



**COUNTRY  
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# **The Legal 500 Country Comparative Guides**

## **The Netherlands CORPORATE IMMIGRATION**

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

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# THE NETHERLANDS

## CORPORATE IMMIGRATION



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

The Immigration and Naturalisation Service (*Immigratie-en Naturalisatiedienst; IND*) is an agency of the Ministry for Justice and Security which is competent to decide on applications for residence permits, entry visas and recognised sponsor status. The IND maintains the public register of recognised sponsors and is authorised to issue penalties to sponsors who violate sponsor duties. Other government agencies are involved, often in an advisory capacity, such as the Netherlands Enterprise Agency (*Rijksdienst voor Ondernemend Nederland; RVO*) and the Employee Insurance Agency (*Uitvoeringsinstituut Werknemersverzekeringen; UWV*), which advises on employability in applications in the Single Permit category. UWV also issues work permits. The Immigration Police and IND supervise the departure of illegal migrants, and the Netherlands Labour Authority of the Ministry of Social Affairs and Employment (*Arbeidsinspectie*) issues penalties for illegal working. Our embassies and consulates-general are competent to accept applications for visitor (Schengen C) and entry clearance visa (Schengen D; MVV) and to issue those visas.

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

The Netherlands has three schemes available for skilled workers. Applications under these schemes are not subject to a resident labour market test. These are:

- Highly skilled migrant (HSMP)
- European Blue Card (EBC)
- Intra-Company Transfer (ICT).

Under the Single Permit scheme (GVVA), certain categories of workers and certain occupations are exempt from the resident labour market test on grounds

that they require a certain capacity or skills which are scarce, such as athletes, performing artists and religious workers.

In addition, the Single Permit scheme allows for application which are subject to a resident labour market test.

The legal set processing time is 90 days. The IND makes an effort to decide within 2 weeks if an application has been filed by a sponsor with recognised sponsor status.

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

Citizens of the EU, EEA and Switzerland are allowed to remain in the Netherlands and work in any capacity without any (prior) immigration permission being required. Citizens of the United States, Japan and Bolivia are eligible for a residence permit to work as a self-employed if they incorporate a company, invest an amount of at least €4,500 and own at least 25% of the company. Citizens of Turkey are eligible for a residence permit as a self-employed if they meet specific criteria, related to making sufficient profit and to protecting the Dutch labour market. Others may be eligible for a residence permit as a self-employed if they score sufficient points under the points-based system for self-employed or if they qualify for a start-up visa.

Under the above-mentioned categories, applicants who are not citizens of the EU, EEA or Switzerland are not allowed to enter employment although they can be employed with their own company as a Director-Major Shareholder (DGA).

On 19 January 2023, the Dutch Government announced its intention to end the residency scheme for foreign investors by publishing a draft-amendment to the Alien Decree 2000 abolishing this immigration category.

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

A sponsor can be any company, legal body, or an establishment thereof, registered in the Trade Register, who made a written statement confirming to be sponsoring a particular migrant worker.

Organisations can apply for 'recognised sponsor status'. Recognised sponsor status is required to sponsor migrants under certain immigration categories e.g., highly skilled migrant, carrying out scientific research as described in the EU Directive 2016/801, study, or exchange/au pair. In other categories, the sponsor does not need to have recognised sponsor status.

All sponsors must comply with sponsor duties. Certain sponsor duties apply to all sponsors, whilst others are specific to recognised sponsors.

Sponsor duties applying to all sponsors are reporting duties (sponsors must report certain events to the IND within two or four weeks, such as moving office, termination of employment, departure and if the migrant worker ceases to meet conditions for eligibility) and record keeping duties (sponsors must keep documents and information for up to five years after termination of sponsorship. For employment-related categories, this includes the employment contract or transfer letter and payslips). In addition, recognised sponsors must comply with a duty of care which means that they must ensure a careful recruitment and selection process of migrant workers in the HSMP or ICT categories, which process must include providing information to candidates about the conditions for admission and residence and their rights and duties as a migrant worker under the Immigration Act.

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

Normally, applications are prepared on paper or filed by post. In certain categories, applications can be filed electronically. Visas are issued as a passport sticker and residence permits are issued as a biometric residence card, which serves as the holder's official ID.

