmitting the documentation from the Spanish Consulate to the relevant authority in Spain is extremely delayed and currently takes about 2 months. In the future, applications will be transmitted electronically and, hopefully, delays will decrease significantly.

In all cases, as commented, the family members (in the case of children, they must be of legal age, 16, to do so) may obtain work and residence authorizations if they are offered a position by a company established in Spain.

Other Comments

There are additional authorizations that may apply to the specific cases such as work permit exception and residence authorizations that apply to Directors or professors of foreign or local Universities. Also, Spanish immigration regulations establish a way to obtain a work and residence authorization based on the years a foreigner has remained in Spain and on his/her insertion in Spanish society. In effect, work and residence authorizations based on exceptional circumstances, “arraigo social,” may be obtained if a foreigner has remained in Spain for more than three years and has been offered employment for more than a year.

Immigrants to Spain are often interested to later become Spanish citizens. Naturalization to citizenship generally requires 10 years of continuous residence after immigrating, however, this general period is shorter for nationals of countries such as: Morocco or Philippines (to 5 years); nationals of all South and Central American countries (to two years); and for the spouse of a Spanish national or the son or grandchild of a Spanish national (to one year). The processing of a Spanish citizenship petition via previous years of residence in the country may take up to three years.

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Switzerland

Executive Summary

Switzerland has one of the highest rates of immigration in Europe. With a fifth of the total population consisting of non-citizens, Switzerland is one of the nations with the largest resident foreign populations for its size.

The federal government has been gradually adapting its policy on foreign nationals and migration to more modern standards taking into account international developments. Its policy is embodied in the Foreign Nationals Act, in force since January 2008.

Key Government Agencies

The Federal Office for Migration (“Bundesamt für Migration” / “Office fédéral des migrations” / “Ufficio federale della migrazione”) is responsible for all concerns related to aliens and asylum in Switzerland.

The Cantonal Migration Authorities are responsible for the extension of visas or the granting of aliens police residence permits and residence permits, among others.

Swiss foreign missions abroad issue different immigration visas, including entry permits for restricted nationalities.

Current Trends

The Federal Law on Foreigners took effect on January 1, 2008. This law replaced the Federal Law on the Right of Temporary and Permanent Residence for Foreigners and applies to persons who are not nationals of European Union or European Free Trade Association.

Under the new law, there remain large restrictions on the employment of foreign nationals from non-EU countries for activities other than those pertaining to specialists, management and qualified personnel. Regulations on salaries, working conditions and limits on visas for third state citizens have to be observed. The Federal Council is negotiating the extension of the agreements regarding the free movement of persons to include Bulgaria and Romania with the European Union.

Business Travel

Foreign nationals not carrying out lucrative activities in Switzerland may remain in the country without a residence or work permit for as long as three months. After three months, foreign nationals are required to leave the country for at least one month. Foreign nationals are not authorized to stay in Switzerland more than six months in a period of twelve months.

This entry permit must be acquired at any Swiss foreign mission in the foreign national's country of residence.

Visa Waiver

Depending on the foreign national's citizenship, the normal requirement of an entry visa may be waived. The countries qualifying for such benefits is subject to change. For current information, please visit www.bfm.admin.ch.

Training

Trainees are eligible for a short-term residence permit. The period of validity is limited to one year. In exceptional circumstances, the period of validity may be extended further by six months.

Trainees are persons aged 18-30 who have completed their occupational training, and want to undergo some advanced occupational or linguistic training in the context of gainful employment in Switzerland. Trainees are subject to rules, which have been laid down in special treaties. Thus, they are subject to special quotas. The legal provisions concerning national priority are not applicable to them.

Trainees should receive salaries comparable to those of host country nationals in the same job and with similar qualifications, and should in any case be able to cover their living expenses.

Employers are free to look for candidates in their own subsidiary companies abroad or through business connections. If they prefer, however, they may ask the government officials responsible for the scheme to help them find suitable trainees for any positions available.

Employment Assignments

Switzerland introduced a dual system of recruiting foreign labor in 1998. Under this system, nationals from EU or EFTA member states, regardless of their qualifications, are granted easy access to the Swiss labor market. Nationals from all other states are admitted in limited numbers, provided that they are well qualified.

Priority

Third state nationals may only be admitted if a person can not be recruited from the labor market of Switzerland or another EU/EFTA member state. Swiss citizens, foreign nationals with a long-term residence permit or a residence permit allowing employment, as well as all citizens from those countries with which Switzerland has concluded the Agreement on the Free Movement of Persons (*i.e.*, the EU and EFTA states) are granted priority. Employers must prove that they have not been able to recruit a suitable employee from this priority category despite intensive efforts.

Vacant positions must be registered with the Regional Employment Offices together with a request to register the vacancy in the European Employment System (“EURES”). Once a potential employee has been put in contact with the employer and subsequently turned down, the employers generally receive a questionnaire in which they can state the reasons the potential employee was not hired.

In addition, the employer must explain to the authorities why the search for a suitable candidate by means of the recruitment channels used in the specific industry (*e.g.*, specialist journals, employment agencies, online job listings or corporate websites) was not successful. Suitable proof includes job advertisements in newspapers, written confirmation from employment agencies, or other kinds of documentation. Often it is helpful for authorities if the employer submits a brief overview of all candidates with a short explanation of which qualifications for a particular job were lacking. In special cases, the authorities can request an employer to intensify his recruitment efforts.

Salary/Terms and Conditions of Employment Customary in the Region and in the Business

The salary, social benefits and the terms of employment for foreign workers must be in accordance with conditions customary to the region and the particular sector. Some sectors and businesses lay down these conditions in a collective labor agreement

which is legally binding either on a national or, at least, cantonal level. When applications are submitted from businesses that do not have a collective labor agreement, the Swiss authorities usually request information directly from the employers' and employees' associations on the terms customary in a particular sector. By examining the salary rates and terms of employment beforehand, the authorities can ensure that foreign workers are not exploited and that Swiss workers are protected against social dumping.

When submitting an application, the employer must enclose an employment agreement that has been signed both by the employer and the employee and that contains a note reading "contract only valid on condition that the authorities grant a work permit." This provides both contracting parties with legal certainty. It is helpful for the Swiss authorities if the employing business enterprise uses a contract of employment that is customary to the particular sector of industry.

Employers are obliged to register all employees with the various social security institutions.

Foreign employees that do not have a long-term residence permit are subject to tax at source and therefore must be registered with the tax authorities. It is then the responsibility of the employer to deduct the amount of tax each month from the employee's wage and pay the sum to the tax authorities.

The new Federal Act on Illegal Employment ("LTN") facilitates, on the one hand, the payment of social security contributions for smaller, employed jobs. On the other hand, it contains new measures and more severe penalties to combat illegal employment. One provision that remains unchanged for both employer and foreign employee is that everyone - whether in paid or unpaid employment - requires a permit. Non-compliance with the salaries and terms of employment customary to a particular region or sector of industry, as well as black labor are investigated first and foremost by the cantonal authorities or, in some sectors, by offices established mainly for this purpose. Employers found not to comply with the legal requirements will not receive any further work permits for foreign workers.

Personal Qualifications

Executives, specialists and other qualified employees will be admitted. "Qualified employee" means, first and foremost, people with a degree from a university or institution of higher education, as well as several years of professional experience.

Depending on the profession or field of specialization, other people with special training and several years of professional work experience may also be admitted.

Besides professional qualifications, the applicant is also required to fulfill certain other criteria, which would facilitate his or her long-term professional and social integration. These include professional and social adaptability, knowledge of a language, and age.

The Swiss authorities examine the applicant's qualifications on the basis of the curriculum vitae, education certificates, and references. Applicants must submit copies of the original documents, including a translation, if the original documents are not in German, French, Italian, English, or Spanish.

If an applicant comes from a nation whose education system or system of professional training greatly differs from that of Switzerland, it is helpful for the immigration authorities if documents are submitted containing additional information on the institution, the length and the content of the education or training course. Documents that may be helpful include the curriculum vitae and education certificates showing what exams were taken and what the results were.

Exceptions to the Admittance Requirements

Exceptions to the admittance requirements may be granted in specific situations. These are listed below. They are not comprehensive but represent the most frequent circumstances.

Cooperation agreements/projects:

- Joint Ventures
- Service and guarantee work for products from the country of origin
- Temporary duties as part of large projects for companies with headquarters in Switzerland (international assignments)
- Execution of a special mandate

Practical training and further education:

- With professional associations
- With international business enterprises

- In specially defined fields with training programs for small and medium-sized companies
- To take up a temporary teaching position at a university or research institute
- To take up a temporary teaching position at a recognized foreign educational establishment

Transfer of executives or specialists

- within multinationals
- under reciprocity agreements

Difficult recruitment situation in the labor market

- Branches or groups of persons of economic significance who are urgently needed and who are determined by the Federal Office for Migration in consultation with the competent cantonal authorities and the trade associations involved.

Employment following conclusion of a person's studies

- Highly qualified scientists with a degree obtained in Switzerland in areas or sectors in which there is a lack of potential labor.

Economic and other reasons with lasting effect or influence on the Swiss labor market:

- To open up new markets
- To ensure important economic contacts abroad
- To guarantee export volume
- Formation of an enterprise or expansion of a company that creates long-term jobs for Swiss employees

Family members of Swiss nationals and persons with a long-term residence permit do not require authorization for self-employment. Family members of other foreign nationals staying in Switzerland do require a permit, however.

Accommodation

Foreign nationals may only be admitted for employment if they have suitable accommodation.

EU/EFTA Nationals in Switzerland

EU/EFTA nationals have the right to reside and work in Switzerland.

For the pre-2004 EU member states (EU 15), Malta, Cyprus and EFTA, there are transitional restrictions regarding access to the labour market that have been removed on June 1, 2007.

For the eight Central and Eastern European Members states that joined the EU in 2004, these restrictions will continue to apply until 2011 at the latest.

The Agreement on the Free Movement of Persons is not yet applicable to Bulgaria and Romania. Negotiations on a possible extension are currently under way, but in the meantime, citizens of these two countries are still treated like third country nationals.

Nationals of the EU 15, Malta, Cyprus and EFTA with Employment in Switzerland

A Work and Residence permit is issued if an employment contract or a written confirmation of employment has been submitted, and is valid throughout Switzerland. The permit is not bound to a canton, or to an employer or any particular activity. Permit holders enjoy full geographical and professional mobility. No permission is needed to change jobs; there is only an obligation to register with the communal authorities when moving to a new address. The validity of these permits is determined by the duration of the employment contract.

Employment of Less Than Three Months per Calendar Year

No permit is required. The employer can simply announce the presence of the new employee using the online procedure of the Federal Office for Migration.

Employment Contracts Between 3 Months and 364 Days

A short term permit L EC/EFTA will be issued for the duration of the contract. Upon presentation of a new contract it can be prolonged to a maximum duration of 364 days or renewed.

Employment Contracts of One Year or More (including open ended contracts)

A residence permit B EC/EFTA is issued with an initial validity of five years.

Cross-Border Workers

Workers living in the EU/EFTA and employed in Switzerland can receive a G EU/EFTA frontier worker permit provided that they return home at least once a week. If they stay in Switzerland during the week, they must register with the communal authorities where they are staying.

