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Emerging Workforce and Immigration Trends
Business Travel and International Remote Work

Global Employer Services Turn It Up

Your Session Presenters

The new ways of working and changes in immigration rules have yet again shifted the trends when it comes to **international remote work** and **business travel.**

This session will explore those trends and what the future might hold.

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Agenda

Opening and Intro (Poll)

Key updates
- Business travel and international remote work (IRW)
- Electronic Travel Authorisations

Remote work
- IRW vs business travel
- UK Electronic Travel Authorisation, Europe Exit and Entry System (EES), and European Travel Information and Authorisation System (ETIAS)
- Case Studies
- Connecting across the businesses

Questions

Polling Question #1
Over to you

Go to **www.menti.com** on your phone

Enter code 3627 7490

? Does your organisation allow periods of international remote work (IRW)?

Please select one answer

A **Yes – through a formal IRW policy**

B **Yes – informally on an ad-hoc basis**

C **No**

Poll Question #2

Over to you

Go to www.menti.com on your phone

Enter code 3627 7490

Have you come across cases whereby individuals are working remotely from another country, without formal company authorisation?

Please select one answer

☑ **Yes**

☑ **No**

Key Updates

Business Travel

- A digital world- there is a trend for countries to implement electronic travel authorizations (ETA) similar to the US ESTA.

- What is an ETA?

- Visa-free nationals

- A way to strengthen border control

- Monitor visitors coming into the country

- In the last 12 months, the UK and Israel have implemented a travel authorization system.

- Countries such as Japan and Thailand have confirmed that they are working to implement their own ETA.

- Additional countries are expected to implement their own ETA in the coming years.

- ETAs vs electronic visas vs traditional visas

- A closer look at the UK Electronic Travel Authorisation (ETA), EES, ETIAS

Immigration Restrictions

- Business travel activities
Some countries are working towards having more defined business allowed activities while others do not have clear guidance on the allowed business activities.

- Schengen Area duration limitation for visitors such as UK nationals

- US Travels

- Extended processing time for Russian/Belarussian nationals

- Schengen appointment wait times

International Remote Work (IRW)

- Remains a key part of today's EVP for many organisations

- More mature programmes are looking at policy updates (e.g. guardrails/thresholds)

- OECD may provide IRW updates later in 2025.

- Some countries do allow remote work under visitor rules on a temporary basis (e.g. Turkey, Portugal).

- Digital Nomad Visas (DNVs)
  — 46 countries spread across globe (14 in Europe and 20 in LATAM). The rate of implementation of DNV regimes has slowed.
  — Some companies do not support nomad visa applications due to certain requirements such as a home employing contract.

- Short-term (restricted) IRW remains most common but long-term remote work is increasing.

- Requests for increased agility; casting talent net further; right talent any place

Poll Question #3

Over to you

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Looking forward, which areas will your business explore further?

Please select all that apply.

- ☑ **Long term / permanent remote working to address talent needs**
- ☑ **Commuter arrangements**
- ☑ **Virtual assignments**
- ☑ **Use of Global Employment Company (GEC)**
- ☑ **Use of Employer of Record (EoR)**
- ☑ **Use of Independent Contractors**
- ☑ **Don't know / not applicable**

Business Travel vs IRW – a reminder of key principles

Business travel

Business travellers are individuals who travel short-term on behalf of their employer for work-related purposes. Typical business travel activities include:

- Business meetings
- Participating in conferences, seminars, workshops, training sessions
- Market research
- Visiting company facilities

NOTE: This is not a universal list. Each country has their own business visitor rules.

- Employer driven
- Depending on the country combination, may be visa-free, may require a business visa, or may require a work authorization
- Typically, business travel is covered by company's business travel/medical insurance policies.

IRW

- Work arrangement where an employee performs their day-to-day responsibilities outside of their employing country
- Employee-driven
- Individuals require the inherent immigration right to work in the international remote work location
- Work is usually from hotels, temporary apartments, or family homes abroad using digital technology/internet to stay connected to their organisation

Different rules apply to international remote work. It is not considered business travel. However, as remote work becomes more important, some countries have decided to adjust visitor travel rules to permit remote work as long as it is incidental to the main activity (e.g. UK, Australia). On the other hand, some countries do allow remote as a sole purpose under visitor rules (e.g. Portugal). **Rules are not always clear and can be difficult for business to navigate compliantly**

- Typically, IRW is not covered by company's business travel/medical insurance policies.

Poll Question #4

Over to you

Go to www.menti.com on your phone

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To what extent do your employees understand the differences between a business trip and international remote work?

Please select one answer.