#### 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?

In the employment-based categories, there is normally no interview. Entry clearance visa (MVV) applicants must visit the embassy or consulate in their country of nationality or residence to enrol their biometrics (digital photo, fingerprints, and signature) and to collect their visa. Residence permit applicants who do not need an entry clearance visa must visit an IND-desk in the Netherlands to enrol their biometrics and collect their biometric residence card. In some cases, residence cards are delivered to the holder's address by courier.

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

When a citizen of the EU, EER or Switzerland lawfully resides in the Netherlands and meets the conditions for residency under EU free movement, set in Directive 2004/38, the following persons will qualify as their dependant: the spouse, the registered partner, the unmarried and unregistered partner, and children below the age of 21, or others who meet certain additional conditions.

When sponsored by a citizen of the Netherlands or a person holding a residence permit in the Netherlands: The spouse, the registered partner, the unmarried and unregistered partner, and children below the age of 18 qualify as dependants. Others, notably parents and adult children of the applicant, are normally not considered eligible and must anticipate being refused unless they can successfully invoke Article 8 ECHR regarding the right to respect of family life and private life. The assessment under Article 8 ECHR differs per family member. Special, more lenient rules apply to family members of citizens of the EU, EEA or Switzerland and parents of Dutch children. The government has announced it is considering reimplementing an immigration policy for elderly parents.

Dependants of a citizen of the EU, EER or Switzerland and dependants of a permit holder under the HSMP, EBC, ICT, and self-employed can work, in any capacity, without immigration restrictions, provided their principal remains within one of these schemes. Others may or may not be allowed to work, depending on the policies of their immigration category.

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

The Netherlands has two categories of permanent residence:

- EU long-term resident.
- Permanent residence on national grounds.

To be eligible under the category of EU long-term resident, the applicant must:

- have been residing in the Netherlands for a continuous period of five years on a valid residence permit without being away from the Netherlands for more than six consecutive months, or more than 10 months in total.
- hold a residence permit for a non-temporary purpose at the time of the application for permanent residence.
- have passed the civic integration exam.
- have sufficient and durable income; and
- have had a residence permit for a non-temporary purpose throughout the five-year period. Student permits count for 50%. For example, if you held a residence permit for studies for four years, two years would count towards the five-year period.

To be eligible under the category of permanent residence on national grounds, the applicant must:

- have been living in the Netherlands for a continuous period of five years on a valid residence permit without being away for any continuous period of more than six months or more than eight months in any 12-month period.
- have a valid residence permit for a non-temporary purpose at the time of the application for permanent residence.
- have passed the civic integration exam; and
- have sufficient and durable income.

To be eligible for Dutch citizenship, a person would normally need to be residing in the Netherlands for a continuous period of five years on a valid residence permit and meet other requirements, including having passed the Civic Integration Exam. Special rules apply to certain groups, including applicants who are married or in a partner relationship with a Dutch citizen, living together with their Dutch spouse/partner for 3 consecutive years and former Dutch citizens.

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

Citizens of the EU, EEA and Switzerland are permitted to carry out any type.

Others will need a work permit, unless the work they will be carrying out is exempt from this requirement. The following are only the most notable activities, common to general business visitors outside specific categories such as international transport, sports and entertainment, military, education and sciences:

- Business meetings (max. 13 weeks in 52 weeks; multiple entry): Business visitors are permitted to conduct or attend business meetings. Typically, this will be meetings and discussions regarding the company and its development. Productive activities in the context of the company's business activities are never considered business meetings.
- Hardware/software (max. 12 weeks in 36 weeks; single entry): Business visitors are permitted to assemble or repair equipment, machines or devices that were delivered by their home country employer, or to give instructions on how to operate them. Further, business visitors are permitted to install, implement or adjust software that was delivered by their home country employer or to give instructions on how to operate it.
- Exhibition or stand (max. 12 weeks in 36 weeks; single entry): Business visitors are permitted to prepare, decorate, build or dismantle an exhibition or stand on behalf of a foreign principal.
- Receiving training or instructions (max. 12 weeks in 36 weeks; single entry): Business visitors are permitted to receive training or to receive operational instructions regarding goods that were manufactured in the Netherlands or services that will be performed in the Netherlands. Training and receiving instructions must be limited to observation, getting accustomed to company culture and receiving instructions in a classroom or in a similar setting that is clearly for instructional purposes (and not for productive work) and under guidance of an instructor/teacher. It must be clear from the setting of the training that it is training and not a group of employees carrying out productive work. This means that the training should not take place at the work floor. Attending meetings for the enhancement of the company culture is also

included in this waiver. Please note that the waiver only covers being a recipient of training. It does not cover being a conductor/trainer. Those activities require a work permit.

