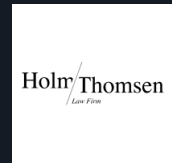


# Legal 500 Country Comparative Guides 2024

## Denmark Corporate Immigration

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This country-specific Q&A provides an overview of corporate immigration laws and regulations applicable in Denmark.

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# Denmark: Corporate Immigration

## 1. What are the relevant government entities relating to immigration in your jurisdiction?

The Danish Immigration authority for corporate immigration applications is *Styrelsen for International Rekruttering og Integration (SIRI)*. SIRI handles application on work permit, student visa, question related to Brexit and EU residence card. The application forms for all residence permits are online on the webpage:

<https://nyidanmark.dk/en-GB>

Application for short time visas must be filed at the Danish Embassies/VFS offices and will be handle at the Embassies. Complaints are handled in Denmark by the Danish Immigration Service (*Udlændingestyrelsen*).

## 2. What are the options available for sponsor-based employment in your jurisdiction and timelines involved in securing a work permit?

Denmark basically has three schemes available for skilled workers. These are:

- Fast Track Scheme,
- Pay Limit Schemes,
- Positive Lists

Further it is possible to get work permit as a researcher and employed PhD.

The Fast Track Scheme is only available if the employee has been offered a position in a certified company. Companies located in Denmark can apply for certification which makes the application process faster and more flexible and allows the employee to work both in Denmark and abroad. The employee could normally start working between 0-10 days after the application has been handed in (before a decision has been made) by applying for quick job start. The processing time after submission of the application would normally be 1 month. In addition, as of July 1, 2024, the requirement of payment of the salary into a Danish bank account no longer applies to employees who falls under the Fast Track Scheme.

There are two types of Pay Limit Schemes – The Pay Limit Scheme and the Supplementary Pay Limit Scheme.

The Pay Limit scheme is available for employees who meet the minimum salary requirement of DKK 487.000

(2024-level), approx. £ 54,875 / USD 71,190 / € 65,270. Additional requirements must also be meet, the most relevant being that salary must be paid into a Danish bank account, the offered salary must correspond to Danish standards and the offered terms of employment must correspond to Danish standards.

Further, an additional Pay Limit scheme was made available in April 2023 – the Supplementary Pay Limit scheme which is available for employees who meet the minimum salary requirement of DKK 393.000 (2024-level), approx. £ 44.280 / USD 57,450 / € 52,670. Besides the additional requirements mentioned under the Pay Limit scheme there are additional requirements to the Supplementary Pay Limit scheme such as – the offered job position must have been posted on Jobnet and the EURES portal and that the seasonal adjusted gross unemployment in Denmark must not exceed 3.75 %.

As of July 1, 2024 the deadline for opening a Danish bank account has been prolonged to 180 days.

The Positive Lists is either available for people with a higher education or for skilled work. The Positive List for skilled work has additional requirements compared to the Positive List for people with a higher education. The Positive List is a list of professions experiencing a shortage of qualified professionals in Denmark. It is not for all higher education or skilled worker but only for job titles listed due to shortage in Denmark. If the job is listed and one has the relevant educational background additional requirement must be meet – the most relevant being that the salary must be paid into a Danish bank account, the offered salary must correspond to Danish standards and the offered terms of employment must correspond to Danish standards.

The processing time is typically between 1-3 months for application according to the Pay Limit Schemes and the Positive Lists. The processing fee is DKK 6.290 (2024-level), approx. £ 710 / USD 920 / € 845.

## 3. What are the primary options available for unsponsored work and investment in your jurisdiction?

Denmark only offers one solution for unsponsored work and investment. Start-up Denmark is for applicants who

wish to run or continue to run his/her own business. It is also available for applicants who wish to conduct business through a Danish branch of a foreign self-employed business.

The applicant must get the business idea approved by a panel of experts appointed by the Danish Business Authority before he/she submits an application to SIRI. The business must contribute innovative ideas and potential for development to the Danish business community.

#### **4. What are the requirements for becoming a sponsor of employment-based migrants and what are the role and reporting duties of sponsors?**

The sponsor must generally be registered with a Danish business number (VAT number) and offer a contract which offers salary and terms of employment corresponding to Danish standards and pay the salary into a Danish bank account.

If a company (sponsor) wish to be certified for the Fast track scheme to take advantage of the quick job start etc. there are special duties for obtaining the certification.

The condition for being certified is the following:

- Salary and terms of employment must correspond to Danish standard,
- There must be at least 10 full-time employees in the company at the time of the certification,
- The company must participate in an online guidance meeting with SIRI,
- The company must not have been convicted for infringement under the Alien Act within the past year before being certified,
- The company must not have been involved in a legal labour dispute, and
- The company must not have any serious issues with the Danish Working Environment Authority.

