



# The Future of Remote Work

## Digital Nomads and the Implications for Immigration Systems

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INTERNATIONAL PROGRAM

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## Executive Summary

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While the number of people worldwide who work from home or another location other than a traditional office has been growing for several decades, the COVID-19 pandemic has vastly accelerated this shift toward remote work—with important ramifications for immigration policy. Even as the pandemic recedes, there are signs that employers will continue to demonstrate far greater flexibility about where their employees work, both as a means to streamline their operations and as a way to attract and retain workers who are increasingly demanding the option to work remotely. Companies offer a range of remote work options, from occasionally allowing employees to work from home within the same country, to permitting them to work from a different country for a certain number of days per year, to working with contractors and freelancers in other countries. Some employers have also made use of “parking,” whereby employees are sent to a third country where they have the right to work (or where visas are easy to attain) while they await backlogged visa processing in the country where a company is headquartered.

Many employers and employees alike see great advantages to remote work. For individuals, it can allow them to save commuting time, move closer to family, or move to places with lower housing or living costs. It can also offer some people fleeing conflict or environmental disaster an opportunity to maintain an income, as is the case with Ukrainians working remotely while on the move. Meanwhile, for employers, remote work can be an avenue to tap into new pools of talent from outside traditional demographics or a geographical area, or to save money on renting office space. But there appears to be a gap between what flexibility employers aspire to offer their employees and what they deem feasible. Particularly when employees wish to work remotely from another country, this may come with additional tax and regulatory liabilities if an employee’s presence in a country triggers the “permanent establishment” of the company overseas; it can also lead to licensing and permit issues, and have employment and labor law compliance considerations. Likewise, individuals who work remotely abroad can encounter challenges such as falling into the gray area of worker protections, double taxation, or losing access to acquired benefits and pensions.

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Some of these issues stem from the fact that in most immigration systems, the rules of existing work visas are poorly attuned to remote work. In the case of the H-1B visas for high-skilled workers in the United States, for example, an employer that has sponsored an employee for a visa is required to file a petition with the U.S. Department of Labor and meet the prevailing wage rate for the new location if the employee moves within the United States and begins working remotely. And for people interested in international remote work, the options are thin: employment-based immigration channels are generally structured around full-time, in-person employment, while freelance visas and other options that do not require employer sponsorship are few and far between. Visitor visas, meanwhile, are often used for shorter periods of remote work—for example, if a tourist adds a week of work to their stay—but this falls into a gray area, as many countries bar visa holders from taking up local employment but do not state clearly whether remote work for an employer in another country is allowed.

Failing to address remote work in immigration policies is a missed opportunity for governments. Growing remote work practices and norms could help revive declining regions if firms recruit workers living away from company headquarters or individuals move to less expensive areas to stretch their salaries further and access more plentiful housing. For traditional immigrant destination countries, since many jobs amenable to some level of remote work still also demand some amount of in-person service, creating a policy framework that accommodates remote work (including flexibility for incoming migrants) could prevent jobs from being offshored. On the other hand, for countries where tourism plays a large role in the economy, many of which are middle- and low-income countries, attracting international remote workers could provide an opportunity to compensate for income lost as a result of the drop in tourism during the pandemic or help increase spending in the off season or in more remote regions.

#### **BOX 1** **About the Project**

This report, written by analysts at the Migration Policy Institute (MPI), benefitted from significant contributions from Fragomen, a firm that provides immigration services worldwide. Fragomen provided MPI researchers with information and analysis on digital nomad visa programs (see the Appendix), including remote work policies and trends. The findings presented in this report are MPI's own and should not be construed as those of Fragomen or any other entity.

Governments can take a number of steps to factor remote work into their immigration systems. One step is to clarify the rules around remote work on a visitor visa, and to consider allowing some amount of remote work under certain conditions. Not only would this regularize a practice that happens anyway, but it could help boost tourism expenditures by encouraging people to extend their vacations to include a few days of remote work, for example, and allow governments to collect more data on remote workers using these channels. Another step is to take a more permissive approach to occasional remote work by foreign workers admitted to a country on an employment-based visa, in line with fast-changing norms around remote work.

Some governments may wish to go further by actively seeking to attract international remote workers. Here, governments could consider adaptations to their work visas, or weigh up whether to introduce a standalone visa geared towards remote workers and/or other categories of workers without an employer sponsor, such as freelancers or the self-employed. As of June 2022, more than 25 countries and territories had introduced "digital nomad" visa programs to admit remote workers for a period of months or even years. Digital nomad visas can be a powerful marketing tool for governments looking to attract remote workers, as well as a useful vehicle to clarify and simplify the rules around remote work. But it is unclear how these programs will age, and whether they fully address the myriad needs of remote workers, as some include bars on activities such as holding meetings locally. There are also questions about whether, for instance, digital nomad visa holders will need to be embedded more fully in social security and taxation systems (and acquire additional entitlements) if they put down roots.

There is a strong case for governments to introduce more flexibility into their immigration policies to keep up with the normalization of remote work, but the best options for doing so are highly context specific: long-standing immigrant destinations may wish to focus on building a greater degree of remote work into

their existing policies, whereas a standalone digital nomad visa may appeal to countries that want to attract visitors who wish to stay for longer than the average tourist and work remotely. Easy fixes could include allowing tourists to work remotely for short periods of time, and expanding freelance and self-employment visas. Another option could be to create temporary-to-permanent pathways, so that remote workers on temporary visas who have consistent earnings can ultimately transition to a more permanent status if they would like to—one with greater obligations, such as tax liability, and greater entitlements.

But to reap the more sizable benefits, including for local economic development, governments will need to coordinate across portfolios to develop a remote work strategy that integrates immigration priorities with economic development and inclusive growth objectives. They may also wish to work with other countries to streamline immigration, employment, social security, and tax requirements so that it is easier for workers and employers to understand and play by the rules. In doing so, they can create a more attractive environment for employers, workers, and visitors as remote work becomes more mainstreamed.

## 1 Introduction

The COVID-19 pandemic spurred a rapid and substantial shift in working practices, as millions of people around the world began to work from home.<sup>1</sup> Even before the pandemic began, technological advances had allowed a growing number of people with jobs not tied to a specific location to work remotely, particularly in high-income countries with robust technological infrastructure. But the widespread adoption of social-distancing and lockdown measures starting in early 2020 accelerated this trend, including in sectors and occupations viewed as less amenable to teleworking (such as teaching). This shift also sparked growth in the number of international remote workers or “digital nomads” seeking to work remotely in a different country.

While many workers will return to the office as the public-health threat of COVID-19 recedes, joining those with non-teleworkable, manual, or location-specific jobs in working in person, the impacts of this wide-scale adoption of remote work arrangements are likely to linger. Workers’ preferences may be shifting, with lifestyle and location becoming important considerations alongside salary and benefits. Early signs indicate that many workers favor maintaining “hybrid” or fully remote arrangements, and in some sectors, employers view these arrangements as the ticket to retaining or attracting new workers. The growing adoption of remote work by companies also unlocks new opportunities for virtual cross-border collaboration.

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The rise of remote work offers new opportunities for economic development and innovation. Remote work and the flexibility it can offer in terms of location and schedule can help unlock labor market participation for under-represented groups, including displaced people who are on the move, migrants or refugees

<sup>1</sup> The International Labour Organization (ILO) estimates that the number of workers working from home rose from about 260 million before the pandemic to 558 million by the second quarter of 2020. See Sergei Soares, Florence Bonnet, Janine Berg, and Rodrigo Labouriau, “From Potential to Practice: Preliminary Findings on the Numbers of Workers Working from Home during the COVID-19 Pandemic” (policy brief, ILO, Geneva, March 2021).

who lack fluency in their destination country's language, and people balancing work with caregiving responsibilities. And companies that can offer flexible working arrangements may be able to set themselves apart from their competitors and capture new pools of talent from nontraditional sources or geographies. Meanwhile, countries or regions that can offer appealing (and affordable) working and living conditions to remote workers can gain a foothold in the competition to attract workers with in-demand skills and perhaps reverse demographic decline.

All of this suggests that the time is ripe for exploring whether key elements of the policy landscape—most prominently, immigration systems but also tax, pension, and social security policies—are equipped for an era of remote work, and how they can help companies, workers, and countries of origin and destination alike better realize the potential benefits. Most immigration systems are poorly equipped to deal with remote work arrangements. Many work visas are employer-sponsored and thus ill-attuned to any scenario

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in which a worker does not plan to work for a single employer full time and/or work full-time in the office. Remote workers and other categories of independent workers, such as the self-employed, can fall through the cracks and struggle to qualify for a residence and work permit in their chosen destination country. While many governments have provided some

degree of flexibility for stranded foreign workers during the pandemic, including when renewing visas or determining whether workers met residency tests, it is unclear whether these accommodations will outlast the pandemic. It also remains to be seen whether companies' adoption of longer-term hybrid or fully remote work policies will affect immigrants' ability to comply with the terms of their residence and work permits going forward.

Some countries are taking steps to update their immigration systems to reflect remote work trends, whether through piecemeal reforms or introducing standalone channels for remote workers. As of June 2022, more than 25 countries and territories had launched remote work or digital nomad visas that admit foreign nationals working independently or for an employer outside the country, allowing them to enter, stay, and work remotely for a defined period of time (see the Appendix for a list). Digital nomad visas can also factor into broader government strategies to attract immigrants with in-demand skills, foster entrepreneurship, or promote economic development in rural communities. But the hype around these visas and their role as tourism branding exercises makes it hard to assess whether they are living up to this potential—and whether they can help immigration systems navigate longer-term changes in where and how people work.

This report examines the challenges that remote workers and their employers face when navigating immigration systems, and analyzes opportunities to introduce greater flexibility into immigration, employment, and tax policies to accommodate the rapid rise of nontraditional working arrangements. It first sets out key trends in remote work and some of the challenges companies and remote workers are facing, and then identifies key policy options, including the new digital nomad visas emerging around the world. The report concludes with recommendations for policymakers on how to situate adaptations to immigration policies within a strategy on remote work that connects with broader economic goals.

## 2 Remote Work: Trends, Challenges, and Opportunities

Remote work can be defined broadly as work that is carried out outside of a traditional office, often occurring instead within the worker's home.<sup>2</sup> But there is a spectrum of remote work models, including people who work from home or another location occasionally (also known as teleworking), people who work from home or another location full time, and people who work remotely from another country on a temporary basis.<sup>3</sup> During the pandemic, the latter category has included stranded workers (for example, foreign workers who left the destination country to renew a visa and were then stranded abroad by changing travel restrictions), displaced people working remotely while on the move, and digital nomads who seek to combine work and leisure by traveling and working remotely.