- Intra EU service provision (notification required).
- ICT permit holder (ICT mobility): Business visitors who are legally residing in another EU Member state on a residence permit as an intra-company transferee, issued under Directive 2014/66, are allowed to visit, and work, at a company in the Netherlands that is a subsidiary of their employer's group of undertakings, provided the work is properly notified to UWV.
- Visitors under the International Trade Regulation: Business visitors are allowed to work on a project that is admitted to the International Trade Regulation. A project may be admitted to the International Trade Regulation Scheme if there is a product or services delivery contract between a company based in the Netherlands and a company or independent contractor based outside the Netherlands, provided that it is necessary for non-EU workers to carry out work. Upon admission to the International Trade Regulation, visitors employed by the foreign based company or independent contractor can commence work provided that the work is properly notified with UWV.

In addition, citizens of the UK are permitted to carry out certain activities listed in the EU-UK Trade Agreement.

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

Citizens of the EU, EEA and Switzerland can remain in the Netherlands and work in any capacity without any immigration permission being required. This includes living in the Netherlands while being employed by a company outside the Netherlands. For others: If a person is employed abroad and seeks to live in the Netherlands while working from home, their employer abroad is not able to sponsor them in an employment-based category as this requires the employer/sponsor to be based in the Netherlands and registered in the Dutch Trade Register. If the foreign employer of the employee has a group company in the Netherlands, the employee could be sponsored under ICT, based on their home country employment provided the eligibility requirements for ICT are met. If the foreign employer does not have a group company in the Netherlands, the employee could be

sponsored by a payrolling company in the Netherlands, sponsoring the employee under HSMP or EBC and making the employee available to the material employer abroad to work for that company from the Netherlands, remotely.

### **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 number 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?**

No. We have no indications that the government is considering this.

### **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?**

Permit holders can apply to convert their residence permit to another category in-country. Moreover, permit holders under HSMP, EBC and GVVA can seek for a new job/sponsor during a period of 3 months following the termination of employment, provided that the individual's residence permit is valid for at least 3 months after the termination of employment.

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

Most issues arise from companies being unaware of the scope of the work permit requirement when allowing foreign nationals who are not from the EU, EER or Switzerland to carry out work or being unaware of the scope of their sponsor duties. Please see our answer to question 21 for an outline of the sanctions that may be imposed for not fulfilling the sponsor duties and for failing to meet the work permit requirement when allowing foreign nationals who are not from the EU, EER or Switzerland to carry out work.



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

Organisations can apply for recognised sponsor status. The standard legal set processing time for entry clearance visa and/or residence permit applications 90 days, but if the sponsor is recognised, the IND makes an effort to decide within two weeks, which effort is normally met.

### 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?

The most notable events, politically and socially, have been the war in Ukraine and the recent child care benefits scandal ('Toeslagenaffaire').

Due to the war in Ukraine, the Dutch embassy in Kyiv is not open for consular and visa services. Citizens of Ukraine who seek refuge in the Netherlands are admitted under the Temporary protection scheme and receive reception and are allowed to work under a notification scheme. Those who are applying under a non-asylum category are waived from the requirement to collect an entry clearance (D) visa. Sanctions are in place against Russia which prevent service providers from providing (immigration) services to Russian companies and individuals who are subject to sanctions. Currently, the Dutch embassy in Moscow is not issuing Schengen visitor (C) visa.

Due to the child care benefits scandal, government bodies and courts are revisiting their policies and conduct in matters of administrative law, which is resulting in more emphasis on a more careful assessment of the concrete situation of the individual applicant and less emphasis on the strict letter of the law. As a result of revisiting the immigration policies, the government has announced it is considering reimplementing an immigration policy for elderly parents.