#### **5. Are applications filed electronically, or paper base? Is a physical visa/work permit document issued or is an electronic approval issued?**

Applications are filed electronically and supporting documents are uploaded online. The applicant (employee) must have his/her biometric features recorded no later than 14 days after the application has been submitted. When living abroad the biometric

features must be recorded at a Danish diplomatic mission or an application centre in the country where the applicant resides.

If the application is successful, you will receive a paper based written decision online which can be used for a visa sticker if needed. You will receive a physical work and residence permit card 4-6 weeks after entering and having your address registered in Denmark.

#### **6. Is an in-person attendance/interview required as part of the visa/work permit application process? Is an individual required to enrol their biometrics (digital photo, fingerprint scan) as part of the visa/work permit process?**

Applicants must generally attend an in-person appointment at a Danish diplomatic mission or an application centre to submit their biometrics.

#### **7. What persons qualify as dependants? Can dependants work based on their dependant visa status? Are there any restrictions?**

Persons qualifying as dependants are:

- Spouse or civil partner,
- Cohabiting partner,
- Child under 18 years,
- Other family members (children older than 18 and parents) who lived at the same address and was financially supported by the sponsor.

Partners must be in a marriage or civil partnership recognized in Denmark. Cohabiting partners must show proof of having lived together in a relationship for at least 1 ½ – 2 years or more.

Dependants are permitted to work or study on an unrestricted basis. However, the dependant cannot work in the same company as the sponsor or for a company closely linked to that. They will need their own work permit for this.

#### **8. What is the general time frame and processes for obtaining permanent residence and citizenship for sponsored and unsponsored business-related immigration?**

To obtain permanent residence there are 10 basic requirements that must be met and 4 supplementary requirements. If all requirements are met, then you are able to

obtain permanent residence after 4 years. If only two supplementary requirements are met then you can obtain permanent residence after 8 years.

Once an applicant holds settlement, they may be eligible to apply for naturalisation as a Danish citizen. However, they must hold settlement for 2 years at the time when the decision is reached, and the processing time is around 2 years. Further, it is a requirement that the applicant have spent at least 9 years continuous residence in Denmark. Therefore, if the applicant has obtained permanent residence after 4 years the applicant will need to wait with the citizenship application. In addition, there are further requirements such as a Danish test, work requirements etc. There are exemption possibilities also to the years of continuous residence, e.g., if you are married to a Danish spouse.

### 9. What productive type activities can a business visitor undertake and for how long?

Generally, a work permit is required for any work performed. However, certain work-related activities can be performed without a work permit. Such activities include teaching or attending course or participating in meetings, negotiations, briefings and training. However, if there is an output for a Danish company in any way a work permit is required. You are not allowed to take part in creating a product or changing a product.

The length of the activities cannot exceed 90 days in any 180-day period but generally since it cannot create an output for a Danish company the stay will be shorter.

In addition, as of November 17, 2023, new rules were launched regarding exemption from the requirement of a work permit.

Some third country nationals can work for shorter periods of time in Denmark without a residence and work permit.

It is a prerequisite that the person is employed in a company established abroad that is affiliated with a company established in Denmark. The company in Denmark must have at least 50 employees.

It is possible to work in the company in Denmark for two separate working periods within a 180-day period. Each working period can consist of a maximum of 15 working days. Between each working period, you must have a stay outside of Denmark of at least 14 days.

Furthermore, it is required that you can enter and legally stay in Denmark, either as a citizen of a visa free country or because you have been issued a visa for the purpose

of using the new rule on exemption.

Within certain industries, the new rule only applies for management work or work that requires knowledge at the highest or intermediate level. The industries are the following: construction, agriculture, forestry and horticulture, cleaning (including window cleaning), hotel and catering as well as the carriage of goods by road.

### 10. Can remote work be carried out from your country?

Yes, remote work can be carried out without immigration implication during a legal stay in Denmark or on a procedural stay if it is relating to your continued employment abroad. No productive work can be carried out for a Danish entity.

However, please be aware that tax issues might arise, and it is therefore recommended to seek legal guidance on tax implication. Further, if you work for a company with a Danish branch, it might raise question to whether you work for the company abroad or for the Danish branch.

### 11. Are there any productive work / revenue generating activities that can be carried out as a visitor and without the need for a work permit? If so, what activities and for how long?

Artists, musicians, performers, etc. and associated staff can be exempted from the requirement of a work permit, if they are of importance for a significant artistic event. The event must have a short-term character, normally with a duration of less than 14 days. Necessary staff may also be exempt from the requirement of a work permit. This includes staff that often follows the artist, e.g., a manager, make-up artists and dressers, sound and light staff and tour bus drivers, etc.

