

Mobility: Immigration alert

March 2023



Denmark

Denmark passes bill simplifying hiring of third-country nationals

Executive summary

On 23 March 2023, the Danish parliament passed a bill amending the Danish Aliens Act, which aims to make it easier for companies to recruit third-country nationals. The bill, which amends several rules in the Aliens Act and replaces many immigration schemes with more lenient ones, will go into effect on 1 April 2023.

Key developments

The bill proposes the following changes to the immigration regulations for third-country nationals:

- ▶ *Adoption of a new supplementary pay limit scheme.* Under the new supplementary pay limit scheme, third-country nationals will be able to apply for Danish work and residence permits if they earn an annual salary of at least DKK 375,000 via employment (down from DKK 465,000 currently).
- ▶ *Easier access to fast-track certification.* Danish companies that seek to apply for fast-track certification must have at least 10 full-time employees (down from 20 currently). Companies with fast-track certification are eligible to apply for expedited processing of work permit applications, and applicants sponsored by them are subject to more flexible terms (e.g., exemption from the requirement to register with the local authorities in Denmark).
- ▶ *Expanded job search period for international students.* Eligible third-country nationals who complete a bachelor's, professional bachelor's, master's or doctoral program at a Danish institute will automatically be granted a three-year job search period, during which they will be able to seek employment and reside in Denmark following the completion of their course without obtaining a separate residence permit. The new job search period authorization will replace

the current Establishment Card Scheme for new graduates, which allows them to stay in Denmark for up to two years after completing their course.

- ▶ *Expansion of the Positive List for People with a Higher Education (i.e., "the Positive List").* The current Positive List will be expanded to include more job titles in positions and industries where there is a lack of employees in Denmark. In addition, jobs on the Positive List will remain on the list for at least two years, as opposed to the current period of six months. The list will be updated in January and July every year.
- ▶ *Extension of the Start-up Denmark Scheme.* The existing Start-up Denmark scheme for entrepreneurs will be expanded to include third-country nationals who already own a business outside of Denmark and seek to open a branch in Denmark, as well as those who already own a business in Denmark. Currently, the scheme is only open to third-country nationals who plan to establish a new business in Denmark at the time of filing their application.

Impact on employers

The proposed changes are expected to benefit employers by streamlining the immigration process for third-country nationals and enhancing their access to global talent.

Key steps

EY will continue to monitor these developments. Should you have any questions, we encourage you to contact one of our immigration professionals.

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