These models raise different questions for immigration, tax, and social security systems. For example, digital nomads who move between countries will need to navigate different immigration and tax rules, including avenues for them to work remotely in accordance with local laws. People who have been displaced from their homes and seek to work remotely while on the move or awaiting a decision on an asylum application may need clarity about whether they can continue to work. Companies wishing to sponsor a foreign worker for a part- or full-time remote role, meanwhile, may struggle to convince immigration authorities that they need the worker to be physically present in the destination country to perform the role's duties.

Prior to the pandemic, the options for remote workers were limited. But the widespread adoption of remote work arrangements during the pandemic led to some temporary accommodations in local immigration and employment laws for foreign workers switching to part- or full-time remote work. Some countries went a step further and introduced digital nomad visas for foreign nationals who are self-employed or employed by a company elsewhere to stay and work remotely in the country for a defined period of time, as will be discussed below.

As pandemic-era restrictions are lifted, companies are starting to ask their employees to return to the office. Yet a greater degree of flexibility around where and how people work is likely to remain a feature of the workplace in many sectors. This suggests that policymakers will need to look beyond pandemic-era emergency measures to think more holistically about how to factor remote work into their immigration, employment, and tax systems.

### A. Remote Work and the Pandemic

Location-independent work opportunities have been growing over the past 30 years. Globalization, digitalization, broadband coverage, and flexible work trends have all created more time- and location-

2 ILO notes how terminology around remote work varies among countries and even research organizations. A 2020 ILO policy brief distinguishes between "remote work," "telework," "work at home," and "home-based work" as different yet overlapping categories, illustrating the challenges of creating compatible statistical measures on this phenomenon. See ILO, "COVID-19: Guidance for Labour Statistics Data Collection—Defining and Measuring Remote Work, Telework, Work at Home and Home-Based Work" (technical note, ILO, Geneva, June 5, 2020).

3 People who work within commuting distance of their office on a part- or full-time basis are sometimes referred to as telecommuters, distinguishing them from remote workers who may not be located within commuting distance. See Fragomen, "Digital Nomads and Remote Workers" (fact sheet, Fragomen, New York, 2022).



independent work opportunities that can be compatible with a highly mobile lifestyle.<sup>4</sup> The COVID-19 pandemic has sped up the adoption of remote work practices around the world and expanded them beyond the freelance, creative, and other types of work that were early adopters.<sup>5</sup> Prior to the pandemic, 7.9 percent of the world's workers were based in their homes, rising to 17.4 percent during the second quarter of 2020.<sup>6</sup> Teleworkers in high-income countries largely accounted for this increase, occupying jobs in highly digitalized sectors that were better prepared to go remote at the onset of the pandemic. At the height of remote working in the United States, more than half of paid work was carried out remotely—a tenfold increase relative to before the pandemic.<sup>7</sup>

Sectors that were already highly digitalized, such as ICT, professional, scientific, technical, and financial services, were the most likely to switch to remote work; during the pandemic, more than half of employees in these sectors were teleworking.<sup>8</sup> The feasibility of remote work also hinges on the internet infrastructure available locally, and thus it is likely to be more common in high-income countries for the foreseeable future.<sup>9</sup> While stereotypes of remote work often feature freelance tech workers, in fact many more occupations and sectors are amenable to remote work, and many factors shape whether jobs need to be in-person, hybrid, or remote (see Box 2).

There is a question mark over how much of the pandemic era's remote work will stick. According to data from the new Survey of Working Arrangements and Attitudes, around one-fifth of paid work in the United States will be done from home for the foreseeable future.<sup>10</sup> The pandemic has showed that some jobs, such as teaching, real estate tours, and legal arbitration and trials,<sup>11</sup> can be performed remotely for short periods of time if needed (e.g., during a public-health emergency), but it has also revealed the limitations of digital formats. As new technology emerges, the preference for carrying out these types of work in person may weaken. Many employers have been supportive of remote work practices—for example, extending the period of time in which remote work is permitted or allowing some roles to remain partly or fully remote. But there are also pressures driving a return to the office, including employer concerns about the impact on productivity and collaboration, and local authorities' concerns about the economic impacts of fewer commuters on transportation budgets, local businesses, and commercial landlords.<sup>12</sup>

4 Dave Cook, "Remote-Work Visas Will Shape the Future of Work, Travel and Citizenship," *The Conversation*, September 3, 2020.

5 MBO Partners, "The Digital Nomad Search Continues" (research brief, MBO Partners, September 2021).

6 Soares, Bonnet, Berg, and Labouriau, "From Potential to Practice."

7 Jose Maria Barrero, Nicholas Bloom, and Steven J. Davis, "Internet Access and Its Implications for Productivity, Inequality, and Resilience," in *Rebuilding the Post-Pandemic Economy*, ed. Melissa S. Kearney and Amy Ganz (Washington, DC: Aspen Institute Press, 2021).

8 Organization for Economic Cooperation and Development (OECD), "Teleworking in the COVID-19 Pandemic: Trends and Prospects" (OECD Policy Responses to Coronavirus (COVID-19), September 2021).

9 Daniel Garrote Sanchez et al., "Who on Earth Can Work from Home?" (policy research working paper 9347, World Bank Group, July 2020).

10 Barrero, Bloom, and Davis, "Internet Access and Its Implications."

11 Susan Lund et al., *The Future of Work after COVID-19* (N.p.: McKinsey & Company, 2021).

12 See, for example, William Shaw, Irina Anghel, and Loukia Gyftopoulou, "Goldman's Work-from-Office Policy is the Aberration Now," *Bloomberg*, February 7, 2022; Anneken Tappe, "Why Remote Work Is a Big Problem for the Economy," *CNN*, August 2, 2021.

**BOX 2****Which Jobs Can Be Done Remotely?**

Clearly, not all jobs are equally suited to remote work, and some occupations and sectors may face greater pressures to move back to the office as the pandemic abates. A common distinction is whether a job is tradable or nontradable (i.e., whether it can be carried out outside of the country or not), which can be the result of sector, firm, or job-level characteristics. The following factors may shape how location-independent a particular job—or element of a job—is:

- ▶ **Occupation characteristics.** Remote-friendly jobs are characterized by limited physical activity (e.g., jobs completed on a computer and not tied to a physical location); limited responsibility (few direct decisions with consequences for the business); and asynchronous tasks (work rarely needs to be done in the same location or time zone as the rest of the business).
- ▶ **Task characteristics.** According to an analysis of 2,000 tasks used in 800 occupations, computer-based office work has the greatest potential for remote work. By contrast, tasks likely to require workers to be physically present include negotiations, critical business decisions, brainstorming, giving sensitive feedback, and onboarding new hires. Since many jobs involve a mix of tasks, they may remain hybrid—and thus unsuitable for remote work abroad.
- ▶ **Sector characteristics.** Data from the Organization for Economic Cooperation and Development (OECD) suggest teleworking is more likely in tradable sectors with a higher degree of digitalization (e.g., ICT, professional and technical services) compared to others, such as accommodation and food services, transport and logistics, and health and social care. Still, some sectors that rely heavily on physical proximity (e.g., leisure and travel, medical care, and retail and hospitality) saw some work shift to remote formats, such as e-commerce and telehealth. Many large tech firms, such as Salesforce, Shopify, and Twitter, have announced their intentions to remain fully or partially remote after the pandemic.
- ▶ **Firm characteristics.** Larger firms are more likely to have infrastructure to permit teleworking, but they may also be more risk averse than small firms because of greater liability. Values also matter. Some traditional firms (such as the investment banking firm Goldman Sachs) have been vocal about wanting a full-time return to the office, while many of those that seek to be at the vanguard of new trends (such as the vacation rental company Airbnb) have announced ongoing flexibility and/or remote work options.
- ▶ **Country.** Telework levels are higher in higher-income countries because larger shares of jobs are in the skilled knowledge economy and such countries have more robust technology infrastructure. A July 2020 report from the World Bank found that in low-income countries, only 1 in every 26 jobs could be done remotely/from home vs. 1 in every 3 jobs in high-income countries.

Sources: Authors' conceptualization, based on Jeegar Kakkad, Christina Palmou, David Britto, and James Browne, *Anywhere Jobs: Reshaping the Geography of Work* (London: Tony Blair Institute for Global Change, 2021); OECD, "Teleworking in the COVID-19 Pandemic: Trends and Prospects" (OECD Policy Responses to Coronavirus [COVID-19], September 2021); Susan Lund et al., *The Future of Work after COVID-19* (N.p.: McKinsey & Company, 2021); Avery Hartmans, "Salesforce Says 'the 9-to-5 Workday Is Dead' and Will Provide 3 New Ways for Employees to Work — Including the Possibility of Working from Home Forever," *Business Insider*, February 9, 2021; Craig Lord, "Most Shopify Employees Won't Return to Office after Coronavirus Pandemic, CEO Says," *Global News*, May 21, 2020; Ethan Baron, "Twitter to Reopen Offices this Month but Commits to 'Forever' Remote Work a Day after Google Announces Forced Office Return," *Mercury News*, March 3, 2022; Geoff Colvin, "Goldman Sachs Is Ordering Employees Back to the Office 5 Days (or More) a Week. Inside CEO David Solomon's Mission to End Hybrid Work," *Fortune*, March 10, 2022; Daniel Garrote Sanchez et al., "Who on Earth Can Work from Home?" (policy research working paper 9347, World Bank Group, July 2020); Airbnb, "Airbnb's Design for Employees to Live and Work Anywhere" (news release, April 28, 2022).

## B. *The Challenges and Opportunities of Remote Work*

Remote work has a number of benefits for individuals, employers, and societies. For individuals, remote work can boost disposable income by allowing people to move to places that have lower housing or living costs, save time and money on commuting, or move close to family. It therefore especially appeals to workers caring for children or elderly relatives.<sup>13</sup> While remote work is most often associated with affluent workers with a rich choice set, it can also provide an important source of income for people forced to move as a result of conflict or environmental disaster as they relocate and put down roots in a new place (see Box 3).

