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Switzerland CORPORATE IMMIGRATION

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

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SWITZERLAND

CORPORATE IMMIGRATION





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

Cantonal labour market authorities

Federal Migration Office

Cantonal migration authorities

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

These are the permit types and timelines for the government processing of the application. Additional time should be considered for the document collection and the drafting of the applications.

Work permits for short term work and frequent business travels:

Online Notification 8 days lead time

120 day permit 4-8 weeks

4 months permit 4-8 weeks

Commuter permit

G permit* 4-8 weeks

Work and residence permits (duration of more than 4 months):

L permit* 4-8 weeks

B permit* 4-8 weeks

C permit* 4-8 weeks

*EU/EFTA nationals with a Swiss employment contract have a legal right to obtain a work and residence permit, hence no processing times apply.

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

There is no specific work permit type for founders or investors. For newly founded companies in Switzerland, we would recommend initiating the application process for non-EU/EFTA nationals through the cantonal promotion agencies. Work permits for either the founder or for key employees of newly founded companies are issued, if the applicant can justify, that the newly founded company positively contributes to the Swiss/cantonal economy. The authorities typically want to see, how many local jobs will be created, what taxable income will be generated or if the company can close a market gap or for example transfer new technology or know-how to Switzerland. Therefore, as part of the application pack, a detailed business plan, covering the above-mentioned points is required. Typically, work permits are initially issued for a limited duration of 6 to 12 months. As part of the extension process, the applicant will have to provide information, if the numbers in the business plan have been met.

Other unsponsored permit types are:

- Dependent permit (also see question 7 for more information)
- · Student permit
- Residence permit based on lump-sum taxation
- Residence permit for retired persons

All these permit types are only issued under strict eligibility criteria.

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

There is no accreditation process with the immigration office for employers and there are no strict or formal requirements for an employer to qualify as a work permit

sponsor. In general, the authorities would want to see, a positive contribution of the employer to the local economy. This is typically measured by the number of local jobs created, the technology or know-how an employer transfers or builds up in Switzerland or the taxable income generated in Switzerland. The cantonal immigration authorities assess this individually for each employer and there are no strict requirements in terms of the above-mentioned criteria. However, some cantons request exact numbers with the applications including the ratio between locally hired employees and non-EU/EFTA employees.

The reporting requirements depend on the permit type but typically change of roles, employer or decrease of salaries have to be reported to the authorities.

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

In most cantons, the application are still filed in paper, but more and more cantons are switching to an online form. All approval letters and the work permit are issued as physical documents.

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?

For work and residence permit application no interview of the candidate is required. However, in many cantons, the applicants need to register in person at the local community office to be work authorized as a final step of the process. Also, biometrics are required for the issuance of the permit cards.

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

Primarily eligible for dependent permits are:

- Spouse*
- Children up to 18 years if main applicant is non-EU/EFTA national
- Children up to 21 years if main applicant is

EU/EFTA national

Work authorization: If the main applicant receives a B permit, the spouse will directly receive a B permit with work authorization. In case the main applicant receives a L permit (short term work permit for maximum 2 years) the dependent typically will get a L permit without work authorization. If the dependent obtains an offer from a Swiss employer, a separate work permit application must be submitted. For these applications, no labour market testing needs to be submitted.

*In Switzerland, typically only legally married couples qualify for a dependent permit. For same sex partners a registered partnership is accepted if marriage is legally not possible in the home country. For non-married couples or dependents not mentioned above such as parents, adult children or also nannies, dependent permits are only issued in very exceptional cases and strong justifications are needed.

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

Both permanent residence and citizenship are applications that are submitted by the individual. Employers can support the process, but their involvement is not required.

Permanent residence (C permit)

A permanent residency can be applied for earliest after 5 years of uninterrupted residency in Switzerland. A few nationalities have a legal right to obtain a C permit directly after 5 years, based on bilateral settlement agreements. All other nationalities have to apply for the permanent residence permit and the approval is only granted under certain conditions such as language test and good integration. Non-EU/EFTA nationals can apply for permanent residency status after 10 years uninterrupted residency, in exceptional cases already after 5 years.