Settlement Permit (C-EU/EFTA)

The settlement permit is not regulated by the Agreement. It is currently granted to the pre 2004 EU and EFTA nationals after five years of residence in Switzerland, on the basis of settlement agreements or considerations of reciprocity. As currently no such agreements exist for the new EU member states, their citizens receive the C permit after the regular residence period of 10 years. The C permit has to be renewed every five years. It is not subject to restrictions with regard to the labour market, and its holders are practically placed on the same level as Swiss nationals (holders can invoke the freedom of trade and industry), with the exception of the right to vote and elect.

Nationals of Poland, Hungary, Czech Republic, Slovenia, Slovakia, Estonia, Lithuania and Latvia (EU 8) with Employment in Switzerland

Until 2011 at the latest, nationals from these countries are still subject to transitional restrictions regarding access to the labor market. Work permits are subject to:

- Economic needs test - A permit is only granted if no equivalent person is already available on the Swiss labour market;
- Control of wage and working conditions - a permit is only granted if local wage levels and working conditions are respected;
- Quota - a permit is only granted if the respective quota for the L or B permit has not yet been used up. Frontier worker permits and permits with a validity of less than four months are not subject to a quota; and
- Cross-Border workers must live and work within the so called cross-border zone on both sides of the Swiss border. The cantonal authorities provide details on these zones.

Except for the frontier zone rule, these restrictions only apply to first time admissions. Once admitted to the labour market, EU 8 nationals can also benefit from full

professional and geographical mobility. Apart from the specific restrictions above, EU 8 nationals have the same rights and obligations as all other EU/EFTA nationals.

Nationals of all EU/EFTA Countries Planning to Start a Business in Switzerland

The rules for independent entrepreneurs are the same for nationals of all EU and EFTA member states. As the Agreement on the Free Movement of Persons is not yet applicable to Bulgaria and Romania, this is not yet the case for citizens of these countries.

EU/EFTA nationals wishing to start a business in Switzerland can apply for a five-year B EU/EFTA permit with the respective cantonal authorities. This permit will be granted if there is proof of an effective independent activity. The cantonal authorities determine what documents must be presented. As a general rule, these include some or all of the following: business plan, proof of capital for starting the business, proof of specific preparations for launching the business like rental agreements for real estate, a registration with the register of commerce.

Nationals of Third States in Switzerland

Permit B: Residence Permit

Resident foreign nationals are foreign nationals who are resident in Switzerland for a longer period of time for a certain purpose with or without gainful employment.

As a rule, the period of validity of residence permits for third-country nationals is limited to one year when the permit is granted for the first time. First-time permits for gainful employment may only be issued within the limits of the ceilings and in compliance with the Federal Act on Foreign Nationals (“Letr”).

Once a permit has been granted, it is normally renewed every year unless there are reasons against a renewal, such as criminal offences, dependence on social security or the labor market. A legal entitlement to the renewal of an annual permit only exists in certain cases. In practice, an annual permit is normally renewed as long as its holder is able to draw a daily allowance from the unemployment insurance. In such cases, however, the holder is not actually entitled to a renewal of the permit.

Permit C: Settlement Permit

Settled foreign nationals are foreign nationals who have been granted a settlement permit after five or ten years' residence in Switzerland. The right to settle in Switzerland is not subject to any restrictions and must not be tied to any conditions. The Federal Office of Migration fixes the earliest date from which the competent national authorities may grant settlement permits.

As a rule, third-country nationals are in a position to be granted a settlement permit after ten years' regular and uninterrupted residence in Switzerland. U.S. nationals are subject to a special regulation. However, third-country nationals have no legal entitlement to settlement permits. Apart from the provisions of settlement treaties, such a claim can only be derived from the LEtr. Persons who hold a settlement permit are no longer subject to the Limitation Regulation, are free to choose their employers, and are no longer taxed at source.

Permit Ci: Residence Permit with Gainful Employment

The residence permit with gainful employment is intended for members of the families of intergovernmental organizations and for members of foreign representations. This concerns the spouses and children up to 25 years of age. The validity of the permit is limited to the duration of the main holder's function.

Permit G: Cross-Border Commuter Permit

Cross-border commuters are foreign nationals who are resident in a foreign border zone and are gainfully employed within the neighboring border zone of Switzerland. The term "border zone" describes the regions which have been fixed in cross-border commuter treaties concluded between Switzerland and its neighboring countries. Cross-border commuters must return to their main place of residence abroad at least once a week.

Permit L: Short-Term Residence Permit

Short-term residents are foreign nationals who are resident in Switzerland for a limited period of time - usually less than a year - for a certain purpose with or without gainful employment.

Third-country nationals can be granted a short-term residence permit for a stay of up to one year, provided the quota of the number of third-country nationals staying in Switzerland has not been met. This is fixed annually by the Federal Council. The

period of validity of the permit is identical with the term of the employment contract. In exceptional cases, this permit can be extended to an overall duration of no more than 24 months if the holder works for the same employer throughout this time.

Time spent in Switzerland for a basic or advanced traineeship is also considered short-term residence. Permits issued to foreigners who are gainfully employed for a total of no more than four months within one calendar year are not subject to the quota regulation.

Permit F: Provisionally Admitted Foreigners

Provisionally admitted foreign nationals are persons who have been ordered to return from Switzerland to their native countries, but in whose cases the enforcement of this order has proved inadmissible (*e.g.*, violation of international law), unreasonable (*e.g.*, concrete endangerment of the foreign national), or impossible for technical reasons of enforcement. Thus, their provisional admission constitutes a substitute measure.

Provisional admission may be ordered for a duration of 12 months and be extended by the canton of residence for another twelve months at a time. The cantonal authorities may grant provisionally admitted foreign nationals work permits for gainful employment irrespective of the situation on the labor market and in the economy in general. A residence permit granted at a later date is subject to the provisions of the LEtr.

Other Comments

Holders of an EU/EFTA permit are entitled to family reunion, regardless of the nationality of their family members. Qualifying family members may include the spouse, registered partner in homosexual couples, and children under 21. The parents and children over 21 also qualify, if financially dependent on the main permit holder. If family members of EU/EFTA nationals do not have EU/EFTA nationality, they may be subject to visa requirements when entering Switzerland before having received their family reunion permits.

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Thailand

Executive Summary

Thai work permit requirements and immigration law are based primarily with a view towards maintaining national security, and fundamentally serve to control foreigners staying and working in the country. There are provisions that facilitate foreign investors. Careful planning is important in order to utilize the privileges afforded under the law and avoid committing a criminal offence, which carries a severe penalty of imprisonment of up to five years.

Key Government Agencies

The Police Immigration Bureau is responsible for screening all foreigners arriving at port of entries nationwide. Foreigners may enter the country with an appropriate visa issued by a Thai Embassy outside of Thailand. Upon the supervision of the Ministry of Foreign Affairs, a Thai Embassy may grant a visa based on the relevant regulations and Ministerial Policy. A foreigner who wants to work in Thailand must separately apply for a work permit through the Employment Department, the Ministry of Labour.

Current Trends

Strict enforcement of the immigration and work permit laws are emphasized, to counter the illegal entry of neighbor country nationals. Rigid rules apply to all foreign nationals without discrimination based on race or nationality. Unfortunately, some of the current rules are impractical for foreign investors to legally work in Thailand. For example, a large number of foreigners come to work with an inappropriate visa, usually a tourist visa, since they do not have an employer in Thailand to sponsor a proper visa application. A new, revised Work Permit Act was enacted in the beginning of 2008, but the Ministerial Regulations with respect to the criteria for the granting of a work permit have not been issued. During this transitory provision, the old criteria are still applied, but not for more than two years from the date of enactment of the Work Permit Act. The new criteria take into account demand for specific expertise of certain categories of foreign workers.

Business Travel

Non Immigrant Business Visa (Business Visa)

Foreigners who wish to work in Thailand are required to apply for a Non-Immigrant Business Visa at a Thai Embassy outside Thailand. A business visa is one of the requirements of the work permit application. If a foreigner does not have a non-immigrant visa, it will not be possible to locally apply for a work permit in the country. The business visa allows a holder to enter and stay in Thailand for 90 days. The business visa does not automatically authorize work. There is a separate process to apply for a work permit sponsored by a qualified employer in Thailand. Many foreigners frequently misunderstand and incorrectly think that this business visa by itself allows them to work.

After the expiry of 90 days, the foreigner may locally apply for a visa extension with the Immigration Police Bureau. The maximum period of the extension is one year. The current criteria set by the Immigration Police impose very strict rules on an employer in Thailand who sponsors a foreigner. An employer, in its capacity as a sponsor, must be qualified in terms of their employment ratio of Thai national and foreign workers. The corporate structure and the tax payment of the local sponsor must also meet the criteria as well. Otherwise, a foreigner may not be eligible to extend the visa, even though otherwise a qualified person in terms of personal expertise.

Visa Waiver

There are no visa waivers for any foreign business persons to work in Thailand. All foreigners need to apply for a non-immigrant business visa from a Thai Embassy. Otherwise, a foreign national will not be eligible to apply for a work permit in the country. In such cases, the foreign national cannot legally work in Thailand, although it may still be possible to easily enter Thailand with a visa exemption for the purpose of tourism, which is permitted to nationals of only 36 foreign countries. The length of such a stay is thirty days.

The following countries are presently qualified under the visa exemption scheme: Australia, Austria, Bahrain, Brunei, Belgium, Canada, Denmark, France, Germany, Greece, Iceland, Indonesia, Ireland, Israel, Italy, Japan, Kuwait, Luxembourg, Malaysia, The Netherlands, Norway, New Zealand, Oman, the Philippines, Portugal, Qatar, Singapore, South Africa, Spain, Sweden, Switzerland, Turkey, the UAE, the USA, and the UK. The list of qualified countries changes regularly. The Ministry of Foreign Affairs irregularly updates the list of qualified countries at www.mofa.go.th.

Training

Training is considered as a form of work. A foreigner who is to be engaged in on-the-job training in Thailand must apply for a non-immigrant business visa to enter the country, and then apply for a work permit from the Employment Department, sponsored by an employer in Thailand.

The length of stay permitted under the non-immigrant visa is 90 days. If the foreign national wants to extend his stay, the employer in Thailand must be qualified in accordance with the criteria set by the Immigration Bureau.

Compensation is compulsory and must be declared in the application. If it is less than the minimum amount set by the authorities, the application may be rejected. It is currently quite difficult for a foreigner to work as a trainee in Thailand. An application is most likely to be denied by the authorities. The authorities always impose a condition on any foreigner granted a permit for training to transfer knowledge to Thai employees. A permit may not be renewed after it expires unless proof of this transfer can be submitted.

Employment Assignments

Intracompany Transfer Assignment: Non-Immigrant B Visa

Foreign employees who are transferred to work in Thailand are required to apply for a non-immigrant B visa from a Thai Embassy prior to entering the country, which allows them to stay for 90 days. They must also separately apply for a work permit sponsored by a Thai subsidiary of the multinational company as a responsible employer in Thailand. There are no special visas to be issued for a foreigner who is posted to work in Thailand. The non-immigrant B visa is required for all foreigners who intend to work in Thailand. The visa allows a foreigner to initially stay for 90 days. Within this period, they must have their subsidiaries or employers in Thailand obtain a work permit before commencing work. Otherwise, they cannot legally work in Thailand, even though they can enter the country with a non-immigrant visa.