☑ **They tend to understand it - we have clear FAQs on this point**

☑ **They don't understand it**

☑ **Don't know – we have no FAQs on this point**

UK Electronic Travel Authorisation (ETA)

Aimed at better tracking and monitoring of travellers to the UK

What is the UK ETA?

- Non-UK/Irish nationals from countries who currently do not need a short-term visit visa to enter the UK.
- Each traveler must apply for their own ETA, including children.
- Phased roll-out:
  - Completed: Bahrain, Kuwait, Oman, Qatar, Saudi Arabia, and United Arab Emirates
  - Completed: Eligible non-Europeans can apply in advance from 27 November 2024 and will need an ETA to travel to the UK from 8 January 2025.
  - Upcoming: Eligible Europeans can apply from 5 March 2025 and will need an ETA to travel to the UK from 2 April 2025.
  — The full list of nationalities to be included in the next ETA expansion can be found [here](#).
- The fee is £10 per application (there is a discussion to increase the fee to £16).
- Valid for 2 years or until passport expiry (whichever is first).

WHO will need/not need an ETA?

- Visa-free nationals.
- Irish nationals or those with Irish residency and travelling from Ireland will not need one.
- UK visa/permit holders will not need one.

ETA – Key considerations:

- Increased monitoring of visitors travelling to the UK
- Required for visits to the UK
- Consequences if ETA is not obtained prior to travel
  - Delayed travel
  - Last minute travel plan change
  - Impact on entry into the UK
- Practical next steps
  - Planning ahead
  - Education within the wider business
  - Raising employee awareness
  - FAQs

Schengen Entry and Exit System (EES)

Aimed at improving the efficiency of tracking travellers to the Schengen Area

How will the system work?

EES will collect:

Identity

EES will record:

Date and place of entry and exit

Entry refusals

EES will replace:

Passport stamping

WHAT is the EES?

- An automated IT system which will register short stay visa holders and visa exempt travellers each time they enter and exit an external border.
- A replacement of the current system of passport stamping.
- To digitise the tracking of non-EU/EEA/Swiss visitors entering and exiting.

WHO must use the EES?

- Non-EU/EEA/Swiss nationals, visa-required and visa-exempt nationals, travelling for a short stay visit to a participating European country.

WHY the EES?

- Improve the quality and efficiency of the external border controls.
- Replace the need for passport stamping.
- Provide precise information to travellers regarding the maximum duration of their authorised stays in the territory of the participating European countries.
- Systematically prevent irregular migration and identify over-stayers.
- Reinforce internal security and support the identification of terrorists, criminals, suspects, and victims of crimes.
- The country entry points implementing the EES can be found here.

European Travel Information and Authorisation System (ETIAS)

Aimed at strengthening Europe's external borders

What is the ETIAS?

- The European Travel Information and Authorisation System (ETIAS) is expected to go live sometime in 2025, dependent on the EES implementation.

- The ETIAS is completely electronic, linked to the traveller's passport.

- One ETIAS for all 30 participating countries listed here.

- Although this additional requirement may at first seem cumbersome, it is not a visa process.

- The process of obtaining an ETIAS will be straightforward with the application to be processed online.

- The fee is 7 EUR per application.

- Valid for 3 years or until passport expiry (whichever is first).

WHO will need an ETIAS?

- Non-EU/EEA/Swiss nationals from countries who currently do not need a short-term visit visa to enter the participating 30 countries.

- Nationals from over 60 visa-exempt countries

- Each traveler must apply for their own ETIAS, including children.

EES and ETIAS key considerations:

- Sophistication of tracking visitors

- A key part of travel readiness

- Aggregation of all days in the zone – business travel, remote work where permissible under visitor status, and/or leisure time

- Employees should track all days in the Schengen Zone.

- Consequences if ETIAS is not obtained
  - Last minute travel plan change
  - Overstayers will be visible to the authorities
  - Impact on entry into the European countries

- Practical next steps
  - Education within the wider business
  - Raising employee awareness; tracking and monitoring
  - FAQs

A Closer Look

European Union, Schengen Area, and Switzerland

Switzerland
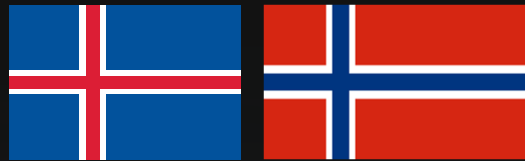
**Iceland
Norway
Liechtenstein**

Cyprus

*currently not part of the Schengen Area, will implement ETIAS

Austria	Germany	Poland
Belgium	Greece	Portugal
Bulgaria	Hungary	Romania
Croatia	Iceland	Slovakia
Czech Republic	Italy	Slovenia
Cyprus*	Latvia	Spain
Denmark	Lithuania	Sweden
Estonia	Luxembourg	
Finland	Malta	
France	Netherlands	

Case Studies

Case study #1 – Remote work as a visitor: counting days in the Schengen Zone

Scenario

- UK based Employee wants to remote work from Portugal from time to time

- Employee, who is a UK national, travels frequently for business meetings to <u>other Schengen</u> countries.