Swiss citizenship

The Swiss passport can be applied for after 10 years of residency. There can be an interruption of residency within these 10 years, but in the 5 years prior to the submission of the application at least 3 years residency in Switzerland is required. Furthermore, the applicant needs to hold a permanent residence permit at the time of submission of the application. Additional requirements

can be requested both on cantonal and communal level.

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

In general, for any gainful or productive activity, a work permit is required in Switzerland. Exemptions might apply under the so called 8-day rule, if the overall work does not exceed 8 days per calendar year. For EU/EFTA employers, the 8 days are counted per employer abroad, for non-EU/EFTA employers the 8 days are counted per individual employee. Therefore, for EU/EFTA employer, the practical relevance of the 8-day rule is very limited.

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

Remote work for an employer abroad is allowed, as long as the work has no impact on the Swiss (labour) market and if the employee has a legal right to stay in Switzerland. For these cases the expectation would be that there is no work executed in Switzerland for the benefit of a Swiss entity or client, no clients are served in Switzerland and that there are no interaction with Swiss team members.

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?

Please see question 9.

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?

There is no formal permit type for this type of activity in Switzerland.

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?

This should be assessed on an individual basis. EU/EFTA nationals with Swiss employment offers and all permanent residence holders have full flexibility on the Swiss labour market. For all other candidates, work permits can be linked to a role, employer, canton or project. For changes in their roles an assessment with the authorities is highly recommended before making an offer to an employee.

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

The main concerns for employers are the administrative labour market testing process, required for most non-EU/EFTA applications. Furthermore, the high salary costs in Switzerland and the required salary uplifts make employment and assignments in Switzerland expensive. Since the work permit applications are submitted with the cantonal migration authorities, employers with work locations in different cantons are confronted with different work permit application processes and requirements in each canton, which makes it difficult to set-up an efficient internal process.

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

In most cantons, there is no official fast track option available.

16. What are the recent trends, both political and social (including COVID-19 pandemic), that have impacted your jurisdiction with regard to immigration policy and law? How will this shape the immigration landscape moving forward?

We see a strong competition amongst global employers to attract highly skilled talents. Having efficient immigration processes, can play an important role for a successful recruiting process. We observe an increased political pressure to facilitate more efficient and flexible work permit options to address this need.

At the beginning of 2023 a series of measures were announced by the Swiss Federal Council to optimise the admission of qualified specialists from third countries (Non-EU/EFTA). The aim of these changes was to simplify the immigration process for roles with a strong lack of skilled workers and thus strengthen the Swiss economy.

The following main measures have been implemented as of 1st February 2023:

Removing the condition of proving that priority was given to domestic workers, provided that, there is a shortage of skilled workers in the specific economic area. According to the new directive it can be assumed that domestic potential has been exhausted in professions that are demonstrably affected by a distinct structural shortage of skilled workers. Often these are skilled workers who are also not available or only insufficiently available in the EU/EFTA labour market. In these cases, the legally stipulated proof of priority in enforcement can be eased. As a consequence of, the new directive, authorities responsible for examining work permit applications may refrain from demanding the proof that concrete search efforts have been made.

17. How is the COVID-19 pandemic shaping the immigration landscape in your jurisdiction?

The covid-19 pandemic has complicated short-notice business travel to Switzerland due to changing entry requirements. With an exemption of a short period at the beginning of the pandemic, applications have been processed and approved despite the pandemic, however processing times were more difficult to estimate at the beginning of the process.

Furthermore, the authorities have clarified their position on immigration requirements for remote work.

18. Are there any anticipated changes in the immigration laws of your jurisdiction?

We are also expecting that cantons will more and more offer online options to submit application packages.