Family members may obtain a non-immigrant “O” (Others) visa, which also allows them to stay 90 days. The length of stay can be extended for the same period as the employee. Genuine family status is always verified by the authorities. A marriage certificate and birth certificates, if they have children, are required to be presented for verification. Currently, de facto family relationships are not recognized for immigration benefits.

Other Comments

According to the current rules and practice of the authorities, only non-immigrant business visas are issued to businessmen traveling to Thailand. The non-immigrant business visa covers all types of business purposes (*e.g.*, training, employment assignment, doing business, company management). The non-immigrant visa is a pre-requisite requirement for a foreigner who wants to work in Thailand.

The process of applying for a non-immigrant business visa takes around two working days at any Thai Embassy. Upon the discretion of the Embassy, some nationals (*e.g.*, Indians, Pakistanis) may have to apply for a non-immigrant visa in their home countries. Unlike the work permit-combined immigration system of such countries as the USA, Australia, or Canada, Thai foreign work permit law is independent and separate from immigration law. The Employment Department, the Ministry of Labour, is in charge of locally granting and controlling work permit matters. The Immigration Police Bureau governs the immigration law to control foreigners who enter or leave the country and have the authority to determine whether or not to extend foreigners' visas.

Some foreigners may obtain a non-business visa from a Thai Embassy, but they may be unable to locally receive a work permit due to unqualified employer sponsoring. They might obtain a work permit from the Employment Department, but would not be able to extend their visa, because of the disqualifying characteristics of the employer.

The current rules for granting a work permit are based on proof of investment, as set out by the Employment Department. A sponsor, as an employer in Thailand, must have paid-up capital of Baht 2 million per each individual work permit. Applicants must have sufficient experience and a suitable educational background pertinent to the position applying for a work permit.

A foreigner required to engage in work which is of a necessary and urgent nature for a period of less than 15 days may currently enter Thailand without a non-immigrant B visa. However, the foreign national must submit a work notification to the Employment Department before commencing work. Machinery repairs by foreign technicians are an example of work of a necessary and urgent nature. Some professions (*e.g.*, lawyers, architects) are prohibited to foreigners for applying for a work permit.

A foreigner who has received a work permit may be eligible to extend the 90-day non-B visa in Thailand. A sponsor that is a company employer in Thailand must

have shareholders' equity of not less than Baht 1 million. In addition, the ratio of employment between Thais and foreigners must not be less than 4 to 1 (*e.g.*, if a company employs one foreigner, at least 4 full-time Thai staff must be hired); otherwise, the foreign employee may not be able to extend the visa, even though a work permit was granted.

A foreigner who has been staying in Thailand for up to 90 consecutive days must notify the Immigration Police Bureau for every 90 days of stay. Failure to comply with this requirement will be subject to a fine.

Work permit and immigration planning is becoming increasingly significant, as enforcement by the authorities gets tougher. Employers involved in transactions - such as mergers, acquisitions, re-organizations, and financial restructuring - must evaluate the impact on the employment eligibility of foreign nationals when structuring such transactions.

A company with paid-up capital of at least Baht 30 million is entitled to use the One Stop Service Center for submission of work permit and visa extension applications. The One Stop Service Center is designed to facilitate the granting of work permits and visa extensions to executive level foreign employees within one day. The One Stop Service Center process reduces the time for considering applications, compared with the normal channel which may take up to one month.

Foreigners who have been staying and working in Thailand for three consecutive years are eligible to apply for permanent residency. The process normally takes at least one year. Criminal or character checks of an applicant in his home country must be made before lodging an application through the Immigration Police Bureau. The final decision for approval rests with the Minister of Interior's discretion. The authorities always consider an applicant's work qualifications and tax payment record paid to the Thai Government and compelling reasons tight to Thailand.

Foreigners who have been granted permanent residency may be eligible for naturalization of citizenship after holding permanent resident status for at least 10 years. Normally, the process may take up to two years after an application is submitted. The Minister of Interior is the person who gives the final approval.

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Ukraine

Executive summary

Ukrainian migration law requirements applicable to foreigners entering Ukraine on business, including for employment, are quite non-restrictive, compared to many other developed or post-Soviet countries. Business travelers from a number of countries may enter Ukraine visa-free for up to three months, foreign labor quotas of any kind have not been introduced and refusals to issue work permits are rather rare.

Registration requirements applicable to all foreigners in Ukraine, regardless of the purpose of their visit, allow rather short time (10 days in certain cases) for compliance and some registration procedures have not been clearly described in the law. In view of the harsh possible consequences of any migration law violations, up to and including deportation of the foreigner and heavy fines for the inviting party, business travelers and their corporate hosts should not rely on past lenient attitudes and enforcement practices of Ukrainian authorities and are advised to ensure full compliance with Ukrainian migration laws and regulations.

Key Government Agencies

The Ministry of Interior, with its specialized branches for migration issues in major cities and administrative districts (known by acronym “VVIR” in Ukrainian spelling or “OVIR” in Russian spelling), is the key authority with respect to visa sponsorship, registration of foreigners and residency permits.

Certain registration functions are performed by local utility management entities (known by their Russian acronym “ZHEK”).

The Ministry of Labor and Social Policy, through its Employment Centers in major cities and administrative districts, issues work permits and monitors compliance with Ukrainian labor laws.

The consular services of the Ministry of Foreign Affairs are responsible for issue of visas, outside Ukraine. Finally, the border guards, which are under the Ministry of Defense, decide on admittance of foreigners at the point of entry.

Current Trends

From 2005, Ukraine has both liberalized its rules for the entry for foreigners (*e.g.*, cancelling visa requirement for business travelers entering for less than three months) and moved towards stricter enforcement of its existing rules (*e.g.*, the requirement to register at the place of residence). No major changes to the existing migration rules applicable to business travelers are expected in the near future.

Business Travel

Business Visa

Foreign business travelers from countries generally require a business visa to enter Ukraine. Applications are filed with any consulate of Ukraine abroad. An invitation letter from a Ukrainian corporate host is necessary as part of the visa application package.

In addition, Ukrainian law requires foreigners to register the place of residence in Ukraine with the local utility management entity within 10 days after moving into a particular residence. If a foreigner is staying in a hotel, the registration is done by the hotel and the foreigner's personal involvement is not necessary.

Visa Waiver

Citizens of the European Union, the Swiss Confederation and the Principality of Liechtenstein, the US, Britain, Canada and Japan may enter the Ukraine without a visa or any invitation letter for business for up to 90 days. Citizens of all countries with visa-free regime - which, in addition to the above-mentioned countries, include the CIS states - may enter and stay for up to 90 days in total within any 180 consecutive days period. After Ukraine joined the WTO in May 2008, the citizens of WTO members can stay in Ukraine for up to 180 days in total during a year.

If such travelers need to remain in Ukraine beyond these time limits, they need to file an application for the extension of stay with a relevant OVIR at least three work days before the expiration of the allowed term of stay. Extensions are normally granted, however, only in exceptional cases (*e.g.*, illness precluding travel, very important family events, *etc.*).

Visa-free entry for private purposes or tourism is also allowed to citizens of the abovementioned countries, which makes it possible for business travelers to bring their spouses, children and other family members. Employment is not authorized.

Training

Any non-paid trainees can come either without a visa or on the basis of a business visa as described earlier.

Any trainee who will receive any remuneration from a Ukrainian corporate host and whose functions are akin to those of an employee (*versus* a consultant or other service provider to the Ukrainian host) requires a work permit and a work visa, regardless of the duration of the training. All other requirements applicable to foreign employees of Ukrainian entities (HIV test, registrations, *etc.*) will also apply.

In practice, employers bringing foreigners for trainings of less than three months or for urgent trainings should consider making the training non-paid. Otherwise, the management effort and typical two month processing time to arrange for the work permit, work visa and all registrations and other procedures applicable to foreign employees of Ukrainian entities seems hardly justified.

Employment Assignments

A number of requirements are applicable to all foreign employees of the Ukrainian corporate host. The Ukrainian company itself must be registered with OVIR to be able to act as corporate host and issue relevant visa invitations to business travelers and foreign employees. The registration of the company with OVIR is also required in order to have a foreign employee registered in Ukraine and to obtain a temporary residence permit for such employee.

All foreigners working for a Ukrainian company must have work permits. Ukrainian law expressly prohibits:

- The company to enter into employment relations with a foreigner; and
- A foreigner to perform any functions on behalf of the company, including negotiation or signing of contracts, lodging filings with the authorities, opening or operating bank accounts, *etc.*, prior to obtaining from the company a work permit for such foreigner.

The documents that comprise the application for a work permit, which must be submitted by the company to a relevant Employment Center, are numerous and require a visit to the company's tax office to obtain a certificate of good taxpayer status.

Unlike many other countries, the Ukraine has not introduced any quotas for foreign labor, either by type or worker categories or by country of citizenship. Also, the

Ukraine does not require that employers demonstrate unavailability of equivalent Ukrainian specialists to fill a position. However, proof of the foreign employee's education, skills and experience is necessary, and usually is in the form of a university diploma and resume. The processing of the application depends on the workload of the relevant Employment Center, but in Kyiv, processing normally does not exceed two months.

Work permits are issued for a period of one year. This term may be prolonged for the next year by filing an application, together with all the above mentioned documents, with the relevant Employment Center at least one month prior to the expiration of the term of the current work permit. Such extensions may be granted for a total of no more than five years.

A foreign employee must also obtain a Ukrainian Tax ID before the company can pay salary or any other payments to the foreign employee. The company acts as the tax withholding agent with regard to the withholding and remittance of the foreign employee's taxes and social contributions related to the salary. The employee, if a tax resident in the Ukraine, is responsible for filing annual tax returns based on the employee's worldwide income to the Ukrainian authorities.

After the work permit has been obtained by the company, the foreign employee is eligible for an "IM-1"-type entry visa (the "Work Visa"). The Work Visa must be obtained from a Ukrainian consular post abroad. The Work Visa is normally issued for a period of one year. However, the foreign employee can extend its term without leaving by applying to and submitting the passport to the relevant OVIR. Note that such extension will expire immediately upon the foreigner's exit.

Upon foreigner's entry on the basis of the Work Visa, the foreign employee's passport must be submitted for registration with the relevant local branch of OVIR within 90 days from the date of the foreigner's entry. The applicable Ukrainian legislation fails to provide an exhaustive list of the documents required for the registration of the foreigners' passports. As a result, OVIR has discretion to request any additional documents that they may deem necessary.

The Work Visa is issued as a single-entry visa only. However, the foreigner may enter on the basis of that stamp and the temporary residence permit at any time and as many times as necessary during the term of validity of the work permit (and the original Work Visa) after:

- The foreign employee receives a temporary residence permit (a required document);

- Has the passport marked with a stamp “WORK PERMIT HAS BEEN GRANTED” by OVIR; and
- The foreign employee has registered at the place of residence.