On 19 January 2023, the Dutch Government announced its intention to end the residency scheme for foreign investors by publishing a draft-amendment to the Alien Decree 2000 abolishing this immigration category.

### 17. How is the COVID-19 pandemic shaping

### the immigration landscape in your jurisdiction?

The most notable COVID related event have been the Schengen entry ban for visitors. All COVID-19 entry restrictions have been abolished.

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

Please see question nr 16.

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

The technological developments have already resulted in filing and other communications with the IND shifting from paper to online. We expect the application process for the non-asylum categories will become 'paperless', relatively shortly.

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

Employers are legally required to verify the identity and right to work of their employees before they commence to work. Employers are recommended to read and implement the *Stappenplan Verificatieplicht* (A Step-by-step on Verifying Identity of Workers) in their company policies. This is a set of guidelines published by the Ministry of Social Affairs and Employment informing employers on how to conduct identity and right to work verification in 5 steps. It is published online and can be found here:

[https://www.nlarbeidsinspectie.nl/?utm\\_campaign=inspectorateszw.nl&utm\\_source=inspectorateszw.nl&utm\\_medium=redirect](https://www.nlarbeidsinspectie.nl/?utm_campaign=inspectorateszw.nl&utm_source=inspectorateszw.nl&utm_medium=redirect). It is only available in Dutch.

### 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?

The following penalties can be imposed for illegal working and additional violations:

■ Illegal working: €8,000.

■ Failure to provide a copy of ID to enforcement agents within 48 hours: €8,000.

- Failure to notify work that must be notified: €1,500.
- Failure to provide the secondary employer with a copy of ID: €1,500.
- Failure of the secondary employer to verify ID: €1,500.
- Failure of the secondary employer to keep a copy of ID on record: €1,500.

Employers who are an individual or a foundation or non-profit association which has had work carried out outside a business scope will normally receive a penalty of 50% of the amount. 'Outside business scope' means that the work carried out must be non-profit by nature.

The Work by Foreigners Act and the penalty scheme require the Labour Inspector to lower the amount by 25%, 50% or 75% if there are mitigating factors or to raise the amount by 50%, 100% or 200% in the case of recidivism, depending on the circumstances and the nature of the violation.

Following a 2022 Council of State ruling, the Netherlands Labour Authority is only allowed to impose the maximum fine for illegal work and failure to provide a copy of an employee's ID to enforcement agents within 48 hours if the employer has intentionally neglected to verify the employee's identity and right to work. If such a violation is the result of the employer's gross negligence, the fine must be lowered to 75% of the maximum amount. If there is a normal level of culpability, then the fine must be lowered to 50% of the maximum amount. In case of a reduced level of culpability, the fine must be lowered to 25% of the maximum amount. The Netherlands Labour Authority is required to follow these instructions until it has amended the penalty scheme.

In addition, UWV can refuse work permit applications if the person or legal body applying for a work permit has been issued with a penalty in the five years prior to the application.

Further, UWV can advise the IND to refuse employment-based residence permits in the Single Permit category if the employing sponsor received a relevant penalty in the five years immediately prior to the application.

For violation of sponsor duties, The IND can impose a penalty of € 3,000 per violation, which amount can be increased in case of repetition or mitigated if there are mitigating factors.

## **22. Are there any quota and / or labour market testing requirements in your**

## **jurisdiction and if so, what do they involve?**

Work permits and Single Permits (GVVA) are subject to a resident labour market test. The skilled-worker categories (HSMP, EBC and ICT) are exempt from the labour market test. The skilled-worker categories (HSMP, EBC and ICT) are exempt from the resident labour market test. In addition, certain categories of workers and occupations are exempt. These exemptions include athletes in the highest level of competition; professional soccer players; religious workers; teachers in international education; trainees and interns; musicians; performing artists; and conservators and restorers working for a museum which is a member of the Association of Museums.

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

There is a quote for working- holidaymakers who are citizens of Hong Kong (100), South Korea (100), Argentine (100), Japan (200), Taiwan (100) and Uruguay (100.). There is no quote for working-holidaymakers from Canada, Australia and New-Zealand. Single Permits and work permits cannot be issued to citizens of North-Korea.

