

Mobility: Immigration alert

March 2023



Denmark

Danish parliament debates bill proposing major immigration changes

Executive summary

On 21 February 2023, the Danish parliament began debating a proposed bill which aims to simplify the hiring process for Danish companies that employ third-country nationals. If passed by the parliament, the bill, which proposes amendments to the Danish Aliens Act, will go into effect on 1 April 2023.

Key developments

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

- ▶ **Revised salary threshold.** Under the new Supplementary Pay Limit Scheme, eligible 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 (down from DKK 465,000 currently). In general, third-country nationals employed by Danish companies must earn a salary that corresponds to that paid to Danish nationals in similar positions with similar educational backgrounds and work experience.
- ▶ **Relaxed requirements for 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).
- ▶ **Job search period for graduates:** Third-country nationals who complete a bachelor's, professional bachelor's, master's or doctoral program at a Danish institute will be eligible to

seek employment and reside in Denmark for up to three years following the completion of their course without obtaining a separate residence permit. Currently, after completing their course, these individuals must apply for an Establishment Card, which allows them to stay in Denmark for up to two years. If the proposed job search period is implemented, the Establishment Card scheme is expected to be discontinued.

- ▶ **Expansion of the Positive List for People with a Higher Education (i.e., the "Positive List").** More job titles will be added to Denmark's [Positive List](#) to increase the number of opportunities available to eligible third-country nationals.
- ▶ **Extension of the Start-up Denmark scheme.** Third-country nationals who already own a business outside Denmark and seek to open a branch in Denmark, as well as those who already own a business in Denmark, will be eligible to apply for a residence permit under the extended Start-up Denmark scheme. Currently, this scheme is open only to those who plan to establish a new business in Denmark at the time of filing their application.

The bill will be debated again in the parliament for the second time on 21 March 2023 and for the last time on 23 March 2023. The parliament will then vote on it on the same day. If passed, the new amendments will be implemented starting on 1 April 2023.

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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