Since Ukrainian rules fail to provide for clear procedures and exhaustive lists of documents that need to be filed to receive certain permits or registrations, some foreigners had ignored the legislation and entered Ukraine for the purpose of work either on the basis of “B”-type entry visa (which is relatively easy to obtain) or on the basis of “no-visa” entry regime (available for business travelers from certain countries). However, the loopholes that had made such approach possible in practice (but in no way compliant with the existing law) were eliminated by the July 2007 amendments to the Rules for Registration of Foreigners in Ukraine.

Other Comments

Specific considerations apply to appointment of foreigner to the position of CEO (Director) of a newly established Ukrainian company (subsidiary).

Although there is no express prohibition established in law, as a matter of practice a foreigner may not be the first Director of a newly created company. This is due to the fact that a foreigner may not sign any documents on behalf of the company until the foreigner has obtained a Ukrainian work permit. At the same time, a number of papers must be signed by the Director in the process of establishing a new company, including the application(s) for the work permit(s) for foreign employee(s). Therefore, a Ukrainian citizen has to be appointed to temporarily act as the Director of the subsidiary until a work permit is obtained for the foreigner appointed to the position of the Director.

Also, as a prerequisite for registering the Director as an authorized signatory to operate the bank accounts of a company, some Ukrainian banks require a copy of the passport of the Director evidencing the registration of the Director at the place of the residence in the Ukraine, or a copy of the lease agreement indicating the Director as the lessee or a resident in the apartment. The absence of such registration/lease agreement, however, normally occurs only if the Director does not physically reside in the Ukraine (*i.e.*, manages the company remotely or through short-time visits) and, as a consequence, does not have any accommodation and registered

address in Ukraine. For that reason, it is best not to appoint a foreigner to the position of the Director, if it is clear that this person will not reside in Ukraine, unless the company is willing to rent accommodation for such foreigner anyway.

Further Information

Further information about Ukrainian laws applicable to foreign business travelers and employees - including sanctions for failure to comply with those regulations and the enforcement practices of the Ukrainian authorities - can be obtained from the Kyiv Office Labor & Migration Practice Group attorneys.

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United Kingdom

Executive Summary

The United Kingdom is undergoing major changes in migration policy to better meet the needs of British businesses. A newly formed government immigration agency, introduction of a points-based system, fingerprint visas, and compulsory identification cards for foreigners are all part of the biggest shake up to immigration and border security in 45 years.

Key Government Agencies

The UK Border Agency was formed in 2008 and is responsible for work formerly carried out by the Border and Immigration Agency, as well as the Foreign and Commonwealth Office's Visa Services and other agencies.

The UK Border Agency is responsible for processing applications for permission to enter and stay in the country, securing borders and controlling immigration. Officials are also posted at British embassies and consular posts abroad to process visa applications.

Current Trends

The government is currently in the process of introducing a new Points-Based System. This will gradually replace all of the employment and study related categories, reducing the current 83 entry routes to five broad categories or tiers. The main employment categories that have been introduced, at the time of writing, are the new Tier 1 (General) and Tier 1 (Post Study Work) categories. Tier 1 (General) has effectively replaced the old Highly Skilled Migrant Category, whilst Tier 1 (Post Study Work) has replaced the categories allowing employment upon completion of a degree course in the UK.

Background

British citizens, Commonwealth citizens with the right of abode in the UK, and Irish citizens are not subject to immigration control and do not require permission to enter or remain in the UK. Their passports will not be stamped on entry and they are free to return to the UK however long they stay outside.

Nationals of the European Economic Area (“EEA”) countries, *i.e.*, nationals of the European Union countries - Austria, Belgium, Denmark, Finland, France, Germany, Greece, Ireland, Italy, Luxembourg, the Netherlands, Portugal, Spain, Sweden - and the ten accession countries who joined on May 1, 2004, plus nationals of Iceland, Liechtenstein and Norway are, in general, free to come to the UK with their dependants to reside and work in the UK without any prior formalities.

Certain formalities apply with respect to nationals of Romania and Bulgaria, which acceded to the EU on January 1, 2007.

Swiss nationals also benefit from the same rights as most EEA nationals, although Switzerland is not a member of the EEA.

Nationals of Cyprus and Malta were granted the right to take up employment straightaway across the EU.

Nationals from the remainder of the 2004 accession countries (*i.e.*, the Czech Republic, Estonia, Hungary, Latvia, Lithuania, Poland, Slovakia and Slovenia) have also been granted an immediate right to work in the UK, unlike in many of the other EU member states where this right is being introduced over a number of years. Although nationals from the ten accession countries are free to live and work in the UK, they are required to register the details of their employment within one month of taking up a new job. This requirement does not apply to nationals from Cyprus and Malta. The requirement to register continues until they have been employed in the UK for one year. Romanian and Bulgarian nationals, though free to enter and remain in the UK, are required to obtain authorization from the Home Office, before commencing work, unless the particular job is exempt from this requirement.

Aliens, Commonwealth citizens without the right of abode and UK passport holders who are not British citizens (*i.e.*, British Overseas Citizens) are subject to immigration control and must obtain permission to enter or remain in the country. Their passports will normally be stamped to indicate how long they can remain and what conditions are attached to such permission.

Citizens of certain countries are termed “visa nationals” and require mandatory entry clearance before traveling to the United Kingdom for any purpose, even as visitors. Other nationals only require an entry clearance if they wish to travel to the UK for a particular purpose. Entry clearance is the process by which a person applies, at a British diplomatic post in their country of residence, for prior permission to enter the United Kingdom.

Business Travel

Visitor Category

Foreign nationals coming under the visitor category can stay for a maximum of six months in any 12-month period. Nationals from certain designated “visa national” countries must apply for a visa before traveling to the UK.

Persons entering under this category must be living and working outside the UK. The permitted scope of activities include: transacting business (*e.g.*, attending meetings and briefings, fact finding, negotiating or making contracts with UK businesses to buy or sell goods or services). Applicants must not “intend to produce goods or provide services within the UK, including the selling of goods or services direct to members of the public.”

Please note that those entering under the visitor category are not authorized to work in the UK, regardless of whether paid or unpaid. The government is currently reviewing the rules relating to the business visitor category. It is expected to release clearer guidance on what can and cannot be done under this category. It is also possible that the maximum time a visitor can remain in the UK will be reduced from six to three months.

Training

Visitor Category

The visitor category permits foreigners to undertake some limited training in techniques and work practices used in the UK. There are strict limits on the scope of training that can be provided under this category, which must be restricted to watching demonstrations and classroom instruction only. On-the-job training in a productive work environment is not permitted and visitor visa holders cannot be paid from any UK source, although they can receive reimbursement for certain expenses.

Training and Work Experience Scheme (“TWES”) Work Permit

The Training and Work Experience Scheme (“TWES”) is due to be withdrawn at the end of November 2008. At present there are no plans to replace this scheme with a new category under the Points-Based System.

Applications for TWES permits must be made by an established UK employer. Applications should in general be submitted while the proposed employee is abroad. The TWES is currently divided into two subcategories, each with separate criteria.

Training for a Professional or Specialist Qualification

The rules for a Professional or Specialist Qualification training are that it must lead to a recognized professional or specialist qualification that requires an entry level of at least National Vocational Qualification (“NVQ”) level 3 and the employer should be registered or approved by an appropriate professional body. The trainee should have an academic or vocational qualification at least at NVQ level 3.

The trainee should have appropriate qualifications where this is necessary to do the training. Also, the trainee must be additional to normal staffing requirements. The training should be for a minimum of 30 hours per week, excluding any time for associated study and the trainee should be engaged on the same salary and conditions of employment as resident trainees. The period of training should be agreed in advance.

Where a qualification takes a number of years to obtain, approval may normally be given for an initial period, which will then be extended provided the trainee is making satisfactory progress. The maximum training period is five years. A maximum of three possible sittings at any examination are normally allowed.

Work Experience

The rules for Work Experience training are that it must be for a fixed period of time, with normally a maximum of one-year being allowed, although this may be extended for a further one-year in exceptional circumstances. The work should be at a managerial level or at least equivalent to NVQ level 3. It should be a minimum of 30 hours per week, excluding any time for associated study.

The trainee’s pay and conditions should be in line with those given to resident workers doing the same work experience. Trainees are required to show that they have previous relevant experience or the appropriate academic or vocational qualifications to benefit from the work experience. They should be employed in a supernumerary capacity. Employers must sign a declaration accepting that the workers will return abroad upon completion of the agreed period.

Currently, if the trainees were on a TWES permit for up to 12 months, they will not normally be eligible to return to the UK for further work permit employment

until after 12 months working overseas. If they were on a TWES permit for over 12 months, then a 24-month restriction will apply.

Employment Assignments

The general rule is that any person who is subject to immigration control cannot take up employment in the UK without a valid work permit or other form of work authorization. The main exceptions to this general rule concern: EEA nationals (except Bulgarians & Romanians); Swiss nationals and Gibraltarians.

Commonwealth Citizens with United Kingdom Ancestry

Upon proof that one grandparent - paternal or maternal - was born in the UK or Channel Islands, a Commonwealth citizen who wishes to take or seek employment will be granted an entry clearance for that purpose and does not require a work permit. Persons entering under this category will be admitted for an initial period of three years.

Representatives of Overseas Firms Which Have No Branch, Subsidiary or Other Representative in the United Kingdom

This category, previously named the sole representative category, allows companies without an existing UK operation to send a senior employee to the UK to establish a presence. Intending entrants under this category must meet the following requirements:

- Seek entry as a senior employee with full authority to take operational decisions;
- Intend to establish and operate a registered branch or wholly owned subsidiary of their overseas employer (thereby excluding any other legal entity or type of activity); and
- Obtain entry clearance prior to entering the UK.

Entrants under this category are admitted for an initial period of 24 months.

Working Holiday Makers

This category allows young Commonwealth citizens to come for a two-year period. Working holidaymakers are limited to working part-time throughout the two-year

period or full-time for only one year. The Working Holiday Maker category is due to be replaced with a new Tier 5 (Youth Mobility) category under the Points Based System at the end of November 2008.

Individuals entering under the current Working Holiday Maker category must be:

- Commonwealth citizens;
- Aged between 17 and 30 years old (inclusive);
- Intend to leave at the end of the holiday and have the means to pay for an onward journey;
- They must be single, or married to a person who is accompanying them and who also meets the requirements for entry under this category;
- They must intend to take employment incidental to their holiday and not engage in business or provide services as a professional sports person; and
- They must not have dependant children aged five or over, or who will reach the age of five before the applicant completes the working holiday, or have any other commitments which would require them to earn a regular income.

Entry clearance must be obtained from a British diplomatic post abroad prior to arrival.

The new Tier 5 (Youth Mobility) category will be quota based and, unlike the old scheme, will be restricted to countries that are deemed to be a low immigration risk and where there are reciprocal arrangements. Those entering under this new category will however be able to work for two years on a full-time basis, except for starting a business, undertaking professional sport or working as a doctor in training.