For companies, remote work can reduce rental, utilities, or equipment costs, and it may allow companies to pay employees location-based salaries that are lower than what they would be in major economic centers. Remote work can also widen talent pools and provide employers with an edge in recruiting workers with in-demand skills. For instance, according to a Fragomen Future of Work Pulse Survey conducted in January 2022, a majority of surveyed companies think that remote work has enabled them to recruit talent from a broader geographical area or candidate demographic.<sup>14</sup> Increasingly, the option to work remotely is becoming a demand in new hiring negotiations and among existing employees, described by some observers as the new “signing bonus”<sup>15</sup> and a “retention point.”<sup>16</sup> There is also some evidence that remote work increases productivity.<sup>17</sup>

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In theory, remote work could help governments revitalize economically depressed and rural areas by attracting remote workers who pay local taxes. It could potentially even reverse depopulation and enable declining areas to brand themselves as dynamic hubs and attract high-skilled workers and entrepreneurs. And for highly populated cities, it could reduce social and infrastructure pressures associated with congestion and overcrowding. Thus, decoupling work and where people live could open up not just a whole new array of individual choices, but also regional development opportunities.

13 Remote work is especially likely to appeal to people with children under age 18, and women have a slightly greater preference for remote work than men. See Jose Maria Barrero, Nicholas Bloom, and Steven J. Davis, “Let Me Work from Home, or I Will Find Another Job” (working paper, Becker Friedman Institute, University of Chicago, July 2021).

14 Fragomen, “Future of Work Pulse Survey,” conducted in January 2022.

15 Chip Cutter and Kathryn Dill, “Remote Work Is the New Signing Bonus,” *The Wall Street Journal*, June 26, 2021.

16 Comments by financial services sector representative at a focus group on remote working organized by Migration Policy Institute (MPI) and Fragomen, January 13, 2022.

17 For instance, in a 2015 study, remote work led to a 13 percent performance increase in a Chinese multinational as measured by working time (relative to breaks and sick days) and tasks completed. See Nicholas Bloom, James Liang, John Roberts, and Zhichun Jenny Ying, “Does Working from Home Work? Evidence from a Chinese Experiment,” *The Quarterly Journal of Economics* 130, no. 1 (2015): 165–218.

**BOX 3****Remote Work in the Context of the Ukraine Crisis**

For some people displaced by the war in Ukraine that began in early 2022 or fleeing the political crackdown and economic sanctions in Russia, remote work can provide an important source of income both while people are on the move and once they arrive in a new location and start putting down roots. This trend is facilitated both by the comparatively high levels of digital literacy among these populations and by their access to digital technology (whether a computer or smartphone) and a reliable internet connection.

Remote work platforms have sprung up to compile employment opportunities for displaced Ukrainians (such as the nonprofit EmployUkraine). Meanwhile, reports suggest a rising number of Russians have relocated from Russia to Armenia (which has a six-month visa-free travel policy for Russians) and are working remotely; for some, this may be a strategy to avoid the impact of sanctions on their work with foreign companies or clients, while others may be seeking to escape the political crackdown.

When possible, remote work can offer several advantages for displaced populations, including:

- ▶ **Continuity.** Remote work practices can enable people to retain their job and earn income even as they are on the move, promoting financial stability and reducing pressure on local services.
- ▶ **Flexible hours.** Ukraine's conscription of men between the ages of 18 and 60 has meant that most Ukrainian refugees are women and children. Jobs that can be performed remotely with flexible hours can open up possibilities for labor market participation at a much earlier stage for single-parent households juggling work and child-care responsibilities, and for displaced people who are still navigating the process of finding housing and enrolling their families in local services.
- ▶ **Language.** For many displaced people, not speaking their host country's language can be a major barrier to employment—and acquiring sufficient fluency to compete for decent employment opportunities can take a considerable amount of time. Remote work can open up employment opportunities in other languages (such as Ukrainian or a lingua franca such as English) and offer a route to greater financial independence.

Sources: EmployUkraine, "[Hire Ukrainian Talent](#)," accessed June 7, 2022; Jane Arraf, "[Russia Is Losing Tens of Thousands of Outward-Looking Young Professionals](#)," *New York Times*, March 20, 2022.

Remote work also poses numerous challenges, many of which emerge at the individual employee or employer level. For example, a shift to part- or full-time remote work may make it challenging for foreign workers based in a destination country to comply with that country's immigration rules, which usually assume full-time, in-person work. Companies with generous remote work policies may also struggle to convince immigration authorities to admit sponsored workers if some or all of their responsibilities could be performed remotely. While compliance with immigration rules is generally the responsibility of visa holders, there can be consequences for employers in terms of their eligibility to sponsor foreign workers in the future or possible reputational damage if their employees are found to be in violation of their visas.

Meanwhile, the digital nomad model, where someone works for an employer while based in another country, can present significant challenges for workers and employers as they navigate the immigration, tax,

and social security rules of multiple jurisdictions. For instance, moving between two countries or working for an out-of-country employer could make it harder to accumulate periods of residence that count towards eligibility for permanent residence or citizenship.<sup>18</sup>

Periods of prolonged remote work from another country during the pandemic have also created what one employer described as a “tax and social security mess” to unravel.<sup>19</sup> Among the challenges facing employers are:

- ▶ **Corporate presence.** A key concern for employers is whether a remote worker can be considered a corporate presence in another country and thus trigger a “permanent establishment” of the company overseas, which would require the employer to pay corporate taxes and potentially comply with other regulations in that country. This is more likely to happen if a more senior employee works remotely overseas and performs certain tasks such as signing contracts or handling major business decisions.<sup>20</sup>
- ▶ **Payroll mandates.** Employers may be required to set up an in-country payroll for their remote workers, which would involve familiarizing themselves with another country’s rules around taxes and withholding, for example. These burdens may drive employers to explore workarounds such as hiring the workers on a freelance contract or by establishing arrangements with local businesses to “lease” employees while they are on a local payroll. But each of these options is resource intensive and incurs significant risks for employers who can face penalties for failing to comply with tax requirements.<sup>21</sup>
- ▶ **Complying with local employment and labor laws.** Employment and labor laws around minimum wage, paid leave, workplace health and safety, discrimination, and dismissal are generally governed by the country in which a worker lives. This may entitle the employee to a range of worker protections, such as pension contributions and social insurance, that differ from those in the country where the employer is based. Another consideration is that some digital nomad and remote worker visa regulations and laws bar employees from working for local employers or providing services or goods to a local company, which can even prohibit remote workers from working from the premises of local branches of multinational companies.
- ▶ **Licensing/permit issues.** In some countries, employees in certain professions are regulated by local boards and/or licensing agencies, which can require an individual to undergo additional testing or certification in order to practice in that field, adding additional risk for the worker seeking to work remotely. For example, in Abu Dhabi, in order to work as an Abu Dhabi Registered Engineer,

18 For example, the European Union’s directive on the status of non-EU nationals who are long-term residents states that third-country nationals must be legally and continuously resident in a Member State for the five years immediately prior to their application. This generally does not permit periods of absence for longer than six months consecutively or ten months within the five-year period. See European Union, “Council Directive 2003/109/EC of 25 November 2003 Concerning the Status of Third-Country Nationals Who Are Long-Term Residents,” *Official Journal of the European Union* 2004 L16/23, November 25, 2003. During the pandemic, some people who were stuck outside of their country of residence found themselves inadvertently falling foul of residency requirements, despite continuing to work remotely and pay taxes. See Joel Rose, “Permanent Residents Who Left the U.S. during the Pandemic Worry They Can’t Come Home,” NPR, July 24, 2021.

19 Comments by design, planning, and engineering sector representative at a focus group on remote working organized by MPI and Fragomen, January 13, 2022.

20 Preston Wickersham, “Permanent Establishment: What Companies with Remote Workers Should Now,” Remote, accessed April 6, 2022.

21 Lukas Althoff, Fabian Eckert, Sharat Ganapati, and Conor Walsh, “The Geography of Remote Work” (working paper 29181, National Bureau of Economic Research, Cambridge, MA, 2022).

employees must apply for an engineering card after applying for membership with the Society of Engineers.<sup>22</sup> However, it is in many cases unclear whether and under what conditions remote activities would require a license or permit, and this falls into a gray area in the law and would require case-by-case analysis.

- ▶ **Data privacy issues.** With a larger remote workforce and a growing amount of information stored in digital databases, there may be hacking or other privacy violation risks. Since there are no global data privacy regulations or standards, employers may face risks working online and across national borders—with implications for both employee and client information.

Remote work also presents broader challenges for workers themselves:

- ▶ **Worker protections.** Like others with nontraditional working arrangements (such as freelancers), remote workers risk falling through the cracks when it comes to worker protections. Enforcing rules around health and safety becomes more difficult in a remote setting, for example, while questions of liability linger around issues such as injury while working remotely at home or damage to personal property being used to work (such as a personal laptop).<sup>23</sup> Some countries are taking steps to address these gray areas—such as Spain, which introduced a regulation in September 2020 extending the same workplace rights to remote workers<sup>24</sup>—but overall this is an underdeveloped area.
- ▶ **Risk of double taxation.** Unless otherwise informed by a bilateral tax treaty (also known as a double tax agreement), personal income taxes may be considered to be “sourced” in the location where the work is being carried out, raising the prospect of workers being taxed in both the country where they are employed and the country where they are working remotely. In this scenario, workers may have to register their earnings in two jurisdictions and apply for tax relief in order to avoid penalties.<sup>25</sup> This is why some digital nomad visa programs (such as those offered by Bermuda and Malta) offer an exemption from paying income taxes in the worker’s destination country. Remote work for extended periods also raises questions about social security payments and where/whether these should continue to be paid by employers.
- ▶ **Portability of benefits.** Portability, meaning an individual’s ability to preserve, maintain, and transfer acquired social security rights to another jurisdiction, is a growing issue for migrants who live and work abroad for a period in their life.<sup>26</sup> Remote work can make it harder to transfer acquired rights when moving across borders. Since individuals and families use social benefits to make decisions knowing that they can offset risks in certain ways, the lack of transparency over entitlements when moving across borders can make it harder for people to plan their lives and may thus be a deterrent (or at least an inconvenience) to moving and working abroad.<sup>27</sup> This is already a problem for many people leading transnational lives, and it stands to become even more complex in a situation of remote

22 CivilPH, “Engineering Card Application for Abu Dhabi Engineers,” Structural Calc, July 15, 2020.

23 See, for example, ILO, *Teleworking during the COVID-19 Pandemic and Beyond: A Practical Guide* (Geneva: ILO, 2020); World Health Organization (WHO) and ILO, *Healthy and Safe Telework: Technical Brief* (Geneva: WHO and ILO, 2021).

24 Laura Delle Femmine, “Spain’s New Decree on Working from Home – Everything We Know So Far,” *El País*, September 22, 2020.