Guest teacher does not need a work permit if they will be teaching for up to 5 days at an educational institution.

Professional board members do not need a work permit if they are in Denmark for a maximum of 40 days within a calendar year.

Fitters, consultants or instructors (the fitter rule) hired to fit, install, inspect or repair machines, equipment, computer programs or similar items, or provide information on the use of such items, provided the person is employed by the firm that manufactured the equipment and that it is high-tech equipment, will not need a work permit if the stay does not exceed 90 days.

Further, as mentioned in section 9 some third-country nationals can work without a work permit for a limited period of time if they work in a company established abroad that is affiliated with a company established in Denmark.

Further, as of June 1, 2024, a new rule of exemption came into effect allowing professional models to work in Denmark for a short period of time without a work permit.

It is a requirement that the third-country national must work with companies while they hold significant and international fashion shows or fashion fairs.

With the new rules, it is possible to work in Denmark for up to 3 separate work periods of up to a total of 3 days' duration within a period of 180 days.

Furthermore, it is a requirement that the third-country national can legally enter and reside in Denmark, either because they are a resident of a visa-free country or because they have been issued a visa in order to use the new exemption rule.

## **12. Is there a remote work or nomad visa category in your jurisdiction? If not, how likely is it that this will be implemented in future?**

No, and there is no indication that it will be implemented in the future.

## **13. How easy is it to switch visa categories/jobs/employer from within country? And/or if made redundant, can the individual regularise their stay in another capacity and what is the timeframe allowable?**

If the employee has a permit under the Pay Limit scheme or the Positive List and finds a new job while working in Denmark, he/she must submit a new application for a residence and work permit with information on the new employment. When the application has been submitted, the employee can start to work in the new job and does not need to await the decision from SIRI. It is a requirement that the condition is fulfilled according to the Pay Limit scheme and/or the Positive List to obtain a new permit.

You can also apply for other residence categories as long as you have a valid residence card. As of July 1, 2024, you can decide to change visa categories – e.g. from the positive list to the pay limit scheme and continue your job while waiting for a decision. Before this date you could

not switch visa category even you maintained the same job in the same company since you would have to stop working until you have had the approval for the new visa category.

## **14. What common issues or concerns may arise for employers under business immigration in your jurisdiction?**

Generally, the immigration process is reliable.

Employers for posted workers should be aware that a posted worker notification in addition to obtaining a work permit must be completed before the employee start to work. Otherwise, a fine can be imposed of approx. USD 1,450 / £ 1,135 / € 1,340.

Further, it is not allowed to have split payroll. All salary must be paid into a Danish bank account with very few exceptions.

The bank account requirement has however as of July 1, 2024, been abolished for employees in a fast-track certified companies.

The activities which can be performed during a business visit are very limited and leads to compliance issues. Lack of compliance has severe consequences. A fine of approx. USD 1,450 / £ 1,135 / € 1,340 can be imposed but more importantly it is supplemented with an expulsion and an entry ban for 2 years – not only for Denmark but for the entire Schengen area.

## **15. Is there a fast track process / certification that business can obtain to expedite visa / permit processing?**

Yes. For further information please look under section 2 and 4.

## **16. What are the recent trends, both political and social that have impacted your jurisdiction with regard to immigration policy and law?**

In 2022 there was a 12 % increase of foreign labour to Denmark. There is an expectation of a labour shortage in the upcoming years.

As a result, a political agreement was implemented to strengthen international recruitment in in April 2023 and additional adjustments has been introduced in 2024 which came into effect as of July 1, 2024, with the

abolition of the bank account requirements for employees in fast-track certified companies.

The number of residence permits to foreign workers however declined with 12 % in 2023 compared to 2022. The numbers of residence permits is however still high for foreign workers compared to the year before 2022.

There was a small increase of the numbers of residence permit according to the fast-track scheme and Start-up Denmark but a decrease in the other schemes.

The Danish Industry and the Danish Chamber of Commerce is trying to put pressure on the parliament to liberalize the regulation on corporate immigration even more.

As an example, the Danish Industry is trying to get the concept of salary components broaden so not only liquid assets can be considered as salary components.

### **17. Are there any new and / or anticipated changes impacting immigration law and / or policy in your jurisdiction?**

The Danish Parliament launch an annual catalogue of laws for the parliamentary year in October on anticipated legislative changes for the coming year. This has not been launched yet, but there is no expectation on many new legislative changes impacting immigration law.

### **18. How do you see technology developing and evolving to support immigration process in the future?**

SIRI maintain their focus on getting all application available online.