Tier 1 (Investors)

The old Investor category has been replaced with a new Tier (Investor) category under the Points-Based System, but the requirements remain broadly the same. Potential investors must apply for entry clearance and be able to provide evidence of:

- The applicant's own funds, under the applicant's control and disposable in the United Kingdom, of no less than £1 million, or, if the applicant can provide evidence of a personal net worth of no less than £2million, the £1 million sum for investment will be acceptable by way of a loan from a financial institution that is regulated by the Financial Services Authority (FSA);

- The source of the capital and the intention to make the UK the applicant's main home;
- Intention to invest not less than £750,000 of the capital in active and trading UK registered companies (other than those principally engaged in property investment) and may not make the investment by way of a deposit with a bank, building society or other enterprises whose normal course of business includes the acceptance of deposits; and
- Ability to maintain and accommodate the applicant and any dependants without recourse to public funds, but unlike the old category most forms of employment are permitted.

Investors are admitted for an initial period of 36 months (it was previously 24 months).

Tier 1 (General)

The Highly Skilled Migrant Programme (“HSMP”) was designed to allow individuals with exceptional personal skills and experience to seek entry into the UK to work without having a prior offer of employment. It has now been replaced by a new Tier 1 (General) category under the Points Based System.

In order to qualify, applicants must show that they score a minimum of 75 points in four specific areas, including: age, educational background, past earnings from work and previous experience in the UK. In addition, applicants must score 10 points for English language ability and 10 points for a new maintenance requirement.

Tier 1 (General) applications require more documentary evidence than most of the other categories. The applicant must back up each point claimed with appropriate documentary evidence. For instance, in order to obtain points for previous earnings, two forms of original documentary evidence must be provided (*e.g.*, original pay slips and bank statements).

The main benefit of this category is that the applicant can enter for employment and/or self-employment. Tier 1 (General) applicants are usually granted entry for a three- year period initially.

Work Permit Employment

The rules of the Work Permit Scheme are not contained in the Immigration Rules, but are found in administrative guidelines issued by the UKBA. The Scheme is divided into several categories, but the most important are:

- Business & Commercial (“Main Scheme”);
- Sports & Entertainments; and
- Training & Work Experience Scheme (“TWES”).

Focusing upon the Main Scheme, it should be noted that the current work permit scheme is due to be replaced at the end of November 2008 with two new categories - Tier 2 (General) and Tier 2 (ICT).

Applications for work permits must be made by a UK-based employer. The overseas national should normally be outside of the country when the application is submitted to Work Permits (UK). Work permits under the Main Scheme can only be obtained for jobs that require high-level or specialist skills. Work Permits (UK) must be satisfied:

- That a genuine vacancy exists;
- The individual will be an employee of the UK employer;
- The pay and conditions of employment are equal to those normally given to a resident worker doing the same work;
- The employment complies with all UK legislation and any requirements for registration or licensing;
- The potential employee does not have a significant shareholding or beneficial interest in the UK-based company or connected business;
- The skills, qualifications and experience needed to do the job meet specific requirements (see below); the person is suitably qualified or experienced to do the job on offer (see below); and
- There is no suitable labor in the UK and EEA available to fill the vacancy and the employer has made adequate efforts to fill the vacancy from the resident workforce.

To satisfy Work Permits (UK) that there are no “suitable” candidates within the resident EEA labor force, the employer must normally demonstrate that the company has advertised the vacancy appropriately.

The advertising requirement will be waived where the overseas national has worked for a foreign parent or associated company of the UK employer for at least six months. In such cases the employee can be sent to the UK as an “intra-company transferee.” It must be shown that the post needs an established employee who has company knowledge and experience that is essential for the employment in question. The advertising procedure will also be waived if the position is a board level post, or where the proposed relocation will lead to new inward investment from abroad or where the occupation is recognized by Work Permits (UK) as being in acute short supply.

To qualify for a permit, the job specification should require the individual to have a UK degree or equivalent; a Higher National Diploma (“HND”) level qualification in a relevant subject; or an HND that is not relevant to the post on offer, provided the applicant has one year of relevant full-time experience. Alternatively, the post should require a person who has at least three years of experience using specialist skills acquired through doing the type of job for which the permit is sought. This previous work should be at NVQ level 3 or above.

Main Scheme work permits can be issued for any period up to 60 months. It is also possible to request a multiple entry work permit. This is designed for employees who are based outside of the UK, but who need to travel to the UK on a regular basis for work purposes. Multiple entry work permits can be issued for any period between 6 - 24 months.

Tier 2 (General) & Tier 2 (ICT)

When the new Points-Based System comes into force at the end of November 2008, employers will need to have a license in order to employ nationals from outside of the EEA. Any existing work permit holders will be able to continue working until the expiry of their current permits. However, any existing permits that come up for renewal after the end of November 2008 will be processed under the new rules (*i.e.*, the employer will need to have a license in place in order to renew those permits).

The Licensed Sponsor will be authorized to use the new Sponsor Management System. This is an on-line platform that will allow companies to sponsor non-EEA nationals to come and work in the UK. Therefore, once the employer is registered

as a Licensed Sponsor, the company will then be ready to sponsor employees from overseas to work in the UK under the new Tier 2 categories that will replace the work permit scheme. Under this system it will be up to the employer to make an assessment as to whether or not the individual meets the published criteria for a certificate of sponsorship (the new term for a work permit) to be issued. The company will then be able to issue the certificate and send it to the employee to apply for a visa.

In order to apply for a license, each employer will need to decide who to appoint to the following prescribed roles: Authorizing Officer (“AO”); Key Contact; Level 1 User and Level 2 User. All four roles can be filled by the same person, by four different people or a combination of the two. The AO role must be undertaken by a permanent member of staff who is based in the UK. All of the other roles must either be undertaken by a permanent UK-based member of staff or a UK-based legal representative. Background checks and checks on the Police National Computer will be undertaken on all of these key personnel. Each of these roles carries some degree of responsibility for the functioning of the new system.

The “Authorizing Officer” is the most senior role within the new sponsorship system. The Authorizing Officer is responsible for assigning other key personnel and for their conduct. This individual is responsible for the activities of all users under the Sponsorship Management System (including employees and any appointed representatives). However, the Authorizing Officer does not have to be involved in the day to day operation of the Sponsor Management System and does not have automatic access to this system, but could also be a Level 1 or Level 2 User, which would give access.

The “Key Contact” acts as the main point of contact with the UK Border Agency. This individual may be contacted by UK Border Agency for any queries with applications (*e.g.*, requests for documents or payment enquiries). The Key Contact does not have automatic access to Sponsorship Management System, but can be a Level 1 or Level 2 user as well, which would give access.

The “Level 1 User” deals with the day-to-day administrative activities of the Sponsor Management System (*e.g.*, assigning Certificates of Sponsorship to employees/prospective employees, completing change of circumstances forms, adding/removing sponsors from the system). The Level 1 User can also create and remove users from the Sponsor Management System.

“Level 2 Users” undertake the same type of administrative tasks as the Level 1 User, but cannot create and remove users. Any number of Level 2 Users can be appointed. However, as the Authorizing Officer is responsible for all activity by Level 2 Users, it would be advisable to keep the number of users at a manageable level.

In return for being granted a license and the ability to issue certificates of sponsorship, the employer must agree to undertake a number of new duties (*e.g.*, recording certain specified information, reporting certain facts to the UK Border Agency, complying with relevant legislation and co-operating with the UK Border Agency).

As part of the licensing process, the UK Border Agency will make an on-site visit to the employer’s business premises to check that it has the systems in place to meet the new obligations that arise from being granted a license. We would therefore recommend that any employer considering applying for a license should undertake a compliance audit before filing their license application.

Licensed employers will be required to assess whether an employee meets the minimum points threshold for a certificate to be obtained. In this respect, points will be allocated for three criteria including, personal attributes, English language skills and maintenance. The attributes include sponsorship, qualifications and prospective earnings. The individual must score a minimum of 50 points under the attributes section and 10 points each for English language skills and maintenance.

It is worth noting that, although the company will be responsible for issuing certificates of sponsorship under the new system, the UK Border Agency will undertake a review of any decisions made after a certain number of certificates have been issued. If the company is found to have incorrectly issued the certificates or to have been non-compliant with any of the new obligations it could have its license downgraded or even withdrawn. If its license is withdrawn, any existing employees working under a certificate would be required to leave the UK within 28 days. Therefore, it is important for any company using the new system to ensure that it is fully compliant with the requirements.

A foreign national who takes up employment in the UK without authorization, in breach of the Immigration Rules is liable to removal and under provisions introduced on February 29, 2008, could be barred from re-entering the UK for a period up to 10 years.

Since January 1997, UK employers faced sanctions under the Asylum and Immigration Act 1996 (“the 1996 Act”) for employing people who did not have the right to work. The 1996 Act provided a defence for UK employers who made an offer of employment conditional upon the production of one of a list of specified documents. The list included an EEA passport or other passport containing an appropriate endorsement that evidenced the foreign national’s right to work in the UK. Provided that such a document was produced, and appeared to be genuine, the UK employer would be protected from prosecution if a copy of that document was made and retained on the foreign national’s personnel file.

That law was replaced by Section 15 of the Immigration, Asylum & Nationality Act 2006, which maintains similar documentary requirements, but requires the checks to be undertaken every 12 months. In addition, the main sanctions for non-compliance have been moved from the criminal to the civil arena. Section 15 allows for the imposition of a civil penalty of up to £10,000 per offence that may be imposed on the company.

Other Comments

The spouses, civil partners or unmarried partners of entrants under all of the categories reviewed in this article, except the visitor and working holiday maker categories, must satisfy the following conditions in order to enter as dependants: they must be married to the entrant or have entered into a civil partnership with the entrant or be the unmarried partner of the entrant and have been living together in a relationship akin to marriage for at least two years; they must intend to live with each other during their stay; and they must obtain entry clearance to enter as a dependant spouse or civil partner or unmarried partner. Dependant children under the age of 18 are also permitted and must obtain prior entry clearance.

Anyone entering the UK in one of the employment-related categories, with the exception of the working holiday maker category, will be qualify, along with their dependants, to apply for permanent residency or indefinite leave to remain after completing five years of residence in the UK. Upon being granted permanent residency, they will be free to live and work in the UK without any restrictions.

Further Information

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United States of America

Executive Summary

United States law provides many solutions to help employers of foreign nationals. These range from temporary, nonimmigrant visas to permanent, immigrant visas. Often more than one solution is worth consideration. Requirements, processing times, employment eligibility, and benefits for accompanying family members vary by visa classification.

Key Government Agencies

The Department of State is responsible for visa processing at American consular posts abroad.

Many visa applications require first the approval of a visa petition by the prospective US employer filed with the Citizenship and Immigration Services (“CIS”).

The Department of Labor, with the purpose of protecting American workers, is sometimes involved in the process – either before the visa petition is granted or during subsequent employer audits to audit compliance.

Inspection and admission of travelers is conducted by the Customs and Border Protection agency (“CBP”) at American ports of entry and pre-flight inspection posts.

Investigations and enforcement actions involving employers and foreign nationals is the focus of the Immigration and Customs Enforcement agency (“ICE”).

The CIS, CBP and ICE agencies are all part of the Department of Homeland Security (“DHS”).

Current Trends

Border protection activity by the CBP and enforcement of immigration-related laws that impact employers and foreign nationals by ICE increased significantly after September 11, 2001. Employers of foreign nationals unauthorized for such employment are increasingly subjected to civil and criminal penalties at both the federal and state level. Concerns about the impact of foreign workers on the

American labor market and identity theft are frequently cited justifications for longer processing times at the CIS and an increase in the number of government audits by ICE. Employers should not rely on past practices for continued success.