The number of foreign trainees at the Secondary Vocational Education level who are not citizens of the U, EEA or Switzerland, may not exceed 10% of the employer's permanent workforce, with a permitted minimum of 2 trainees. This restriction does not apply to trainees holding W-document (an identity card for asylum applicants) and those who have been granted a residence permit for studies.

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

The individual must deregister from the Population Register municipality where they are residing and return their residence card. If the individual is sponsored, the sponsor must notify the IND that it is ceasing to be the individual's sponsor.

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

Nationals of certain countries must take a TBC-test with the Local Health Centre (GGD) upon arrival.

## 26. Are there any language requirements for your jurisdiction?

Applicants who are subject to the Civic Integration Programme and who need an entry clearance visa (MVV) must pass the Civic Integration Test Abroad as a prerequisite before filing their visa application. This exam is facilitated by the Education Executive Agency (DUO) and the Dutch embassy or consulate covering the applicant's country of origin or main residence. Upon arrival in the Netherlands, the applicant must enrol in the Civic Integration Programme which must be completed in three years from arrival. Applicants who do not need an MVV must enrol in the Civic Programme upon arrival in the Netherlands. Applicants under HSMP, EBC and ICT and their dependants are exempt from these requirements.

Applicants, who are not EU, EER or Swiss, must pass the Civic Integration Exam as a requirement for being eligible for permanent residency, even if they are not required to enrol in an integration programme. All foreign nationals applying for Dutch citizenship must pass a Civic Integration Test, regardless of their citizenship. Applicants who are not able to take the test (e.g. due to medical circumstances) may be exempt from having to take the test.

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

This varies per immigration category. Typically, the government filing fee for an employer-sponsored residence permit is € 350. All government filing fees are published on <https://ind.nl/en/fees-costs-of-an-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?

Applicants under EBC must always have a local employment contract with their sponsor. Applicants under HSMP will normally need a local employment contract, however there are some exceptions. Applicants under ICT must remain in home country employment. Applicants under GVVA may have a local contract or be employed abroad, depending on the rules that apply to their situation.

These are the salary thresholds to be met:

### HSMP

- 30 years or older: €5,008 gross per month (exclusive 8% holiday allowance).
- 29 years or younger: €3,672 gross per month (exclusive 8% holiday allowance).
- Graduate scheme: €2,631 gross per month, regardless of age (exclusive 8% holiday allowance).

Moreover, the salary must be in according with Dutch market level.

These salary thresholds are amended per 1 January of each year

### EBC

- € 5,867 gross per month (exclusive 8% holiday allowance).

This salary threshold is amended per 1 January of each year.

### GVVA

- a market level salary (minimum: the legal set minimum wage: € 1,995 gross per month, exclusive 8% holiday allowance)

This salary threshold is amended per 1 January and 1 July of each year.

### ICT

A market-level salary. Salaries meeting the HSMP age-based thresholds, inclusive 8% holding allowance, are considered market level.

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

Residence permits are only issued if the applicant will be taking up residency in the Netherlands i.e. will be staying in the Netherlands for more than 3 months.

Under the HSMP, the residence permit is issued for the duration of the employment contract, to a maximum of five years and is extendable for such periods.

Under the EBC, the residence permit is issued for the duration of the contract (which must be at least 12 months) plus 3 months, to a maximum of four years, and can be extended.



Under the ICT, the residence permit is issued for the duration of the assignment to a maximum of three years and cannot be extended beyond three years. A new ICT permit can be issued after a cooling off period of 6 months outside the Netherlands.

A GVVA is issued for the duration of the employment agreement or assignment to a maximum of 2 year or 3 years, depending on the rules that apply to the applicant's situation.

### 30. Does your jurisdiction allow dual nationality?

The principal rule is that applicants for Dutch nationality by way of naturalisation must renounce their other nationalities. There are limited exceptions to this rule.

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

The most positive aspect of our system for employment-related immigration is its predictability on outcome. The key conditions of the HSMP, EBC and ICT are objective and non-discretionary for the IND, which allows for a very predictable assessment of the outcome of an application.

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