25 Deloitte, “The Future of Work: Tax and Legal Perspective” (fact sheet, Deloitte Ireland, Dublin, 2020).

26 Robert Holzmann, “The Portability of Social Benefits across Borders,” IZA World of Labor, October 2018.

27 For a discussion of how benefits are a “critical element of an individual’s (or family’s) life cycle planning and risk management strategy,” see Holzmann, “The Portability of Social Benefits across Borders.”

work. In the European Union specifically, remote work arrangements often cause the applicable social security legislation to shift from one country to another under EU social security regulations, often from a country that provides strong social security protections to one with fewer protections, resulting in a lack of protection for the remote workers. While the EU institutions are considering revising the regulations to address these and other related problems, other governments worldwide seem not to be as explicitly involved or concerned about this issue as it relates to foreign assignments and remote work, as of yet.

All of the above should be of concern to policymakers, since these issues create a perfect storm for low-level fraud or inadvertent noncompliance (e.g., with tax rules), and thus may represent lost taxation income. A lack of portability or systems for compensating health costs can also undermine fiscal fairness between countries—for instance, if a large proportion of one country’s nationals have their health-care costs covered by another country. Additionally, governments may face questions about cost-of-living adjustments when transferring benefits abroad for remote workers, an issue that has been highly political (for instance, in the debate about whether to calibrate the level of child benefits to the country where the worker and/or child lives). Finally, workers returning to their country of nationality may face unplanned costs or vulnerabilities—for instance, if remote workers return home with debts or depleted savings because of unexpected taxes or exit costs on retirement funds. It is unclear which of these potential challenges will translate into real concerns since international remote work is still happening on a relatively small scale, people are generally on the move for only limited periods of time before returning home, and most of these mobile workers are young and thus issues around pensions or health care may be less pressing. If international remote work becomes more of an established practice, such issues may become more challenging and more common.

### C. *The Future of Remote Work*

Looking ahead to the future, the rise of remote work could reshape the landscape of global talent. For traditional destination countries used to capturing and retaining such talent, even a small amount of outmigration of high-earners could be costly.<sup>28</sup> There is also a risk that jobs could be outsourced or moved abroad as companies realize that they can meet labor needs more cheaply, especially in occupations where physical presence is less important. Some analysts have suggested that advanced economies face the risk of a tranche of jobs being offshored via remote work, much in the way that manufacturing jobs were in the 1980s and 1990s, or outsourced to digital platforms.<sup>29</sup> One possible outcome is a hollowing out of the labor market, as jobs that are left in such economies skew to higher paid jobs with managerial/negotiation responsibilities on the one hand, and restaurant and low-wage service positions on the other.<sup>30</sup> Yet some companies may find remote work enables them to keep jobs in the country, for instance if they can save rental costs and/or pay their staff an adjusted salary to reflect lower costs of living in different areas of the country. In jobs where employers value occasional face time with employees, the ability to visit the office

28 On a national scale, the international migration of high-earners on digital nomad visas may also be very costly for origin countries. Research by de la Feria and Maffini estimated that if 10–50 percent of higher-rate income taxpayers left the United Kingdom, GBP 6.5–32.5 billion in tax revenues might be lost from personal income tax. See Rita de la Feria and Giorgia Maffini, “The Impact of Digitalisation on Personal Income Taxes,” *British Tax Review* 2 (2021): 154–168.

29 Jeegar Kakkad, Christina Palmou, David Britto, and James Browne, *Anywhere Jobs: Reshaping the Geography of Work* (London: Tony Blair Institute for Global Change, 2021).

30 Kakkad, Palmou, Britto, and Browne, *Anywhere Jobs*.

weekly or monthly (as in the case of someone living in a different but relatively nearby region or state) could tip the balance towards keeping jobs in the country. (See Box 4 for more information on the decision-making process companies face.)

#### BOX 4

#### Remote Work and the Corporate Decision-Making Calculus

Many large multinationals are aware that they need to develop policies and practices on remote work, yet are unsure how to address the international remote work piece of this issue in particular. Representatives of such companies who participated in a January 2022 focus group organized by MPI and Fragomen described working through numerous bureaucratic obstacles that, all told, were resulting in a sizable gap between what employees are demanding and what they can offer. One participant, wondering how other companies were making “work anywhere” policies work, asked “what do they know that we don’t?” Another expressed the view that where employers were slow to create remote work policies, this “boils down to practical barriers rather than desire.”

According to a January 2022 Fragomen Future of Work Pulse Survey of 70 companies working in six regions, slightly more than one-quarter of firms had a “work anywhere” policy, but many companies were operating on a case-by-case basis. Some are treating remote work as part of annual leave, while others are allocating a maximum of 20 days per year on top of annual leave. A particular concern raised by focus group participants was fairness—for instance, if some of a company’s employees are eligible to work in other countries because of the citizenship(s) they hold but most are not.

In addition to managing tax, benefit, data security, and other external challenges, companies are finding that managing remote work arrangements is putting new internal pressures on staff. For instance, companies may make their global mobility team responsible for remote work issues, not their payroll or corporate tax departments, increasing the workload for that team. Still, addressing all of the issues related to remote work requires engaging different teams across a company, which some report has proved complex. Importantly, these issues may arise not only for companies supporting a partially or fully remote model: even those with employees who hope to work abroad temporarily, either to extend their vacation or spend time with family or at a second home abroad, raise a host of employment law, corporate tax, and cybersecurity issues, which can place considerable pressure on companies.

From an immigration perspective, companies have used remote work to allow certain employees to start their position in their country of residence while dealing with lengthy visa processing times, but some are more cautious and do not allow people to start work until they arrive in the country where the position is formally based. A few companies are using “parking” arrangements as a more sustained response to visa backlogs or caps—sending employees to a third location for a year or more, after which they have the option to make use of intra-company transfers. These creative strategies have become more in demand as a result of pandemic-related protracted processing times. But as employee desire for flexible work arrangements seems likely to persist and companies develop policies to balance this demand with organizational imperatives (including internal operations and labor market competitiveness), the importance of these policy questions is likely to similarly grow.

Sources: Participant comments at a focus group on remote working organized by MPI and Fragomen, January 13, 2022; Fragomen, “Future of Work Pulse Survey,” conducted in January 2022.



Remote work also poses an opportunity for efforts to revive regions in economic or demographic decline, as it can encourage firms to create jobs in less expensive areas (if they can adjust employee salaries to the lower local cost of living) or individuals to move into such areas to stretch their salaries further. Since job location decisions are elastic, policymakers have an opportunity to encourage companies to support remote work from certain locations within a country (by offering economic development incentives and tax breaks, for instance, or via subnational immigration policies that allow regions to bring in immigrants outside of traditional caps). Examples of governments trying to capture these benefits are already emerging. For example, 27 small municipalities in Spain have come together to form a network (Red Nacional de Pueblos Acogedores para el Teletrabajo, or National Network of Host Villages for Teleworking) to encourage remote workers to stay in their rural towns and villages.<sup>31</sup> However, whether struggling regions will benefit from remote work depends on their particular context; while places with plentiful housing and limited work could benefit from an injection of well-paid remote workers (and potentially also see new lower-wage jobs created as a spillover effect), companies in these areas may find it harder to fill labor shortages if local workers are tempted by more lucrative remote jobs with companies based elsewhere.

*There are also concerns about rising costs of living in popular destinations for digital nomads, including about visitors outcompeting locals amid increasing property prices and associated tensions, as evidenced in existing hotspots such as Goa and Bali.*

For traditional tourism countries, many of which are middle- and low-income societies, remote work could provide an opportunity to compensate for income losses associated with the lower levels of tourism during the pandemic, which are expected to continue until at least 2024.<sup>32</sup> For instance, facilitating remote work could help attract young, wealthy, and high-skilled workers on a medium-term basis in lieu of short-stay families and honeymooners on vacation. But such a shift may

not fully offset disruptions to local economies, as spending may shift from leisure and tourism to other services, and an increase in medium-term visitors could subvert local housing markets.<sup>33</sup> Designers of many digital nomad visas aim to ringfence the local labor market by banning visa holders from local jobs or engaging in local business. As a result, local businesses may not necessarily capture the human capital benefits of digital nomads, though they may be indirectly advantaged by investments in public services and internet and broadband coverage, as well as visitor expenditures.<sup>34</sup> There are also concerns about rising costs of living in popular destinations for digital nomads, including about visitors outcompeting locals amid increasing property prices and associated tensions, as evidenced in existing hotspots such as Goa and Bali.<sup>35</sup> Studies of digital nomadism have cited co-working and co-living opportunities, as well as retreats and other activities, as opportunities to bring digital nomads together in foreign countries and counter concerns

31 Red Eléctrica, “27 Small Towns Come Together to Launch the National Host Village Network for Teleworking” (press release, June 24, 2021).

32 A majority of the World Tourism Organization Panel of Experts predicts full recovery in 2024 or later. See World Economic Forum, “This Is the Impact of COVID-19 on the Travel Sector,” World Economic Forum, January 25, 2022.

33 For example, while the digital nomad program in the Madeira Islands initially targeted the low season, as more digital nomads decided to stay in the high season and tourism recovered, there has been more competition for accommodation, including longer-term rentals. Author interview with a representative of Startup Madeira, March 28, 2022.

34 Avantika Chilkoti, “Why Europe Is a Great Place for Digital Nomads,” *The Economist*, October 2, 2021.

35 Chilkoti, “Why Europe Is a Great Place for Digital Nomads.”

about loneliness and uncertainty that can be a part of the lifestyle.<sup>36</sup> Yet, host communities may remain frustrated by the lack of social cohesion and bubbles of privilege among expats that do not directly benefit them.<sup>37</sup>

All told, the location of the jobs of the future is highly dynamic and dependent on a plethora of factors, many of which are in the hands of governments. For governments that wish to get ahead of these trends, a proactive and creative approach is needed to understand the dynamic forces that shape companies' decisions about job creation as well as individuals' decisions about their preferred work locations, thereby helping countries capture global talent. One particular challenge is that the guiding ethos behind most immigration policies is to address labor and skills shortages, but in fact the greatest benefits of facilitating a remote work-friendly environment may accrue to economic development, by bringing in medium-term visitors earning high wages and spending in the local economy, or by preventing jobs from shifting overseas. Governments will thus need to work more systematically across portfolios—including travel and tourism, immigration, employment, and economic development—to assess ways to bolster the infrastructure for remote work (from housing to education and child care) and thus unlock its benefits.