Continued demand for the limited annual supply of new H-1B visas, as well as immigrant visas for professionals (especially those born in India and China), makes it increasingly important for employers to consider alternative strategies.

Employers involved in mergers, acquisitions, reorganizations, *etc.*, must evaluate the impact on the employment eligibility of foreign nationals when structuring transactions. Due diligence to evaluate the immigration-related liabilities associated with an acquisition is increasingly important as enforcement activity increases.

Reform of American immigration law was not seriously considered by the U.S. Congress during the 2008 presidential election year, but is likely to re-emerge in 2009 – with new opportunities and pitfalls both likely.

Business Travel

B-1 Business Visitor Visa

Foreign nationals coming to the US on short-term business trips may use the B-1 business visitor visa. The B-1 authorizes a broad range of commercial and professional activity in the US, including consultations, negotiations, business meetings, conferences, and taking orders for goods made abroad. Employment in the U.S. is not authorized.

B-1 visa applications are processed at US consular posts abroad. They are valid for a fixed amount of time – generally 10 years – and may be valid for multiple or a specified number of entries. The CBP officer at the port of entry makes the determination of whether to admit and for how long.

The permitted length of stay is up to six months, with the possibility of stay extension applications for up to six months – although not generally granted – or a change to another visa status. An accompanying spouse and unmarried, minor children can be admitted under the B-2 tourist visa.

This visa requires proof of the applicant's nonimmigrant intention to depart the U.S., financial ability to stay in the U.S. without seeking unauthorized employment, and the business purpose of the trip. A departure ticket is recommended.

Visa Waiver

The normal requirement of first applying to a consular post for the B-1 and B-2 visas is waived for foreign nationals of certain countries. The permitted scope of activity is the same as the B-1 and B-2 visas. The length of stay is up to 90 days only, without the possibility of a stay extension or status change. A departure ticket is required.

The following countries are presently qualified under this program: Andorra, Australia, Austria, Belgium, Brunei, Denmark, Finland, France, Germany, Iceland, Ireland, Italy, Japan, Liechtenstein, Luxembourg, Monaco, the Netherlands, New Zealand, Norway, Portugal, San Marino, Singapore, Slovenia, Spain, Sweden, Switzerland, and the United Kingdom.

The list of qualified countries changes regularly and the regularly updated list can be found at travel.state.gov/visa/temp/without/without_1990.html#countries.

Training

J-1 Exchange Visitor Visa

The J-1 exchange visitor visa is used for a number of different purposes, including on-the-job training. The purpose is to allow foreign nationals to receive training that is not otherwise available in their home country and that will facilitate their career when they return abroad, while at the same time affording the opportunity for them to more generally exchange information with people in the US information about the two countries. A detailed training program is required.

J-1 training must be administered by a State Department authorized program, but all of the training itself is generally provided by the sponsoring US company. Compensation for training is not required, but is permitted. This visa requires proof of the applicant's nonimmigrant intention to depart the US, financial ability to stay without seeking unauthorized employment, and the business purpose of the trip.

The length of stay for such training assignments can be for up to 18 months, including all possible extensions. The spouse and minor, unmarried children may be issued J-2 visas. The J-2 spouse may apply for employment authorization after arrival.

Some, but not all, J-1 and J-2 exchange visitors are subject to a requirement that they return to the home country for at least two years at the end of the J-1 training

before being eligible to immigrate or return to work under certain nonimmigrant visas. The country of residence, field of training, and source of any government funding for the training can give rise to this requirement, which often can be waived.

H-3 Trainee Visa

The H-3 nonimmigrant visa is designed for foreign nationals coming for training that is not available in the trainee's own country and that will benefit the trainee's career abroad. H-3 trainees cannot engage in productive employment, unless merely incidental and necessary to the training. They cannot be placed in a position that is in the normal operation of the business and in which local workers are regularly employed.

In practice, H-3 visa requests are more readily granted for formal, classroom-type trainings and are more likely to be denied when an on-the-job training element is included, regardless of statements that such work may be incidental and necessary. A detailed training program is required.

The maximum duration of is two years. The spouse and unmarried children under the age of 21 may be issued the H-4 visa.

Although the H-3 visa does not impose specific compensation requirements, low salaries are sometimes criticized for the possibility of exploiting foreign labor, while high salaries can be criticized for possibly indicating productive labor. This visa requires proof of the applicant's nonimmigrant intention to depart, financial ability to stay without seeking unauthorized employment, and the business purpose of the trip.

B-1 Visa in lieu of H-3

Foreign nationals may be admitted to participate in H-3 type training programs using the B-1 visa. The requirements and permitted activities are unchanged, but the duration is reduced to visits of up to six months. Otherwise, the B-1 visa comments provided earlier apply equally here.

Employment Assignments

L-1 Intracompany Transfer Visa

Multinational companies seeking to temporarily transfer foreign employees for assignment to U.S. operations most often rely on the L-1. This visa is initially valid for assignments of up to three years, and can be extended in two-year increments

for a total period of five or seven years, depending upon the nature of the U.S. job duties. Executive and managerial-level employees can hold L-1A status for up to seven years, whereas employees working in a capacity involving specialized knowledge have a maximum stay of five years under L-1B status.

The spouse and unmarried children under the age of 21 may be issued the L-2 for the same period. The L-2 spouse may apply for employment authorization after arrival.

Qualified foreign nationals must have been outside the US for at least 12 months during the three years immediately preceding the L-1 visa request and during that period employed by the US petitioning employer or a company with a qualifying intracompany relationship. There are a number of relationships that qualify, but all generally rely on common majority control (*e.g.*, parent-subsidiary, subsidiaries of a common parent, branch or representative office). The intracompany relationship need not have existed throughout the period of required employment.

Executive and managerial-level employment is generally shown through the management of subordinate employees. Employment in a specialized knowledge capacity requires proof that the employee holds knowledge of the organization's products, services, research, equipment, techniques, management, *etc.*, or an advanced level of expertise in the organization's processes and procedures.

Additional rules apply to companies during the first year of business operations in the US and to those who intend to place the foreign employee at a job site not controlled by the sponsoring employer (*e.g.*, outsourcing).

Large multinationals may take advantage of special "blanket" L-1 rules for faster government processing.

H-1B Specialty Occupation Visa

U.S employers of foreign professionals have long relied on the H-1B visa. Status is initially valid for up to three years, with extensions in three-year increments available for up to six years total stay. A potentially unlimited number of extensions beyond the six years may also be available to qualified H-1B visa holders in the immigration process. The spouse and unmarried children under the age of 21 may be issued the H-4 for the same period.

The job offered must be in a specialty occupation, which are jobs that normally require at least a bachelor's degree in a specific field. The foreign national must

hold the required degree from an American university or the equivalent. Foreign degree, employment experience, or a combination may be considered equivalent.

Employers must promise to give H-1B professionals wages, working conditions and benefits equal to or greater than those normally offered to similar employed workers in the US. A strike or labor dispute at the place of employment may impact eligibility. Detailed recordkeeping requirements apply and government audits to ensure compliance are authorized.

Only a limited number of new H-1B visa petitions can be granted each fiscal year. This limited supply regularly is quickly exhausted. The government uses random selection to determine which requests to process – making this visa often an unreliable choice. This problem does not exist for foreign professionals granted H-1B status with other employers, which are generally exempt from limits, as are H-1B requests filed by qualified educational institutions, affiliated research organizations, nonprofits and government research organizations.

H-1B1 Free Trade Agreement Visa

Prospective employers of foreign professionals who are citizens of Singapore and Chile may take advantage of additional quota allocations and more streamlined processing rules. Although limited in number, the supply of these visas is consistently greater than demand – making them more readily available. The scope of authorized work is essentially the same as the H-1B, but status is granted for up to 18 months, with extensions in increments of up to 12 months available. The spouse and unmarried children under the age of 21 may be issued the H-4 for the same period. This visa requires proof of the foreign national's nonimmigrant intention to depart the U.S.

E-3 Free Trade Agreement Visa

Prospective employers of foreign professionals who are citizens of Australia can take advantage of similar Free Trade Agreement benefits using the E-3 visa. Also limited in number, the supply of these visas too is consistently greater than demand. The scope of authorized work is similar to the H-1B, but status is granted for up to 24 months, with extensions in increments of up to 24 months available. The spouse and unmarried children under the age of 21 may be issued the E-3 for the same period. The E-2 spouse may apply for employment authorization after arrival. This visa requires proof of the foreign national's nonimmigrant intention to depart the country.

TN North American Free Trade Agreement Visa

Employers of foreign professionals who are citizens of Canada and Mexico can take advantage of somewhat different Free Trade Agreement benefits using the TN visa. There are no numerical limits, so the supply of these visas is always available. The job offered must be in one of the professions covered by NAFTA, each of which has its own education or experience requirements. TN status is granted for up to 12 months, with a potentially unlimited number of 12-month extensions available (note: a regulation to lengthen the extension period to three years is proposed). The spouse and unmarried children under the age of 21 may be issued the TD for the same period. This visa requires proof of the foreign national's nonimmigrant intention to depart.

Some of the more commonly used professions covered by the TN include: computer systems analyst, engineer (all types), economist, lawyer, management consultant, biologist, chemist, industrial designer, accountant, and scientific technician. A complete list of the NAFTA professions can be found at www.amcits.com/nafta_professions.asp.

E-1 and E-2 Treaty Trader and Investor Visas

Foreign-owned companies doing business in the US may temporarily employ qualified foreign workers to facilitate international trade or investment activities. E visa status is granted for up to five years, with a potentially unlimited number of extensions in five-year increments. The spouse and unmarried children under the age of 21 may be issued the E visa for the same period. The spouse may apply for employment authorization after arrival.

The list of countries with E-1 trade and E-2 investment treaties changes often and the government's regularly updated list can be found at travel.state.gov/visa/frvi/reciprocity/reciprocity_3726.html. Qualifying companies must be at least 50% owned by citizens of the same treaty country. E visa status is only available to citizens of that same country. Not all countries hold treaties or agreements for both E-1 trade and E-2 investment visa status, and many countries hold neither, as can be seen on the following table:

Countries with E-1 Treaty Trader Visa Eligibility

Argentina	Australia	Austria	Belgium	Bolivia
Bosnia & Herzegovina	Canada	Chile	China, Republic of (Taiwan)	Columbia
Costa Rica	Croatia	Denmark	Estonia	Ethiopia
Finland	France	Germany	Greece	Honduras
Ireland	Israel	Italy	Iran	Japan
Jordan	Korea (South)	Latvia	Liberia	Luxembourg
Macedonia	Mexico	The Netherlands	Norway	Oman
Pakistan	Paraguay	The Philippines	Poland	Singapore
Slovenia	Spain	Suriname	Sweden	Switzerland
Thailand	Togo	Turkey	The United Kingdom	

Countries with E-2 Treaty Investor Visa Eligibility

Albania	Argentina	Armenia	Australia	Austria
Bahrain	Bangladesh	Belgium	Bolivia	Bosnia & Herzegovina
Brunei	Bulgaria	Cameroon	Canada	Chile
China, Republic of (Taiwan)	Columbia	Congo (Brazzaville)	Congo (Kinshasa)	Costa Rica
Croatia	Czech Republic	Ecuador	Egypt	Estonia
Ethiopia	Finland	France	Georgia	Germany

The E-1 requires proof of substantial trading activity between the US and the treaty country. The level of trade can be measured by its value, frequency and volume. Only the trade between the US and treaty country is considered, and that must

account for at least 50% of the trade of the sponsoring employer. Items of trade range from goods to services, transportation, communications, data processing, finance, *etc.*

The E-2 requires proof of substantial capital investment that has either already been made or that is in the process of being made when the visa is requested. No minimum value threshold is set for the investment. The amount is measured in relation to the total cost of the US business. Only funds or the value of property committed to capital investments are considered, and not the cost of operating expenses.

