

# Human Resource Services\*

## News from the Nordic countries



Issue 3, May 2009

### Introduction

We are happy to provide you with our latest issue of News from the Nordic Countries. The newsletter includes updates from the Nordic countries in respect of immigration, tax and social security. When business needs require the specific expertise of a foreign employee in a certain position or for a temporary project, it should be taken into consideration that immigration rules may restrict certain foreign employees to start working in the Nordic countries on a short notice. In this issue's theme we provide you with an overview of the immigration rules applicable in Denmark, Finland, Norway and Sweden. Our Global Immigration Network will gladly provide you with more information on this topic.

We wish you a good summer and we will be back with our next issue early September!

Erland Nørstebø – Partner HRS Norway

### News

#### Sweden

As of 15 December 2008, several rules within immigration have been amended. Prior to the amendment of the rules, an employee could be granted a work permit for a maximum of four years (intercompany transfer) and the work permit was limited to an employer and a specific position. According to the amended rules, the work- and residence permit is only limited to a certain employer and a certain position during the first two years. The new rules allow the employee to change employer after two years, i.e. year three and four. The new situation provides more flexibility to the employee and less control for the employer, for example, the employee can negotiate with new employers in Sweden after two years.

#### Norway









The Norwegian tax authorities have introduced a website for foreign employers, employees and Norwegian employers with foreign employees. The website contains practical information about the rights and obligations relating to tax and working in Norway and is available in Norwegian, English and Polish. The website's address is [www.taxnorway.no](http://www.taxnorway.no).

### CLIENT EVENTS

4 June 2009	Transfer Pricing Forum	Helsinki
5 June 2009	Cross-border Mergers Forum	Helsinki



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# Theme: Immigration

Based on article 39 of the EC Treaty, every citizen of the EU has the right to work and live in another EU Member State without being discriminated on grounds of nationality. As from the first EU accession that took place in May 2004, a transitional period started of seven years during which the 15 "old EU countries" were given the opportunity to apply certain conditions to restrict the free movement of workers from the EU10 countries (who joined in May 2004: Cyprus, Estonia, Hungary, Latvia, Lithuania, Malta, Poland, Slovenia, Slovakia and Czech Republic) and the EU2 countries (who joined in January 2007: Romania and Bulgaria). Below we provide a brief overview of current immigration requirements in the various Nordic countries.

## Norway

All foreigners moving to Norway are obliged to register their name and address in Norway with the National registry within eight days after arriving in Norway.

**Nordic nationals** may enter, stay and work in Norway without a visa and can work in Norway without applying for a work permit.

**EU/EEA nationals** may enter Norway without a visa and are allowed to work for up to three months from the date of arrival before applying for a work permit. The work permit can be applied for in Norway at the Service Centre for foreign workers. Special transition rules for immigration requirements apply for Bulgarian and Romanian nationals.

**Non-EU/EEA nationals** can never start to work in Norway without a work permit already granted. Whether they can come to Norway without a visa depends on the agreement between Norway and the respective country. If already in Norway, the work permit can be applied for in Norway at the Service Centre for foreign workers. The Norwegian employer can apply for a work permit on behalf of the employee if given a power of attorney (regardless of whether the employee needs a visa to enter Norway or not).

## Finland

**Nordic nationals** are exempted from the residence permit requirement and they do not have a registration liability at the local police but they should register themselves in the population information system if their stay in Finland exceeds six months.

**EU/EEA nationals** as well as the citizens of Switzerland and Liechtenstein do not need residence permits, worker's residence permits or visas in order to stay and work in Finland. However, they have to register themselves with the local police in Finland if their stay exceeds three months.

**Non-EU/EEA nationals** need a residence permit and/or worker's residence permit in case they are going to stay and work in Finland. In certain circumstances the immigration authorities grant an exception from the worker's residence permit and/or residence permit requirements. No separate work permits are issued any more. The first permit shall be applied via the embassy or consulate of Finland in the home country. Only in exceptional cases the first permit can be applied while already staying in Finland.

If a foreigner's stay in Finland does not exceed three months, he will be exempted from both residence permit and worker's residence permit requirements. However, a visa is required in this case unless Finland has concluded a visa exemption treaty with the home country. In case it is likely that the stay exceeds three months in total, the individual must apply for the residence permit from the very beginning of the stay.

## Denmark

**Nordic nationals** may enter, stay and work in Denmark without a work and residence permit. If residence is taken up in Denmark, the authorities must be notified.

**EU/EEA nationals** may enter Denmark without a visa and are allowed to work for up to three months from the date of arrival before applying for a residence permit. If the stay is intended to last for more than three months, an EU/EEA residence permit must be applied for.

**Citizens of new EU member states:** From 1 May 2009, citizens of the new EU member states have the same right as EU citizens.

**Non-EU/EEA nationals** may stay in Denmark without a residence permit for no longer than three months or for the period indicated on a required visa. These individuals will have to apply for a residence and work permit before they arrive in Denmark.

## Sweden

**Nordic nationals** do not need to apply for a residence or work permit with the Swedish Migration Board and they do not need to register their right of residence in Sweden. When nationals from the other Nordic countries move to Sweden and intend to stay here for more than 12 months, they need to register with the Swedish Tax Agency upon arrival to Sweden. If they are going to stay here for shorter time than 12 months and are liable to pay taxes or file a tax return in Sweden, they should be tax registered and apply for a Special Identity Number. Nordic nationals moving to Sweden from another Nordic country need to deregister in their home country before moving to Sweden. The Tax Agency in the home country will then inform the Swedish Tax Agency of the move.

**EU/EEA nationals** from other countries than the Nordic countries do not need a work permit. Nationals from EU/EEA countries must register their right of residence with the Migration Board if the stay is intended for more than three months. The right to reside in Sweden is normally granted if the person is employed, self-employed, provides or receives services in Sweden, is a student or has sufficient funds. EU/EEA nationals who work in Sweden but live in another EU/EEA country do not need to register with the Migration Board if home trips are made weekly.

**Non-EU/EEA nationals** who want to work in Sweden must have a work permit from the first working day. A residence permit is also required if the person is going to work for a period of more than three months. Citizens of certain countries must have a visa to stay for periods of less than three months, however, they are not allowed to work without a work permit. Normally, the permits and/or visas are applied for with the Swedish consular representative in the home country before arrival to Sweden. The permits must be granted before entrance to Sweden.