### 3 Rethinking Immigration Systems for an Era of Remote Work

The pandemic has prompted governments and employers to introduce a range of accommodations for remote workers, including foreign workers affected by the shift to remote work in destination countries and foreign workers who found themselves stranded outside their destination country for a prolonged period of time due to border closures and travel restrictions. For governments, these measures included visa extensions either on application (as in Australia and China) or across the board (Indonesia, Spain, and Thailand); guarantees that cross-border workers in Europe would not lose their status after working from home; and stopping the clock on residency tests to ensure stranded foreign workers would not lose their residency (e.g., in Canada).

As public-health conditions have improved in many places, many of these accommodations are being phased out, even as many employers indicate that they plan to maintain hybrid or full-time remote work policies for the foreseeable future. Meanwhile, there are indications that remote work can provide benefits in other circumstances, such as by offering people displaced by the war in Ukraine a way to continue their employment and support their families while on the move (see Box 3). The continued popularity of remote work suggests that governments and

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*The continued popularity of remote work suggests that governments and employers will need to look beyond emergency accommodations or case-by-case approaches to develop more consistent policies.*

36 Heather Kelly and Diego Arelano, *Work and Wander: Meet Today's Digital Nomads* (Monroe, WA: Adventure Travel Trade Association, 2021).

37 Amanda Davies, "COVID-19 and ICT-Supported Remote Working: Opportunities for Rural Economies," *World 2*, no. 1 (2021): 139–152.

employers will need to look beyond emergency accommodations or case-by-case approaches to develop more consistent policies.

As detailed in the prior section, the prospect of large numbers of people working partly or fully remotely beyond the pandemic poses several issues that employers, governments, and workers will need to think through. Immigration systems are generally built around admitting a foreign national for full-time, in-person employment, usually linked to a specific employer. Periods of remote work in the country where a foreign worker's employer is based or in another country thus fall into a gray area. The switch to remote work, whether on a part-time or full-time basis, can raise questions about whether foreign workers need to be admitted to the destination country to do their job. This applies both to foreign workers who are already in the destination country and need to maintain or renew their status and to prospective migrants who wish to enter through labor migration channels.

When immigration policymakers consider their digital nomad strategy, they will need to consider both what type of remote worker they wish to attract and how proactive they wish to be. Encouraging remote workers to visit and stay for longer periods is a top priority for some governments, which have created a standalone digital nomad visa program that they can then market to prospective visitors. But other governments that view this as less of a priority may instead favor selective adaptations to existing immigration policies to accommodate remote work.

## *A. Adapting Existing Immigration Policies to Accommodate Remote Work*

There is considerable scope for governments to accommodate remote workers through reforms to their existing immigration policies. This approach can allow governments to build on some of the accommodations introduced during the pandemic and develop more targeted measures for different categories of remote workers. For example, reforms to visitor or business travel visas could open up opportunities for foreign nationals to visit and work remotely for short periods of time, while reforms to work visas could allow remote workers to stay for longer than a typical visitor visa (e.g., 90 days).

### **Adapting Work Visas**

Alongside measures such as visa extensions and flexibility on residency tests for workers stranded outside the destination country, many governments took steps following the onset of the pandemic to make it easier for employers and workers to meet immigration requirements. One example is the decision to suspend in-person checks of foreign workers' employment authorization. The U.S. Department of Homeland Security issued a temporary exemption from in-person verifications of foreign workers' identity and employment authorization documents for teams working remotely, for example, while the UK Home Office temporarily permits checks to be conducted virtually across the board.<sup>38</sup> However, both countries signaled that these accommodations were temporary and that in-person checks would resume in due course.

<sup>38</sup> The UK provision currently is in place until September 30, 2022. See U.S. Immigration and Customs Enforcement, "DHS Announces Flexibility in Requirements Related to Form I-9 Compliance" (news release, March 20, 2020); UK Home Office and Immigration Enforcement, "Coronavirus (COVID-19): Right to Work Checks" (news release, February 22, 2022).

But the widescale adoption of hybrid or full-time remote work policies suggests that governments may need to pursue additional accommodations. For example, policymakers could build on their experience with verification checks to roll out new digital technology that can streamline and expedite immigration and other compliance checks. The United Kingdom, for example, is phasing in digital checks, starting with digital right-to-work verifications (beginning in April 2022) and plans to facilitate the digital verification of physical documents in Autumn 2022.<sup>39</sup> Establishing virtual compliance checks can make this process easier and faster for remote workers and employers, and it can also reduce pressure on the resources of overburdened immigration and labor enforcement teams by allowing them to prioritize more complex cases.

Another consideration is greater leeway for immigrant workers to change their work location within a country. When foreign workers hold location-specific work visas (such as the United States' H-1B work visa), a shift to part- or full-time remote work policies can require employers to update their paperwork. In some cases, this can prove resource intensive and costly. For example, if a worker on a H-1B visa starts working from home near the office, the immigrant's employer is required to update their paperwork (and post it at their new workplace)—but if the worker relocates further away, this requires the employer to file a petition with the U.S. Department of Labor and meet the prevailing wage rate for the new work location.<sup>40</sup> Loosening the rules around in-person work to permit a greater degree of remote work from home or another location within the same country would track the growing trend for hybrid work policies.

But if employers retain hybrid or full-time remote work policies, this raises the question of whether immigration authorities should admit foreign workers to the country in the first place if they can perform most or all of their duties remotely. In essence, this is a political question. For governments wishing to reduce the level of economic immigration, the widespread adoption of remote work policies may allow them to be more selective about who they admit and on what terms (for example, by limiting admissions to nontradable roles). But other governments may see the merits of admitting individuals with in-demand skills or with significant disposable income, even if they could perform their work from another country.

## Other Pathways to Admit Remote Workers

Beyond adapting the terms of employer-sponsored visas, policymakers could also explore ways to accommodate remote work via other pathways in their immigration systems. For some countries, other medium- and longer-term visas may offer some leeway to admit remote workers and others with nontraditional working arrangements. And for visitors who wish to work remotely for a limited period, policymakers could consider adapting their tourism or business visas to allow this.

### *Non-Employer-Sponsored Medium- and Long-Term Options: Self-Employed, Investor, and Retirement Visas*

Without a legal presence in a country, employers generally cannot sponsor a remote worker for a work visa, nor could the worker pursue an intra-company transfer visa. This leaves relatively few options for remote workers who wish to work in a third country legally (but not, for example, set up a business there).

39 UK Home Office and Kevin Foster MP, "New Digital Identity Checking for Landlords and Employers to Tackle Immigration Abuse" (news release, January 19, 2022).

40 Suzanne K. Sukkar, "Remote Work Policy: Immigration and Post-Covid," Dickinson Wright, August 2021.

Remote workers with significant financial assets could explore options such as immigrant investor visas or retiree visas. Immigrant investor visas come with residency rights and permission to work, but they typically require a very significant investment upfront. On the lower end, Dominica's Citizenship by Investment program requires applicants to invest USD 100,000 in the government's Economic Diversification Fund, while on the higher end, the United Kingdom's Tier 1 Investor visa (cancelled in February 2022) required applicants to invest GBP 2 million in government bonds or UK companies.<sup>41</sup> The large sums these visas require likely make them impractical for most remote workers, especially if they envision only working in a third country on a short-to-medium-term basis. Retiree visas may be another option for some wealthy remote workers who can meet the minimum income requirements. However, some of these visas limit local employment, and some set age limits (for example, Thailand requires applicants to be age 50 or older<sup>42</sup>), which does not fit with the average profile of digital nomads, who tend to be younger.<sup>43</sup>

Some remote workers may also be able to use work visas that are not employer sponsored. However, these visas remain relatively uncommon. Self-employed or freelance visas are offered by a handful of countries and can confer residency rights and permission to work to workers without an employer sponsor. Both France and Germany's freelance visas are open to workers in certain sectors,<sup>44</sup> and require applicants to demonstrate their income and, potentially, their qualifications to work in a particular profession.<sup>45</sup> While targeted at freelancers, such visas could also be used by remote workers with an employer in another country. In other cases, visas for self-employed workers are in practice linked to starting up a business and/or require proof of local commissions, as is the case in the Netherlands.<sup>46</sup>

Other countries also operate labor migration channels that do not require an employer sponsor, although in practice, they set very high thresholds for applicants. For example, Australia's skilled independent visa (subclass 189) is open to workers under the age of 45 with in-demand skills in certain occupations—but this points-based route favors candidates with existing links to Australia (such as holding Australian qualifications or Australian work experience), costs several thousand dollars, and can take up to three years to process.<sup>47</sup> Another example is the United Kingdom's Global Talent visa, which is designed to admit "leaders" in academia or research, arts and culture, or digital technology, provided they have secured an endorsement from the relevant industry body.<sup>48</sup>

41 Government of the Commonwealth of Dominica, "[Dominica CBI Investment Options](#)," accessed April 6, 2022; UK Government, "[Investor Visa \(Tier 1\)](#)," accessed April 6, 2022.

42 Ministry of Foreign Affairs, Kingdom of Thailand, "[Non-Immigrant Visa 'O-A' \(Long Stay\)](#)," accessed April 6, 2022.

43 Kelly and Arellano, *Work and Wander*.

44 For both countries, the list covers a wide range of industrial, artistic, and commercial professions. See Republic of France, Service-Public.fr, "[Carte de séjour 'entrepreneur/profession libérale' d'un étranger en France](#)," updated January 4, 2022. For a full list of eligible sectors in Germany, see the German Income Tax Act: German Federal Ministry of Justice, *Einkommensteuergesetz* § 18, "[Selbständige Arbeit](#)."

45 Republic of France, France-Visas, "[Self Employed Person or Liberal Activity](#)," accessed April 6, 2022; Make It In Germany, "[Visa for Self-Employment](#)," accessed April 6, 2022.

46 Dutch Immigration and Naturalisation Service, "[Self-Employed Person](#)," accessed April 6, 2022.

47 Australian Government Department of Home Affairs, "[Skilled Independent Visa \(Subclass 189\)](#)," updated March 4, 2022; Australian Government Department of Home Affairs, "[Points Table for Skilled Independent Visa \(Subclass 189\)](#)," updated March 17, 2020.