E visa status is available to individual investors with a majority ownership interest, as well as to employees coming to work in either a supervisory role or a position involving skills essential to the venture.

Other Comments

There are many additional nonimmigrant visas less frequently used for global mobility assignments worth a brief mention. Foreign students with the F-1 visa are often granted authorization for employment related to their studies before and after graduation. The O-1 visa authorizes the employment of foreign nationals of extraordinary ability. Foreign nationals with skills in short supply in the U.S. may be able to obtain the H-2B visa.

Immigrant visas generally take longer to obtain, but in some situations compare favorably to nonimmigrant visas. Permanent resident status is often a goal for foreign nationals and US employers rely on immigrant visas to continue to have access to their work after the limited duration of nonimmigrant visas is exhausted. Selecting a nonimmigrant visa that is consistent with a long-term immigrant visa option can be crucial. US employers are well advised to develop policies and practices that recognize the value of the immigration process to recruit and retain skilled foreign professionals, while ensuring corporate compliance with US law.

In addition to employment-based immigrant visas, immigration to the US is possible through family-based immigrant visas by qualified US citizen or permanent resident relatives.

Immigrants are often interested to later become US citizens. Naturalization to citizenship generally requires five years of continuous residence after immigrating, during at least half of which time the immigrant must be physically in the country. Lengthy travel abroad, therefore, can detrimentally impact eligibility.

Further, immigrant status itself can be lost through lengthy travel abroad. US residents may be reluctant to accept assignments outside the US for this reason. It is often possible to address these concerns. The CIS can issue reentry permits to help immigrants maintain status while abroad. Further, immigrants working abroad for US owned companies or their foreign subsidiaries may qualify to protect their eligibility for citizenship. Both requests are time sensitive and should be made before the assignment abroad begins.

Further, US law generally requires immigrants to continue to file federal income tax returns even when all income is earned abroad and immigrant status can be impacted if a nonresident tax return is filed or if no US return is filed.

In the wake of September 11, 2001, greater focus is placed on registration laws requiring all foreign nationals (*e.g.*, tourists, nonimmigrants, permanent residents) to submit the CIS Alien's Change of Address notice within 10 days of changing the US residence address.

Further Information

Baker & McKenzie's *United States Business Immigration Manual* provides further information about American business visas, including a broader range of nonimmigrant visas, the immigration process, and immigration-related responsibilities for employers and foreign national employees.

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Bolivarian Republic of Venezuela

Executive Summary

Venezuelan immigration laws are an increasingly important and sensitive consideration when planning an investment in the country. Careful planning of employees' transfer to Venezuela is a key factor to achieve a successful business venture in Venezuela.

Compliance with Venezuelan immigration laws will safeguard companies from sanctions and penalties. While other applicable provisions exist, immigration laws are primarily in the 2004 Law on Alien Citizens and Migration (the "Migration Law"). The Migration Law regulates all matters related to the admission, entry and permanence of alien citizens, as well as their rights and obligations in Venezuela, and it applies to all alien citizens, regardless of whether they are in Venezuelan territory legally or illegally.

In addition, the 2000 Joint Resolution issued by the relevant government ministries remains in force and covers all matters not specifically abrogated by the Migration Law.

Finally, it is very important to consider as part of the immigration laws the current administrative policies, rulings and interpretations given from time to time by the officials and other authorities in charge of the relevant governmental agencies responsible for immigration matters, particularly the Ministry of Labor and the Ministry of Internal Relations and Justice.

Venezuelan legislation provides many solutions to help employers of foreign nationals. Requirements, processing times and employment eligibility vary by visa classification.

Key Government Agencies

The Ministry of the People's Power for Foreign Affairs ("Ministerio del Poder Popular para Relaciones Exteriores") is responsible for certain visa processing at Venezuelan consular posts abroad.

The Ministry of the People's Power for Labor and Social Security ("Ministerio del Poder Popular para el Trabajo y Seguridad Social"), with the purpose of protecting Venezuelan workers, is involved in the process when a work visa (TR-L) is applied for.

Inspection and admission of travelers is conducted by the Ministry of the People's Power for Internal Relations and Justice ("Ministerio del Poder Popular para Relaciones Interiores y Justicia") at Venezuelan ports of entry.

Current Trends

Enforcement of immigration-related provisions that impact employers and foreign nationals is expected to increase. Employers of foreign nationals unauthorized for such employment are currently subjected to administrative and criminal penalties under the Migration Law. Employers should therefore not rely on past practices for continued success.

Employers involved in mergers, acquisitions, reorganizations, *etc.*, must evaluate the impact on the employment eligibility of foreign nationals when structuring transactions. Due diligence to evaluate the immigration-related liabilities associated with an acquisition is increasingly important as a result of the risks of penalties provided for in the Migration Law.

Business Travel

Business Visitor Visa ("TR-N")

This type of visa is granted to foreign business executives or corporate representatives that wish to enter Venezuela in order to perform financial, commercial or business activities, or any other profitable and legal activity related to their business. The TR-N is valid for one year and confers the right to enter and depart from Venezuela without limitation, although one may only remain in Venezuela for a continuous term of 180 days. Once such term has elapsed, the person must depart from Venezuela; otherwise, the visa will not be renewed. Notwithstanding the foregoing, the person may enter and remain for less than 180 days, as many times as needed.

The term for the issuance of this visa is three business days. The TR-N is currently granted by the Ministry of Foreign Affairs through the Venezuelan consulates in the country where the person who wishes to obtain this visa resides. Generally, each of the Venezuelan consulates is autonomous in terms of determining the procedure for the issuance of the TR-N, as well as additional documentation required for such purposes. Additionally, such consulate will analyze the purposes for which the company wishes to invite the person requiring the TR-N visa to come to Venezuela, as well as the nature of the activities to be performed by such person in Venezuela.

After the consulate has reviewed the documents listed below, it will authorize the issuance of the TR-N. Once the TR-N has expired, it may be extended for an equal period, as many times as the relevant consulate may decide.

Since the TR-N is not granted by the Ministry of Labor, a work permit is not required and it is not necessary to establish a corporate entity in Venezuela as an in-country sponsor. Note that the TR-N does not authorize local employment. The TR-N visa holder cannot be included on the local payroll of or receive employment benefits from a Venezuelan company.

Training

There is no type of visa designed exclusively for training. For on-the-job training that involves productive work, the same visa used for most employment assignments that authorizes employment is the most likely solution.

Employment Assignments

Work Visa (“TR-L”)

This type of visa is granted to any employee, business executive or corporate representative coming to perform services in Venezuela for a period of at least one year under an employment agreement executed with a company in Venezuela. It is valid for one year and confers the right to enter and depart from Venezuela without limitation.

Accompanying family members may include the spouse, children, parents, and father or mother-in-law. Family members are not automatically authorized for employment as an incident to status.

The procedure to obtain the TR-L is divided into three stages:

- The first stage is an application to the Ministry of Labor. At this stage, the government analyzes the purposes for which the company in Venezuela wishes to hire a foreign employee, as well as the nature of the services to be performed. An offer of employment is made by the company before a Notary Public (the “Employment Offer”). Such document will then be considered as an employment agreement between the applicant and the company. The Ministry of Labor will review whether or not the company that will employ the services of the foreign employee will be in compliance with restrictions for the hiring of foreign employees.

According to Venezuelan law, at least 90% of the company's workers - both laborers and employees - must be Venezuelans. Consequently, though certain exceptions could be obtained in a few cases, no more than 10% of the company's workforce may be comprised of foreign nationals. If the Ministry of Labor finds that all requirements are met, this first stage finalizes with the issuance of the work permit by the Ministry of Labor.

- The second stage is carried out before the Entry Department of the National Immigration Office ("ONIDEX") ("*Departamento de Ingreso de la Oficina Nacional de Identificación y Extranjería*"), where the work permit and some additional documents are analyzed. This stage finalizes with the issuance of the authorization to the Venezuelan consulate to grant the TR-L or work visa.
- During the third stage, the applicant must appear before the Venezuelan consulate of the country of origin or residence. Such consulate shall issue and stamp the TR-L in the applicant's passport. Please note that each Venezuelan consulate is autonomous in determining its own procedure for stamping the visa, as well as in terms of the documentation that must be submitted for such purposes. Generally, the applicant and accompanying family members will be subject to medical tests and examinations at the consulate, and also a certification of police records. A cash deposit may be required.

The TR-L may be extended for an equal period once it has expired. Once the TR-L has been issued, the applicant can start working in Venezuela.

Other Comments

Venezuela has other types of temporary and resident visas, but of particular interest to multinationals and their employees are the Investor Visa and Industrial Entrepreneur Visa.

The Investor Visa (TR-I) authorizes individuals and representatives of enterprises with investments accepted by the Venezuelan government to live and work in the country for up to three years, with the possibility to extend for two years and thereafter apply for resident status.

The Industrial Entrepreneur Visa (TR-E/I) is available to foreign nationals coming for business, who can demonstrate that they own or manage businesses or industries in their country of domicile or have subsidiaries in Venezuela. The TR-E/I is valid for two years.

Local employment and labor laws in Venezuela apply, irrespective of the nationality of the employee. This includes a set of mandatory conditions, contributions, obligations and labor and severance benefits that must generally be provided, complied with and paid by the employer for the benefit of all employees. The employer's failure to do so would subject the employer to potential liabilities. For these reasons, it is important to obtain legal advice, preferably well in advance of transferring or hiring the employee to work in Venezuela.

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Socialist Republic of Vietnam

Executive Summary

Vietnam has agreements with many countries that permit entry for short business trips without first applying for a visa. Citizens of countries with such agreements and individuals coming to work in Vietnam must secure the proper visa before entering the country.

As regulations change frequently, verification of the following information is highly recommended.

Key Government Agencies

The Ministry of Public Security (“MPS”) is responsible for the approval of entry visas to most foreigners and overseas Vietnamese residents who wish to enter Vietnam. Applications by other individuals, such as state officials and foreign representatives or diplomats, are addressed to the Prime Minister’s office or to the Ministry of Foreign Affairs.

Most foreigners who wish to work in Vietnam must obtain a work permit. Work permits are issued by the Provincial-Level Service of Labor, War Invalids and Social Affairs (“SOLISA”).