Furthermore, potential changes can be expected with regard to non-EU/EFTA nationals that have graduated from a Swiss university as the quota restriction might be lifted for roles with a high economic and scientific value.

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

Most of the Swiss immigration process with the authorities is still in paper format. We see that slowly the cantons start to also offer online portals to submit application packages, but there is so far no Swiss-wide technology solution. We hope that in the near future, applications can be submitted, and approvals received

electronically. We expect the rollout of one national platform to submit applications online to be slow, but the authorities have confirmed that they will start with applications for refugee permits in a first step and the commuter permits in a second step.

We do see however a clear trend that internal processes to prepare or draft the work permit applications are more and more supported by technology.

Yes, for high volume providers or employers we see a clear trend that application letters and forms are supported by technology solutions to make the process more efficient.

20. What are the Right to Work requirements in your jurisdiction?

It is the responsibility of the employer, to ensure that all employees in Switzerland are always in position of a valid work permit. It is recommended to keep copies of the permits on file in case of an inspection.

21. 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?

Depending on the individual case, sanctions can vary from administrative fines to penal sanctions or the exclusion of the employer from the Swiss market (service ban).

22. Are there any quota and / or labour market testing requirements in your jurisdiction and if so, what do they involve?

For non-EU/EFTA applicants a labour market testing (LMT) process is required for most roles. Employers must prove, that they could not find any other suitable candidate on the Swiss and European market. Job postings must be published for at least 4 weeks on the local unemployment office homepage and on additional external job platforms. As part of the application documents, a detailed recruitment overview must be submitted. Exemptions from the LMT requirements might apply for intra-company transfers or for very executive roles. Furthermore, the Federal Migration Office published an amended directive in February 2023, requesting less strict administrative proof of the recruitment process for roles with a shortage of skilled workers (see also question 16). Please note that there

are significant changes on how the cantonal authorities have implemented this new directive.

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

Quota are applicable for work permit applications with a duration of more than 4 months. Exempt are locally hired EU/EFTA nationals.

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

Swiss residents must announce their departure with a de-registration at the local community office.

25. Are there any requirements for medical certificates or vaccinations for your jurisdiction?

There are no requirements for medical certificates. Please consult this homepage for the most up-to-date Covid travel requirements: <u>Travelcheck | Einreisecheck</u> (admin.ch)

26. Are there any language requirements for your jurisdiction?

Language requirements apply for the following cases:

- For dependent applications in case of non-EU/EFTA main applicant and non-EU/EFTA dependent a language course registration is required for the initial application and the language course certificate for the first extension after 12 months is required.
 - Required level: A1 in the official language of the canton (German, French or Italian depending on the canton)
- For permanent residence (C Permit) language requirements usually apply A1 written and A2 oral in the official language of the canton (German, French or Italian depending on the canton)
- Swiss naturalisation
 - Required level: Oral B1 and written A2 in the official language of the canton (German, French or Italian

depending on the canton)

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

The government fees for residence and work permit applications depend on permit type and canton. Typically, they are in the range of CHF 350 to CHF 1000 per application.

28. 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?

Work permits can be obtained either with a Swiss employment contract or based on an assignment letter. For all work permit applications (with the exemptions of locally hired EU/EFTA nationals) the Swiss minimum salaries have to be respected and they are checked by the authorities before they issue an approval. The Swiss minimum salary is calculated on an individual basis. Most authorities accept this online salary calculator: National wage calculator (admin.ch)

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

There are no strict limitations for the duration of employment based work permits. Limitations might apply for assignment or project based work permits. Project based work permits might be limited to 2 years (for L permits) while assignment based work permits are typically limited at 5 years

30. Does your jurisdiction allow dual nationality?

Yes.

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

In the Swiss immigration system, we have good access to the authorities. They are often open to discuss individual cases and are usually responsive and easy to get in touch with. Also, if the application has been submitted with a complete set of documents, the

processing times are efficient in most cantons

(depending on the application type between 3 and 8 weeks).

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