48 UK Government, "[Apply for the Global Talent Visa](#)," accessed April 6, 2022.

*Switching Country Offices: Intra-Company Transfers*

For individuals seeking to work remotely in a country where their employer has a legal presence (e.g., a local office), one option is to use intra-company transfer visas. This route allows employers to transfer their employees from an office in one country to an office in another, provided they meet certain criteria around their role and pay; this allows employers and workers to sidestep the labor market tests that are often a feature of employer-sponsored work visas. In some cases, intra-company transfer visas can allow employers to retain workers if they do not secure a work permit in the country where they were initially meant to work. This practice of “parking” a worker in an office in another country is sometimes used when foreign workers are seeking admission to the United States but apply in tandem for work status in another country in case they are not drawn in the H-1B visa lottery system. However, the requirements and costs associated with intra-company transfer visas mean that this may not make sense for people seeking to work remotely in another country for only a short period. The increasing availability of digital nomad visas may make it easier and more cost effective to “park” people in a third country for a short period of time while enabling them to maintain continuity of work and giving them time to decide on longer-term visa options within their company.

*Short-Term Remote Work: Using Tourist or Business Visas*

Finally, governments could explore using tourist or business visas to accommodate remote work in shorter stints. Tourist visas or visa-free travel arrangements generally bar holders from paid work for a local employer, and while not clearly specified, these rules are commonly interpreted to mean that paid work for an employer in another country is also prohibited. In practice, governments may turn a blind eye to or even condone short periods of remote work on tourist visas. Others may struggle to effectively monitor and prevent the practice. But workers who are caught breaking the rules may face harsh punishment, such as visa cancellation or a bar on their future entry into the country.

In interviews, several stakeholders involved in operating digital nomad visa programs or related programming suggested that digital nomads often use tourist visas for shorter stays, regardless of the visas’ official rules on working remotely.<sup>49</sup> Since tourist visas are already being used in this way, governments could easily regularize this practice with minimal costs. For people seeking to work remotely for short periods of time (for example, pairing vacation with a short period of remote work), immigration policymakers could consider adapting business or tourist visas to allow a greater degree of remote work. For example, Ireland allows short periods of work (up to 14 consecutive days) on its short-stay business visas.<sup>50</sup> Canada does not require a work permit for visitors who are working remotely for an employer in another country,<sup>51</sup> which may be a factor in why some U.S. companies are recruiting in Canada. Regularizing this practice could also allow for greater data collection on remote workers who use tourist visas.

49 Author interview with a representative of Work Remotely Croatia, April 6, 2022; author interview with a representative of Start-Up Madeira, March 28, 2022; author interview with a representative of the Digital Nomad Association, April 19, 2022; author interview with a Government of Malta official, April 21, 2022.

50 Irish Department of Justice, “Short Stay Business Visa,” updated October 6, 2021.

51 Government of Canada, “Temporary Foreign Worker and International Mobility Programs: What Is Work?” updated March 10, 2017. Canada includes “long distance (by telephone or internet) work done by a temporary resident whose employer is outside Canada and who is remunerated from outside Canada” as an example of an activity that is not considered to be “work” and thus does not require a work permit while in Canada temporarily (for example, on a visitor visa).

Using existing pathways and adjusting immigration rules can be a much more efficient process for governments wishing to respond quickly to the remote work trend. While countries in which the executive holds strong powers on immigration (such as the United Kingdom and Canada) may be able to pursue more wide-reaching reforms, for others (such as the United States) introducing a standalone pathway may involve a lengthy process of drawing up and passing legislation. Pursuing reforms to existing immigration pathways could also benefit both remote workers and other groups with nontraditional working arrangements, such as self-employed and freelance workers. A final argument in favor of using existing pathways is simplicity: while standalone pathways can serve as a powerful marketing tool (as will be discussed in the next subsection), they should be weighed against the tradeoffs of adding a new visa to already complex immigration systems.

## *B. Standalone Policies for Remote Workers*

The past three years have seen a boom in digital nomad visas. Since Estonia introduced the first digital nomad visa in 2019, at least 25 other countries and territories in Europe, Africa, Asia, and Latin America and the Caribbean have launched their own programs. While some digital nomad and freelance visas predate the pandemic, the pandemic-era combination of travel restrictions, lost tourism revenues, and widespread adoption of remote work practices has helped drive the introduction of more recent programs.

### **How Do Digital Nomad Visas Work?**

Digital nomad visas offer a route for people to reside and work remotely in a country for a limited period of time, provided that they meet certain conditions (such as a minimum income requirement). A full list of the programs that exist in different countries and details on their requirements can be found in the report's Appendix, but generally their key features include:

- ▶ **Permission to reside and work remotely for an employer based outside the country.** Applicants may be asked to submit a letter of employment as part of their visa application. Some programs also cover freelancers who can demonstrate that their clients are based outside the country (e.g., visas offered by Estonia, Georgia, Malta, Montserrat, and the Seychelles); self-employed workers; and/or owners, partners, or shareholders of a company based outside the country.
- ▶ **Bar on working for a local company or setting up a local business.** One exception to this is Estonia, which permits visa holders to engage in some limited local work provided that remote work remains the main purpose for their stay. And while Bermuda bars remote workers from local employment, it does allow remote workers to hold meetings locally.<sup>52</sup>
- ▶ **Required proof of sufficient funds to cover expenses during their stay.** Some programs set minimum income requirements, while others ask applicants to demonstrate that they have a certain amount of funds in their bank account. Programs typically also ask applicants to demonstrate they have health insurance coverage for their stay, sometimes with specific COVID-19 provisions (e.g., Montserrat and Curaçao).

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<sup>52</sup> Author interview with Government of Bermuda official, March 18, 2022.

- ▶ **Ability to bring immediate family members with them.** Some digital nomad visas allow remote workers' family to accompany them, provided applicants can demonstrate they have sufficient funds to support any dependents. However, not all countries offer this option (e.g., Panama does not).

Beyond these shared features, the design of digital nomad visas varies quite widely. These visas are primarily geared towards remote workers employed by a company based outside the country—but some also include other categories, such as self-employed or freelance workers, entrepreneurs, and even students. The Bahamas and Bermuda both include students in their programs, provided they can prove they have the means to support themselves during their stay. Some visa programs also impose geographic limitations. For example, Cabo Verde's program is only open to nationals of countries in Europe, North America, the Community of Portuguese-Speaking Countries, and the Economic Community of West African States, while Georgia lists 95 countries that are eligible for its remote work visa.

Digital nomad visas are generally envisioned as offering a time-limited opportunity to stay in the country, whether for three months (such as Aruba), six months (such as Iceland), one year (such as Croatia or Dubai), or up to two years (such as Antigua and Barbuda). While some programs offer opportunities to renew the permit, the assumption is generally that visa holders will eventually return to their country of origin. However, there are some exceptions; for example, Bermuda is exploring options for multi-year stays and has seen some digital nomads switch to other immigration pathways that offer them a route to permanent residence, such as the country's Economic Investment certificate for high-net-worth individuals.<sup>53</sup>

As digital nomad visas proliferate, governments will need to assess how to give their program an edge over others. One option is to offer more competitive terms under the visa itself. This could include discounted renewals (as offered by Barbados, for example<sup>54</sup>) or online and/or expedited application processes that guarantee a response within a certain period of time (say, five days). And some programs go further, offering an exemption from paying income tax (for example, Costa Rica) or more favorable travel rights (Estonia). Meanwhile, projects have sprung up to try and attract digital nomads to certain regions within a country, especially outside of major urban areas. In Zadar in Croatia, for example, the Digital Nomad Valley Zadar initiative provides remote workers with a package of (paid) accommodation, free co-working space, and curated events.<sup>55</sup> A similar approach has also been taken in some countries without a dedicated digital nomad visa program. In Portugal, for example, the Digital Nomads Madeira Islands project operated by Madeira's regional government and Startup Madeira provides a free co-working space and tailored resources such as information on travel, accommodation options, and social activities to people working remotely on a tourist visa or another visa.<sup>56</sup>

## What Are the Benefits of Digital Nomad Visas?

Digital nomad visas can offer a solution in two separate remote work scenarios: (1) when remote workers want to visit a country and work remotely for a short period of time, and (2) when remote workers wish

53 Author interview with Government of Bermuda official, March 18, 2022; participant comments during the MPI closed-door roundtable "Adapting Immigration Policies for an Era of Remote Work," April 20, 2022.

54 Fragomen, *Worldwide Immigration Trends Report 2022* (N.p.: Fragomen, 2022).

55 Jonny Walfisz, "Want to Work Remotely? The First Digital Nomad Village Has Opened in Croatia," Euronews, October 1, 2021.

56 Digital Nomads Madeira Islands, "About Us," accessed April 7, 2022.



to relocate for a longer period of time (e.g., several months). While the first scenario could be addressed through accommodations within existing immigration pathways such as tourist visas, as discussed above, many countries currently do not have a practical solution for the second category of remote workers. Thus, the introduction of digital nomad visas or other non-employer-sponsored work visas (such as freelance or self-employed visas) could help address this gap in the market.

The arguments for introducing a digital nomad visa fall into a couple categories. First, digital nomad visas can offer a means for governments to signal they wish to welcome remote workers. Even in cases where governments can make use of existing legislation to admit remote workers, packaging these provisions into a standalone visa can help a government and other stakeholders market this opportunity to prospective applicants. Digital nomad visas are often accompanied by compelling branding: a slick website, often in English, and resources on relocating to and working remotely in the country, including information on digital infrastructure, housing, and networks. This approach follows in the footsteps of initiatives such as start-up visas, which also place a heavy emphasis on branding and creating a user-friendly experience.<sup>57</sup> Governments can also integrate digital nomad visas into their broader innovation strategies; for example, Estonia is in the early stages of exploring options to combine its digital nomad visa with its e-residency program.<sup>58</sup>

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*Digital nomad visas are often accompanied by compelling branding: a slick website, often in English, and resources on relocating to and working remotely in the country.*

A second set of arguments in favor of digital nomad visas view them as a way to maximize the economic benefits associated with attracting remote workers. For countries whose economies depend on tourism, digital nomad visas have been viewed as a possible substitute for short-term tourist travel, offering a way to recoup some of the revenue lost during the pandemic.<sup>59</sup> For example, when introducing Bermuda's digital nomad visa, the minister of labor emphasized its benefits to the local economy, while Costa Rica's president described the country's new digital nomad visa as "an incentive for tourism, employment, and investment by digital nomads in the various regions of the country."<sup>60</sup> In some countries, certain regions have also sought out remote workers to try and generate income for smaller towns or more rural areas.