Business Travel

Visitor Visa

The visa type is determined by the foreigner’s purpose of entry into Vietnam. The many visas include: A1, A2 and A3 diplomatic visas; the B1, B2, B3, and B4 business visas; C1 and C2 by invitation from a local individual or organization visas; and D without an invitation from a local individual or organization visa.

Visitors may apply for single or multiple entry visas. The validity of a single and multiple entry visa is no more than 12 months and may not be extended for tourist visa holders.

Employment is prohibited for persons with tourist visas. For foreigners and overseas Vietnamese working in Vietnam, extension of the entry visa may be granted only if

the company and/or sponsor office submits documents to show the validity of business operations and the necessity of granting an extension. Decisions are made on a case-by-case basis.

Foreigners or overseas Vietnamese must submit an application to an overseas Vietnamese representative office, such as a consulate or embassy, for an entry visa. The Vietnamese representative office will then forward the request to one of several business or service organizations in Vietnam which will submit a request to the MPS for an entry visa. The business or service organization will charge a fee for acting as the host or sponsor of the entry visa request. First time entrants to Vietnam should note that upon entry, an additional form is required to be completed and submitted, together with a passport sized photograph.

Attention should also be paid to the points of entry or exit specified in a visa, as one may only enter and exit at specified places. This detail is particularly relevant to anyone desiring to travel by land to neighboring countries.

Individuals or organizations that come to Vietnam to engage in religious or cultural activities and members of the media must obtain approval from the relevant authorities of the Government for their visit before entry.

Foreigners Invited to Visit by Non-State Agencies or Individuals Living in Vietnam

Foreigners who must first obtain an entry visa issued by the MPS include: foreigners who are invited to visit Vietnam by non-state agencies or organizations, foreign organizations (*i.e.*, foreign-invested joint ventures, 100 per cent foreign owned enterprises and foreign branch or representative offices), Vietnamese citizens residing in Vietnam, foreigners who are granted permanent residence permits, or foreigners who have been living in Vietnam for more than six months.

The head of the host organization or the host citizen must file a request and all the necessary supporting documentation with the entry/exit management authority under the MPS for the issuance of the entry visa. The entry/exit management authority undertakes to make a decision within five days of receiving the request. Upon approving the request, the entry/exit management authority will direct the relevant overseas Vietnamese representative office to issue the entry visa to the foreigner.

Organizations may request the entry/exit management authority to issue an entry visa at an international point of entry, provided that the name of the point of entry and the time of entry are specified in the application.

Foreigners Intending to Carry Out Investment Projects

Foreigners who are entering Vietnam to carry out investment projects which have been licensed by the Ministry for Planning and Investment (“MPI”) may submit applications for entry visas directly to an overseas Vietnamese representative office. The representative offices undertake to make a decision within five days of receiving a request and all the necessary supporting documentation. Upon the approval of the request, the representative office will issue the entry visa and notify the MPS for monitoring and management purposes. In practice, however, procedures will generally proceed more expediently if one’s visa application is sponsored from a party within Vietnam, such as an affiliated office.

Foreigners Without Invitation Letters

Foreigners without an invitation letter from a local individual or organization in Vietnam will only be granted visas for fifteen days. The relevant overseas Vietnamese representative offices undertake to make a decision within three days of receiving a request and all the necessary supporting documentation.

APEC Travel Card Program

By decision of the Prime Minister in 2006, Vietnam began participation in the program called APEC Business Travel Card (“ABTC”) of APEC countries. ABTC is a travel card granted to businessmen of APEC countries that participate in the program to facilitate their business travel among the APEC countries. Under this program, Vietnam committed to grant visa waiver for ABTC-holders. The ABTC is valid for three years from the date of card issuance and can not be extended. When the issued card expires, the card holders can apply for a new card, if necessary.

Visa Waiver

Vietnam has a visa waiver program for foreign nationals of many countries, both through unilateral and bilateral commitments. Vietnam has entered into 47 bilateral visa-waiver treaties and agreements with other countries on visa waiver. Vietnam is considering extension visa waiver for all EU and ASEAN countries, in line with its close relationship with these groups. Vietnam also granted unilateral visa waiver

for officials of ASEAN Secretary Committee and such countries as Japan, Korea, Sweden, Denmark, Poland and Norway. It should be noted, however, that these commitments vary regarding length of stay permitted, type of visa, and various other conditions, so it is advisable to check with your nearest Vietnamese consular office for more detailed and current information.

Employment Assignments

Acquiring an entry visa and a Blue Book only addresses the entry, exit and residence rights of foreigners in Vietnam. If foreigners, including overseas Vietnamese, want to work in Vietnam, they must obtain work permits, unless they qualify for an exemption mentioned above. SOLISA is responsible for the issuance of work permits to foreigners who wish to work for enterprises and organizations in Vietnam.

Foreigners exempt from work permit requirements

In general, all foreigners who wish to work in Vietnam must obtain work permits, except for the following cases:

- Working in Vietnam for a term of less than three months;
- Being a member of a limited liability company with two members or more;
- Being the owner of a one-member limited liability company;
- Being a member of the Management Board of a joint stock (or share holding) company;
- Entering Vietnam to offer services (contractual service provider);
- Entering Vietnam to solve urgent cases that can not be solved by Vietnamese experts and foreign experts already in Vietnam, for less than three months; if it is more than three months, a work permit is required;
- Practicing foreign lawyers granted the right to carry out occupational practices in Vietnam by the Ministry of Justice; and
- Being students, spouses of diplomats, domestic assistants and other foreigners not captured by work permit requirement provided by Decree 34, who wish to work for an enterprise, organization or individual in Vietnam.

Notification on their employment is required.

Work permits

The application process should take 15 days, but may take longer in practice. Therefore, companies planning the secondment of an employee to Vietnam should apply for the work permit well in advance of the intended date of arrival of the employee in Vietnam.

If the criminal record, health certificate, curriculum vitae, or certificates regarding the skills of the foreigner are written in a foreign language, they must be translated into Vietnamese and the translation must be notarized for submittal with the application.

Under the new regulations, the employer and the foreign laborer may only enter into an employment contract after a work permit has been issued by SOLISA.

The term of the work permit will be set as the term of the labor contract. The maximum term for the labor contract is 36 months. Work permits can be renewed once for another term of up to 36 months. In the renewal application, the employer must clearly state the reasons why it has not replaced the foreigner with a Vietnamese person, the name of the Vietnamese person being trained to replace the foreigner, the training expenses, the time period of the training and the place of training.

Foreigners who work in Vietnam without first obtaining a work permit can face expulsion from Vietnam. Furthermore, both employer and employee may be subject to a fine, with the employee being barred from working in Vietnam. The level of the fine has not yet been stipulated by authorities. With respect to exemptions and required documents, persons wishing to apply for a work permit should seek professional assistance with regard to their particular circumstances because regulations are often changed or authorities may change their interpretation of existing regulations.

Temporary Residence

If the foreigner intends to stay in Vietnam for more than one-year and is legally registered for employment or for study in Vietnam, an application must be filed with the police department at the provincial security immigration office in order to be granted a “Temporary Residence Certificate” (also known as a Temporary Residence Permit). This form of Temporary Residence Certificate is commonly known as the Blue Book. Processing should take five days, but in practice, it usually takes longer.

The duration of the certificate should be consistent with the purpose of the temporary residence.

Blue Book permits are valid for one to three years and may be considered for renewal or extension. Blue Book holders are exempt from entry/exit visa requirements throughout the Blue Book's term of validity.

Permanent Residence

Under the Ordinance and its implementing regulations, permanent resident foreigners are defined as foreigners who have resided, worked and lived in Vietnam for a long time. Only the following temporary resident foreigners may be considered for permanent resident status:

- persons who have fought for freedom and independence of the people, for socialism, for democracy and peace or for scientific work and for which they were harmed;
- persons who contribute to the development and protection of the Fatherland; and
- persons who are spouse, children or parents of Vietnamese citizens residing permanently in Vietnam.

Foreigners who would like to apply for permanent residency may do so with the entry/exit management authority under the MPS. Once given permanent residency status, a permanent residency card will be issued to the concerned person and with this card, such person is exempt from entry/exit visa.

Other Comments

Resettlement of Overseas Vietnamese

The Ministries of Interior and Foreign Affairs provides guidelines on implementing the Prime Minister's new policy on the voluntary repatriation of overseas Vietnamese. Overseas Vietnamese may receive consideration to resettle in Vietnam if they are investing or employed in Vietnam, or are sponsored by relatives. They must also meet certain qualifications related to self-sustenance and submit a formal application to the government. Of note is the fact that overseas Vietnamese are entitled to tax and investment incentives under the laws on Domestic Investment.

Granting of General Passports for Vietnamese Citizens Abroad

The Ministry of Public Security and the Ministry of Foreign Affairs jointly provide guidelines for the granting, extension, supplementation and amendment of general passports for Vietnamese citizens in foreign countries.

These guidelines do not apply to Vietnamese citizens in countries that have signed agreements with Vietnam on the re-acceptance of Vietnamese citizens who are not allowed to reside in foreign countries and overseas Vietnamese who are repatriated to the homeland under the Prime Minister's Decision No. 875/TTg.

Vietnamese citizens must appear at the Vietnamese representative agencies overseas to submit applications and receive passports. Alternatively, relatives of the applicants may come to immigration offices in Vietnam to request certification of personal status for the applicants. Vietnamese citizens abroad may also ask the representative agencies to re-issue passports in cases of lost, torn or expired passports.

Law on Vietnamese Nationality

To be eligible for Vietnamese citizenship, an individual must meet certain conditions relating to: self-sustenance, ability to read, write and speak Vietnamese and have resided in Vietnam for at least five years. These conditions may be waived if an individual has a wife or husband who is a Vietnamese citizen or an individual is a father or mother of a Vietnamese citizen. An individual has a right to Vietnamese citizenship if he was born in Vietnam or overseas to a mother or father who is a Vietnamese citizen. Dual citizenship is not permitted.

Exemption from or Reduction of Requirements for Naturalization as a Vietnamese citizen

Exemption from or reduction of requirements for naturalization as a Vietnamese citizen will be given to the following:

- persons whose spouses, parents or children are Vietnamese citizens and those who have been awarded orders, medals and/or other honorable titles by the State of the Democratic Republic of Vietnam, the Provisional Revolutionary Government of the Republic of South Vietnam or the State of the Socialist Republic of Vietnam or who have made outstanding contributions to the cause of building and defending the Vietnamese fatherland, shall be entitled to a reduction of two years in the required length of continuous residence in

Vietnam and shall be exempt from conditions regarding the Vietnamese language knowledge requirement and the requirement of having sufficient means to live in Vietnam; and

- in particular cases where the naturalization of foreigners is especially beneficial to the economic, social and/or scientific development and/or national defense and security of the Socialist Republic of Vietnam, such foreigners shall be exempt from the requirements regarding the length of their residence in Vietnam, Vietnamese language knowledge and proof of sufficient means to live in Vietnam.

The dossier for naturalization as a Vietnamese citizen must be submitted to the Service of Justice (“SOJ”) where the applicant resides. If the applicant resides abroad, the dossier must be submitted to the Vietnamese diplomatic mission or consular office there. The application process should not take more than 12 months. A decision to grant Vietnamese nationality will be issued and signed by the State President. The Vietnamese name of the applicant will be stated in the decision.

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