### **19. What are the Right to Work requirements in your jurisdiction?**

Employers are legally required to verify that the employee has a right to work. If the employee is working illegally both the employee and the employer will be fined. The fine for both is approx. USD 1,450 / £ 1,135 / € 1,340. but can be higher if aggravating circumstances.

Further, there is a risk of expulsion and entry ban for the employee.

### **20. What are the types of civil and criminal**

### **penalties employers may face for non-compliance with immigration rules i.e. employing an individual who does not have the Right to Work?**

A fine of approx. USD 1,450 / £ 1,135 / € 1,340. for the employer and for the employee combined with an expulsion and entry ban for 2 years both to Denmark and the Schengen area for the employee.

### **21. Are there labour market testing requirements in your jurisdiction and if so, what do they involve?**

Yes, the salary and terms of employment must correspond to Danish standards. If it is assessed that the offered salary dose not correspond to Danish standard according to the income statistics SIRI can ask the Regional Labour Market Council (RARs) to assess whether the salary correspond to Danish standards.

Therefore, it is recommended to do a labour market test before submitting the application by checking the employment contract and compare salary with the statistics. It will prolong the processing time if SIRI needs to ask RARs whether the salary and terms of employment corresponds to Danish standards.

### **22. Are there quota requirements, restrictions or a cap on the numbers of foreign nationals hired per company in your jurisdiction?**

For the Supplementary Pay Limit scheme, it is a requirement that the gross unemployment in Denmark does not exceed 3,75%.

For the Positive Lists it is only the job categories listed that meet the requirements. It is not for everyone with a higher education.

### **23. Are there any exit procedures in your jurisdiction, if an individual is departing permanently?**

You must deregister from the Population Register in the municipality you have lived at the time you leave Denmark. Failure to do so can impose a fine.

### **24. Are there any requirements for medical**

**certificates or vaccinations for your jurisdiction?**

No.

**25. Are there any language requirements for your jurisdiction?**

Not as an immigration requirement but more as an employment demand in most jobs where either Danish or English is required. Persons issued with a work permit and dependants who have turned 18 are offered free Danish lessons. A deposit must be paid however, but refunded if you pass the different modules within a timeframe.

There are language requirements for permanent residence and citizenship.

**26. What are the government costs associated with a typical employment based visa?**

The government fees for employment-based visa are DKK 6,290 – approx. £ 710 / USD 920 / € 845 (2024-level). For Start-up Denmark the fee is DKK 2,490 – approx. £ 280 / USD 365 / € 335. The embassies and VFS centre also request a fee for handling the biometric features abroad.

The normal fee to the embassy is DKK 1,700 – approx. £ 195 / USD 250 / € 230. The fee to the VFS is locally decided.

Biometric features can be recorded for free in Denmark. However, it must be done within 14 days after submitting the application.

**27. Is a local contract of employment required in order to obtain a work based visa or work permit? Are there salary or other thresholds to be met?**

In theory no but very often it is required since the terms of employment must correspond to Danish standard but an appendix to the contract can be done instead.

Further salary must correspond to Danish standards and there is a minimum salary requirement if it is an application according to the Pay Limit Schemes.

**28. What are the maximum periods of stay for****individuals on an employment based visa / work permit?**

There is no maximum period of stay. You will get a temporary work permit for a maximum of 4 years, but which can be prolonged if the conditions are still met. If it is a fixed term work contract, then the maximum period is until expiry of the contract with an extra 6-month job seeking period. If another job is found, then an application must be submitted before start working.

**29. Does your jurisdiction allow dual nationality?**

Dual citizenship is allowed in Denmark since 2015, meaning you can apply for foreign nationality without losing your Danish citizenship. Earlier dual citizenship was only allowed if you obtained dual nationality automatically by birth.

If you lost your Danish nationality before 2015 due to this, it is possible to retain your Danish citizenship by application. The deadline for applications is June 30, 2026.

**30. What are the most positive aspects of your immigration system compared to the rest of the world?**

SIRI has an easy access to information on work permits available both in English and Danish on their webpage:

[www.nyidanmark.dk/en-GB/Applying/Work](http://www.nyidanmark.dk/en-GB/Applying/Work)

Further, they have tried to keep the work permit schemes as simple as possible for making it easy for high qualified worker to enter Denmark. However, some additional restriction has been put into the rules to try to avoid social dumping and to protect the Danish labour market.

But as a highly qualified sponsored employees it is rather easy to obtain a work permit either according to the Pay Limit scheme or the Positive List and within reasonable time – especially if the Danish entity is Fast-track certified.

Due to labour shortage, there is a political intention to ease the process for obtaining work permits and to strengthen international recruitment. Depending on the continued need for international recruitment additional possibilities might be implemented.

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