- As a UK national, the Employee is limited to 90 days in a 180-day rolling period in the entire Schengen Area.

Considerations

- Portugal allows remote work as a visitor

- The Employee can work remotely under <u>visitor rules</u> in Portugal, BUT the employee is limited to **90 days per 180-rolling period in the entire Schengen Area including Portugal.**

- The remote work periods in Portugal count towards the 90/180-day allowance which they will need for their business travel and/or perhaps leisure travel to Portugal or other Schengen Area countries.

- A part-day counts as a day

- Tracking of presence in the Schengen Zone is essential, particularly for those who do a lot of business and leisure travels

- "Under-the-radar" international remote working will become more visible

- Choosing between time spent in Portugal to remote work vs time spent in other Schengen Area countries for holiday or business trips

Example

- Although 90 days may seem plenty, days spent here and there add up.
  - Jan – 31 days (holiday in PT and 10 days remote work in PT plus weekends)
  - May - 14 (2 weeks remote work in PT and weekends)
  - June – 14 days (2 weeks holiday in Greece)
  - Each month – 5 days, totalling 25 days over 5 months (business trips to NL, BE and RO)

- Need to keep track of the 90/180-day limitation in the Schengen Area

- The Schengen authorities will have a better way of tracking and monitoring visitors' entry and exit dates to prevent overstayers.

Case study #2 – Longer term remote work outside the UK

Scenario

- UK based Senior Executive wants to live and work remotely from Spain on a long-term basis
- Family will accompany to Spain. They wish to rent then buy a property in Spain.
- Company has no entity in Spain.
- Job can be done remotely.
- Intention to work mainly in Spain, but with regular work (1 day per week) back in the UK.
- The individual's role requires regular business travel to other European Countries in the Schengen Zone.

Immigration

- Some nationalities will have exemptions to requirements for permits (e.g. EU nationals working in other EU countries).
- Consider UK immigration impact if UK permit holder.
- For UK nationals: Longer period of remote work will require a permit/visa.
- No entity – therefore, company cannot sponsor for Spain. What are the options?
- Does Spain support remote working as a visitor?
- Are there digital nomad visa options? What is your organisation's policy toward Digital Nomad Visas (DNVs)?
- If DNV is obtained, the 90/180-day limitation would not apply for Spain. What is the interaction with the 90/180-day limitation in other Schengen countries?

Tax, SS & Employment Law

- Corporate tax PE risk should be assessed.
- Long-term IRW – individual will likely be tax resident in Spain.
- May be able to avail of Spain's special tax regime
- If no PE, Spanish tax liability may be discharged through individual tax return.
- On UK payroll – need to consider NT code if no UK duties or s690 to stop/reduce UK PAYE withholding.
- Individual will be liable to social security in Spain. UK company will need to register for Social Security in Spain.
- If DNV route, per Spain's rules, UK employment contract must be amended to incorporate clauses relating to remote work.
- Individual will acquire employment law rights in Spain.

International Remote Work

Connecting across the business: HR, Business tax, Employment tax, Mobility, Legal etc.

Strategy

Is the **current policy** operating as intended and aligned to your strategy?

What is the process for **assessment?** Are there any recurring **traffic lanes**? Changes needed to assessment process re ETIAS?

Stress-test remote working scenarios to inform decision-making

What **eligibility criteria** is being applied– what exclusions are you making?

Remind your organisation that the rules **differ for business trips** and individuals performing **international remote work** of their **own volition**

New UK Electronic Travel Authorisation **(ETA),** Entry and Exit System **(EES)** and European Travel Information and Authorisation System **(ETIAS).** Impact on **business travel**

Implementation, evolution and continuous improvement

Review and evolve your **guardrails and policy**. Identify **exceptions**

Implement clear **communications and governance** to encourage **accountability,** including **updated FAQs** e.g., for new ETIAS etc.

Track international remote work cases to facilitate discharge of your employer duty of care, external and internal audit

Aggregate with business travel and other cross border scenarios to assess **corporate footprint**

Report back on volumes to the business and connect regularly with corporate tax

Connect with your **Insurance** SMEs and providers. Remote work is not a business trip and your people may not be covered for various insurance policies

Questions

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