Parsing out the economic benefits of these programs remains challenging at this early stage—not least because data on uptake are not publicly available for many of these programs (see Box 5). Some policymakers use tourism revenue as a proxy, by using data on average tourist expenditure to estimate what remote workers may spend during their longer-term stays. But this assumes that the spending habits of remote workers and tourists are similar, which may not be the case. For example, remote workers may opt to rent accommodations instead of staying in a hotel and may spend less on eating out at local restaurants than a short-term tourist without access to a kitchen. Examining the impacts of these programs should also include a wider range of metrics on expenditure that is often used. One example of an evaluation with more varied metrics is an early analysis of Bermuda's Work from Bermuda permit that estimated benefits of

57 Liam Patuzzi, *Start-Up Visas: A Passport for Innovation and Growth?* (Washington, DC: MPI, 2019).

58 Author email correspondence with Government of Estonia official, May 2, 2022.

59 Claire Shefchik, "Digital Nomads' Bring Millions to Region through Remote Work," *The BVI Beacon*, July 13, 2021.

60 Government of Bermuda, "Minister of Labour Update: 23 July" (news release, July 23, 2020); Alejandro Zúñiga, "Costa Rica Signs Law to Attract Digital Nomads," *The Tico Times*, August 11, 2021.

about \$23 million between August 2020 and April 2021, drawing on analysis of expenditure in areas such as accommodation, food and drink, retail, and personal services.<sup>61</sup> Analyses should also weigh potential tradeoffs, for example whether local housing prices have been affected by remote workers seeking out accommodation.

## BOX 5

### What Do We Know about the Profile of Digital Nomads?

There are few sources of publicly available data on the number of people using digital nomad programs or their profiles. An August 2021 Wall Street Journal article reported that about 13,700 digital nomads had moved to Aruba since September 2020, and almost 5,000 to Barbados since June 2020. Between August 2020 and mid-March 2021, Bermuda approved 1,022 applications for its Work from Bermuda permit. And a May 2021 European Migration Network ad hoc query shed some light on numbers in Europe, with Croatia reporting 105 applications for its visa program (of which 35 had been granted), primarily from nationals of the United States, United Kingdom, and Russia. As of late April 2022, Estonia had approved 166 applications, primarily from nationals of the United States, Russia, India, the United Kingdom, and Ukraine.

While various surveys have profiled people working from home in countries such as the United States, with detailed breakdowns of their jobs, location, and demographic information, much less information is available about international remote workers. A 2021 survey of Work from Bermuda permit holders found that many already had ties to Bermuda (for example, family or friends living in the country, or previous visits). Slightly less than half (44 percent) came from the United States, while the others were from a broad spread of countries, including several where English is commonly spoken (e.g., the United Kingdom, Canada, Australia, India, Pakistan, and Nigeria). Two-thirds were employed by companies based outside Bermuda, while one-third were self-employed. Technology was the most common sector of employment, accounting for one-third of those surveyed, and other common sectors included financial services, hospitality and tourism, and risk and insurance.

Finally, while there have been some emerging efforts to collect data on people using digital nomad visas, far less information is available on remote workers who use other channels to travel. Interviews with Croatian stakeholders, for example, suggest that far more remote workers in the country are using visa-free travel or tourist visas than Croatia's digital nomad visa; factors cited as contributing to this trend include travelers' planned length of stay and the costs and time associated with applying for the digital nomad visa. Without formally applying for a digital nomad visa, governments have limited means to collect data on this broader population of remote workers.

Sources: Kathleen Hughes, "Some People Worked from Home during Covid. These People Moved to a Tropical Island," *Wall Street Journal*, August 25, 2021; author interview with Government of Bermuda official, March 18, 2022; European Commission, "Ad Hoc Query on 2021.35 Digital Nomad Visas" (responses to query request by European Migration Network [EMN] National Contact Point [NCP] for Latvia, May 25, 2021); Buffer, Doist, Remotive, and We Work Remotely, *State of Remote Work 2021* (N.p.: Buffer, Doist, Remotive, and We Work Remotely, 2021); Elaine Godfrey, "Another Truth about Remote Work," *The Atlantic*, September 20, 2021; MBO Partners, "The Digital Nomad Search Continues" (research brief, MBO Partners, September 2021); author email correspondence with Government of Estonia official, May 2, 2022; author interview with a representative of Work Remotely Croatia, April 6, 2022; author interview with a representative of the Digital Nomad Association, April 19, 2022.

For now, digital nomad visas remain a bit of an untested prospect. For some governments, the brand of digital nomad visas and the ability to fill this gap in the landscape of immigration pathways for remote workers may hold strong appeal. However, these considerations will need to be revisited as COVID-19-

<sup>61</sup> Author interview with Government of Bermuda official, March 18, 2022.

related travel restrictions lift and tourism picks up once more. Governments running successful digital nomad programs will also have to consider whether participants can transition to longer-term visa categories that embed people more firmly in tax and social security systems and also come with greater entitlements, such as the ability to bring in family members. Other governments' priorities around remote work may mean it makes more sense for them to focus on short-term accommodations through existing visas or to explore a self-employed or freelance visa that could admit a broader group of non-employer-sponsored workers.<sup>62</sup>

## 4 Conclusions and Recommendations

All signs point to remote working arrangements becoming a much more common feature of the workplace going forward. Yet remote work is not a singular phenomenon, and thus addressing its rise is not easily solved with one policy change. Even designated remote work visas may not fit the fuzzy realities of hybrid or mostly remote work. For instance, while digital nomad visas can suit freelancers well, an employee for a multinational company may chafe at restrictions on local work that include visiting their employer's local branch. Moreover, since remote work has implications for a number of government portfolios, from labor to economic development to social security, there is a risk that it may fall into the gap between portfolios—and in particular, fall off the radar of immigration policymakers concerned with addressing labor and skills shortages, rather than bringing in talented individuals working for employers in other countries. This complexity points to the need for governments to develop tailored remote work strategies that draw on insights from different agencies as well as nongovernment stakeholders.

Yet developing a concerted remote work policy could be an important engine of economic growth and help stimulate tourism as countries emerge from the lag in global travel precipitated by the pandemic. Governments seeking to adopt more remote-work-friendly immigration policies should first weigh their country's current or potential appeal to remote workers. Some established immigrant destinations may wish to focus on allowing a greater degree of remote work in their current policies, whereas a standalone digital nomad visa may appeal to countries more concerned with attracting visitors who wish to stay for longer than the average tourist and work remotely. Economic development considerations may also factor in, whether in terms of attracting high-net-worth individuals who may go on to invest in the country, or by encouraging digital nomads to relocate outside of major cities to smaller towns or villages.

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*Remote work is not a singular phenomenon, and thus addressing its rise is not easily solved with one policy change.*

This study suggests there is a strong case for governments to introduce more flexibility into their immigration policies for all categories of remote workers. Policymakers should consider taking a more permissive stance towards occasional remote work by foreign workers on employment visas as this becomes a more common feature of the labor market. Similarly, policymakers should consider allowing visitors to work remotely under strict conditions, such as time limits. Not only would this regularize a practice that

<sup>62</sup> For example, in an interview, a Government of Ireland official stated that while they had examined the digital nomad program, their takeaway was that clearly explaining Ireland's different visas, what they offer, and the conditions of entry "goes 50 to 60 percent of the way" towards meeting the needs of prospective digital nomads. Author interview with Government of Ireland official, April 12, 2022.

already happens, but it can encourage tourists to plan longer vacations that include some remote work. In these cases, signaling more clearly what the rules are could help individuals and companies comply, and potentially result in additional economic benefits.

For some governments, admitting foreign workers who will work for a company abroad on a fully remote basis may still make sense. Policymakers will need to weigh the costs and benefits of such admissions—for example, while they risk losing tax contributions, they may gain revenue from workers' local expenditure and may also view their admission as a means to promote local innovation or skills transfer. This could be achieved through adaptations to existing immigration channels, such as work visas, or by introducing a tailored visa. Digital nomad visas offer governments the opportunity to market their countries as open to remote workers and connect up with broader economic priorities, but they may not be suitable for everyone. Creating this type of tailored program should be weighed against other factors, such as the costs of setting up and running a new immigration pathway, prospective demand, and the profile of remote workers who may use this pathway.

Rethinking immigration systems for a new era of remote work presents challenges and opportunities. This analysis points to the following recommendations:

- ▶ **Pursue greater flexibility in immigration systems to accommodate remote work.** Countries that do not adapt to emerging trends such as remote work risk falling behind in the global competition for talent and disadvantaging employers that seek to attract and retain foreign workers. Alongside fixes such as allowing tourists to work remotely for short periods of time, governments should consider options that admit remote workers beyond the duration of a tourist visa. For countries that rely on tourism, digital nomad visas can appeal to remote workers who may wish to relocate for a period of several months and combine work with vacation. But for other countries that are experiencing a rise in nontraditional working arrangements (such as freelance work or self-employment) in certain sectors, adopting a broader visa that can benefit remote workers and other categories of non-employer-sponsored workers may make more sense.
- ▶ **Coordinate across portfolios to develop a remote work strategy that integrates immigration priorities with economic development and inclusive growth objectives.** As a first step, governments could establish a task force or commission to investigate the implications of remote work (and especially international remote work) and convene relevant stakeholders both within and outside of government, including employers and remote workers, to better understand the opportunities and hurdles presented by remote work.
- ▶ **Work with other countries to streamline immigration, employment, social security, and tax requirements so that it is easier for workers and employers to understand the rules and their obligations.** This cooperation could address topics such as double taxation, drawing on existing bilateral tax treaties or arrangements in place for cross-border or frontier workers; social security payments if digital nomads stay in another country for an extended period of time; regulations for licensed professions; and credential recognition procedures. While governments may have limited incentives currently to prioritize some of these concerns, they may become more pressing if remote work continues to grow and the profile of remote workers gets older, raising the risk that people may return home without having acquired or being able to access pensions and other entitlements.

- ▶ **Explore how regions outside of major metropolitan areas can capture the benefits of remote work.** Some subnational governments have already developed programs or strategies to attract digital nomads, for example by providing a package of services, accommodation, and social events to new arrivals, viewing them as a means to bolster the local economy and in some cases, slow the effects of demographic decline. Localities could consider how to capitalize on short stays, which are unlikely to reverse demographic decline alone but could bring spillover effects for local communities, for instance by connecting locals with digital nomads and fostering opportunities for innovation and collaboration, or even helping locals find remote jobs themselves. National governments could support these efforts by better packaging information about options for working remotely to attract global talent and help foreign workers understand and comply with the rules. They could also help regions market themselves to digital nomads, and where needed, providing advice and infrastructure support (such as high-speed broadband).
- ▶ **Create temporary-to-permanent pathways so that some remote workers on visitor and nomad visas can transition to more permanent residence.** Such options could be made conditional on proof that workers are earning above a certain threshold (such as the prevailing wage for skilled work visas). This could offer a win-win by allowing remote workers to incrementally acquire rights while capturing more of their income through taxation.

As new digital nomad visa programs are introduced and others remain in the early stages of implementation, it is too early to say whether these visas will live up to the claims being made about their potential economic benefits. For now, discussions of their economic benefits tend to rely on tourism expenditure as a proxy, but as time goes on, policymakers should commission more detailed studies on the contributions of remote workers to the communities in which they live, including their expenditure, their human capital, and opportunities for skills transfer and innovation, as well as the potential costs, such as strain on local housing markets. At the time of writing, limited data on the uptake of these visas and the profile of applicants were available. And with indications that some international remote workers are continuing to use tourist visas, questions remain about whether digital nomad initiatives can fully meet the needs of remote workers or whether further adjustments are needed to make them accessible for employers and remote workers (for example, by loosening restrictions around holding meetings locally). More research is needed on both the use of digital nomad visas and the preferences of remote workers themselves.

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*Remote work, at scale, could change the terms of the global race for talent, which would require governments to develop a more expansive understanding of labor migration policy.*

The geography of jobs is changing, but it is not yet clear how things will shake out. Remote work, at scale, could change the terms of the global race for talent, which would require governments to develop a more expansive understanding of labor migration policy—one that looks beyond addressing domestic skills and labor shortages to think about how best to capture the benefits of cross-border movement. To truly reap the benefits of remote work, governments need to understand that this is about more than generating revenue from digital nomad visa programs, but also making a country an attractive environment for temporary visitors, business activity, and job creation (even for jobs overseas).

## Appendix. Key Features of Digital Nomad Visas

TABLE A-1

### Key Features of Digital Nomad Visas around the World, as of June 2022

Country or Territory	Program	Who Is Eligible?	Duration	Local Work Authorization?	Minimum Income?
Antigua and Barbuda	Nomad Digital Residence Visa	Foreign nationals who are self-employed or employed by a company outside Antigua and Barbuda	Up to two years	No	Proof of expected annual income of at least USD 50,000, plus ability to support themselves and dependents
Argentina	Short-Term Residence Permit for Digital Nomads	Visa-exempt foreign nationals employed by a company outside Argentina	Six months, renewable for six months	No	No
Aruba	One Happy Workation	U.S. nationals who are self-employed or employed by a company outside Aruba	Up to 90 days	No	No
The Bahamas*	Bahamas Extended Access Travel Stay (BEATS) Permit	Foreign nationals who are self-employed, employed by a company outside the Bahamas, or students enrolled in an accredited educational institution outside the Bahamas	Up to one year, with option to extend up to three years	No	Proof of funds to support themselves
Barbados	12-Month Welcome Stamp Visa	Foreign nationals who are employed by a company outside Barbados	Up to one year, with option to reapply	No	Proof of expected annual income of at least USD 50,000
Bermuda	Work from Bermuda One Year Residential Certificate	Foreign nationals who are self-employed; employed by a company outside Bermuda; or students enrolled in a research, undergraduate, or graduate program outside Bermuda	Up to one year, with option to reapply	No	Proof of means to support themselves and dependents
Brazil	Digital Nomad Visa	Foreign nationals employed by a company outside Brazil or who provide services outside Brazil	Up to one year, with option to renew	No	Minimum monthly income of USD 1,500 or available bank balance of USD 18,000

TABLE A-1 (cont.)

**Key Features of Digital Nomad Visas around the World, as of June 2022**

<b>Country or Territory</b>	<b>Program</b>	<b>Who Is Eligible?</b>	<b>Duration</b>	<b>Local Work Authorization?</b>	<b>Minimum Income?</b>
Cabo Verde	Cabo Verde Remote Working Visa Program	Foreign nationals from Community of Portuguese-Speaking Countries, Economic Community of West African States, Europe, and North America who are employed by a company outside Cabo Verde or who are self-employed	Up to six months, with option to renew for an additional six months	No	Proof of a minimum bank balance of 1,500 euros (USD 1,600) per person or 2,700 euros (USD 2,900) per family over the past six months
Cayman Islands	Global Citizen Concierge Program	Foreign nationals who are employed by a company outside the Cayman Islands	Up to two years	No	Proof of expected annual income of USD 100,000 for individual; USD 150,000 for applicant and partner; USD 180,000 for applicant, partner, and dependent children
Costa Rica	Short-Term Visa for Remote Workers or Service Providers	Foreign nationals who are employed by a company outside Costa Rica or provide services to entities outside Costa Rica	Up to one year, with option to extend for one additional year	No	Proof of monthly income of at least USD 3,000 for individual, or USD 4,000 for applicant and dependents
Croatia	Digital Nomad Visa	Foreign nationals who are employed by a company outside Croatia or who are self-employed	Up to one year	No	Proof of a minimum income of HRK 16,907.50 (USD 2,400) per month. For 12 months, must have proof of a minimum of HRK 202,890.00 (USD 28,800) in available funds.
Curaçao	@HOME in Curaçao	Foreign nationals who are employed by a company outside Curaçao or who offer freelance or consulting services to clients outside Curaçao with whom they have contracts	Up to six months, with option to extend for another six months	No	Proof of economic solvency (a declaration of assignment, recent employer declaration, or certified copy on an employment contract)

TABLE A-1 (cont.)

**Key Features of Digital Nomad Visas around the World, as of June 2022**

<b>Country or Territory</b>	<b>Program</b>	<b>Who Is Eligible?</b>	<b>Duration</b>	<b>Local Work Authorization?</b>	<b>Minimum Income?</b>
Cyprus	Remote Work Visa	Foreign nationals who are self-employed or working for an employer abroad	Up to one year, with option to renew for two additional years	No	Access to 3,500 euros (USD 3,700) per month, either from employment or from client service, with an additional 20 percent in case of an accompanying spouse and 15 percent for each dependent child
Dominica	Work in Nature (WIN) Extended Stay Visa	Foreign nationals who are employed by a company or individual outside Dominica	Up to 18 months	No	Proof of expected annual income of at least USD 50,000 and/or means to support themselves
Estonia	Digital Nomad Visa	Foreign nationals who are employed by a company outside Estonia, or freelancers with clients mostly based abroad	Up to 90 days (short-term application) or up to one year (long-term application)	Yes, limited local work is allowed, provided the main purpose of the visa holder's trip remains remote work.	Proof of minimum monthly gross income of 3,504 euros (USD 3,700) over preceding six months
Georgia*	Remotely from Georgia	Foreign nationals of 95 countries who are employed by a company outside Georgia, freelancers, or entrepreneurs	Up to one year	No	Proof of monthly income of at least USD 2,000, and proof of ability to pay taxes while in Georgia
Greece	Digital Nomad Visa	Foreign nationals who are self-employed or employed by a company outside Greece	Up to one year, with option to renew for up to three years	No	Proof of monthly income of 3,500 euros (USD 3,700)
Hungary	White Card	Foreign nationals employed by a company outside Hungary or who own a company registered abroad	Up to one year, with option to renew for another year	No	Proof of access to at least 2,000 euros per month six months before application and during permit
Iceland	Long-term visa	Foreign nationals from visa-exempt countries who are employed by a company outside Iceland	Up to six months	No	Proof of monthly income of ISK 1 million (approx. USD 7,700) for individuals or ISK 1.3 million (approx. USD 10,000) for applicant and dependents



TABLE A-1 (cont.)

**Key Features of Digital Nomad Visas around the World, as of June 2022**

<b>Country or Territory</b>	<b>Program</b>	<b>Who Is Eligible?</b>	<b>Duration</b>	<b>Local Work Authorization?</b>	<b>Minimum Income?</b>
Malta	Nomad Residence Permit	Foreign nationals who are employed by or a shareholder or partner in a company registered outside Malta	Up to one year, with option to renew	No	Proof of monthly income of at least 2,700 euros, plus additional 20 percent of the median wage for each dependent
Mauritius	Premium Visa	Foreign nationals who are working remotely and whose main place of business and source of income and profits is outside Mauritius	Up to one year, with option to renew	No	Proof of funds of minimum of USD 1,500 or 1,300 euros per month, plus an additional minimum amount of USD 500 or 400 euros per month for each dependent below age 24
Montserrat	Remote Worker Stamp	Foreign nationals who are employed by or shareholder/partner in a company outside Montserrat	Up to one year, with option to reapply	No	Proof of annual income of at least USD 70,000
Panama	Short-Term Visa as Remote Worker	Foreign nationals who are employed by or owner of a company outside Panama	Up to nine months, with option to renew once for an additional nine months	No	Proof of annual income of at least USD 36,000
Romania	Digital Nomad Visa	Foreign nationals who are employed by a company outside Romania or owner of a company registered abroad for at least three years before submitting application	Up to six months, with option to renew	No	Proof of at least three times the national average gross salary during the six months before visa application and for duration of the visa (as of June 2022, minimum monthly income requirement was RON 18,285 or USD 4,000)
Saint Lucia	Live It	Foreign nationals who are working remotely	Up to one year	No	Proof of sufficient funds
Seychelles	Visitors' Workcation Permit	Foreign nationals who are self-employed, freelancers, or employed by a company outside the Seychelles	Up to one year, with option to renew	No	Proof of source of income
Sri Lanka	Digital Nomad Visa	Foreign nationals who are employed by company outside Sri Lanka and freelancers	One year, with option to renew	No	Proof of income or funds sufficient for the duration of the stay

TABLE A-1 (cont.)

**Key Features of Digital Nomad Visas around the World, as of June 2022**

<b>Country or Territory</b>	<b>Program</b>	<b>Who Is Eligible?</b>	<b>Duration</b>	<b>Local Work Authorization?</b>	<b>Minimum Income?</b>
United Arab Emirates	Remote Working Visa Scheme	Foreign nationals who work remotely for a company outside the United Arab Emirates	Up to one year, with the possibility to renew	No	Applicants must have worked for their current employer for at least three months prior to application and have a minimum salary of USD 3,500 per month
United Arab Emirates – Dubai	Virtual Working Program	Foreign nationals who are business owners or employed by a company outside the United Arab Emirates	Up to one year	No	Proof of monthly income of at least USD 5,000

\* It is unclear how long these visas will be available, and some may already be winding down. Georgia suspended its Remotely from Georgia program in April 2022, and reports indicate that the Bahamas Extended Access Travel Stay (BEATS) Permit was suspended in early 2022.

Source: Compilation by the authors based on information shared by Fragomen.

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