

Report from EMN Sweden 2014:4

Admitting third-country nationals for business purposes: SWEDEN



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Disclaimer: This publication was produced by the Swedish National Contact Point of the European Migration Network (EMN) for public dissemination within Sweden and abroad. It is based on the Swedish contribution to the EMN focused study "Admitting third-country nationals for business purposes", which was carried out within the framework of the EMN work programme for 2014. The original contribution had the format of a detailed questionnaire. Since this was not considered to be user-friendly, and since several questions did not apply to the Swedish situation and therefore could not be answered appropriately, it was decided to develop a more reader-friendly format, including only aspects of relevance for the situation in Sweden. The original version of the Swedish contribution to the EMN study can be obtained from the Swedish National Contact Point of the EMN upon request.

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Summary

This report, which represents the Swedish contribution to the European Migration Network (EMN) study "Admitting third-country nationals for business purposes", looks into the Swedish rules, practices and experiences regarding three different broad categories of people immigrating or visiting Sweden for business reasons: Business owners, investors, and other business persons (including business travellers). A certain focus is placed on third-country nationals who come to Sweden to start up their own businesses, to acquire an already existing company or to become co-owners of a business. According to the specifications for this study, this group of business migrants are called "business owners". In Sweden, the term "self-employed" (egna företagare) is more common. In this study, both terms are used synonymously.

Immigrating business owners represent – compared to overall immigration to Sweden in recent years – a relatively small group of persons. In 2013, Swedish authorities granted 300 first-time residence permits for such purposes. In total, more than 116,000 first residence permits were granted that year. Over the five-year period 2009-2013, roughly 1 000 residence permits for self-employment purposes were granted.

Regarding investors, there are no reliable figures since Swedish law does not provide for a specific immigration channel for this category of business migrants. Swedish authorities cannot grant anybody a longer-term residence permit only for the purpose of carrying out an investment in, e.g. financial products or real estate, in Sweden. A residence permit can only be granted when the applicant acquires at least 50 percent of a business and gets involved in its operations, which means that the person is a business owner, and not merely an investor. Investors may however come to Sweden for shorter periods of time, e.g. with a Schengen visa or a residence permit for visits.

For other business people coming to Sweden for short periods of time, e.g. with a Schengen visa or a Swedish type-D visa, some statistics are available. They suggest that Sweden attracts a higher number of business travellers each year. In 2013, Swedish authorities issued more than 51 500 Schengen visas for business purposes – almost one third of all Schengen visas granted. In addition to Schengen visas, Swedish authorities also issued almost 200 national type-D visas for business purposes.

Regarding the requirements and conditions for entry and stay of business owners, Swedish immigration law is relatively vague, but also quite generous. The Aliens Act states that a "residence permit may be granted to an alien with means of support other than employment. If the alien is to conduct business activities, he or she must be able to conduct the activities in question" (Chapter 5, Section 5, second paragraph of the Aliens Act). This provision, which serves as the legal base for the immigration of business owners to Sweden, is not further elaborated or specified by law. Some more detailed guidance can however be derived from preparatory work for immigration legislation, and case-law from Swedish Migration Courts. Other than that, the current standards for examining applications for residence permits for business owners, the granting of such permits, and the conditions that applicants have to fulfil in order to be granted a permit, have been shaped by the evolution of the practice of the Swedish Migration Agency regarding such cases over time. Historically, and from a legal perspective, immigration for business purposes is therefore a rather interesting phenomenon to study. It has been very much influenced by custom, practice and experience, rather than by legislation.

In general terms, it can be observed that the majority of all residence permits granted in Sweden for business owners are issued to persons who start up, or acquire, small enterprises. In many cases, these are one-man operations. They range across a broad spectrum of branches and types of businesses. There can be small start-ups in the IT sector, specialised one-man consultancy firms, small restaurants and snack bars, pizzerias, repair shops, garages, small import-export businesses specialising in exotic

products, specialised craftsmen, among many others. Sometimes, two persons apply for a residence permit with the aim of starting a business together. While many business owners apply for residence in Sweden from abroad, applications filed by migrants who are already present in Sweden are also common. For example, international students may want to set up their own enterprise after their studies, or labour immigrants may wish to leave their jobs and become self-employed instead.

To be granted a residence permit for business ownership, relatively much documentation is needed, and many requirements have to be fulfilled. Applicants must have a valid passport; show that they have significant experience in their field of operations and previous experience of running their own business; have documented knowledge in Swedish and/or English; show that they are running the business themselves and have the ultimate responsibility for it; own at least half of the business; show that the business' services or goods are sold and/or produced in Sweden; and demonstrate that they have sufficient means to support themselves and, if applicable, their family.

It can sometimes be challenging for applicants to demonstrate that they have relevant business experience. Experiences show that, compared to other categories of migrants applying for Swedish residence permits, a relatively high number of applications for residence permits for business owners are rejected. In 2013, for example, 34 percent of all applicants received a negative decision at first instance. The share of positive decisions was roughly 50 percent. Initial residence permits for business owners are normally granted for two years. After this period, a permanent residence permit can be issued, on the condition that the business idea has succeeded. In uncertain cases, temporary residence can be extended by one year.

Within the Swedish Migration Agency, a relatively small team of specialised case-workers and decision-makers processes and examines applications for residence permits for business purposes. They have a considerable workload and many applications can be challenging to assess due to their complexity. It can be difficult or even impossible to detect misuse of the rules, e.g. by people who fake a business activity. Moreover, many applications are incomplete and more, or more solid, documentation needs to be requested.

When an application is complete, a residence permit can be issued within relatively short time. The Migration Agency prioritises the processing of applications for which complete information and all necessary documents have been submitted. This means that applications that have to be complemented will take much longer to process. In 2013, approximately 16 percent of all incoming cases were processed and decided upon within three months. Another 40 percent were processed within six months. The rest of the case-load took longer, or much longer, to process, and the average processing time was 305 days. In 2014, the team within the Swedish Migration Agency that processes applications for residence permits for business owners has been able to increase its number of staff. This is expected to result in shorter processing times and a decreasing number of pending cases.

Denna studie är det svenska bidraget till studien "Admitting third-country nationals for business purposes" vilken genomfördes inom det Europeiska migrationsnätverket (EMN) i slutet av 2014. I studien undersöks de svenska reglerna, rutinerna och erfarenheterna rörande tre olika, breda, kategorier av människor som flyttar till, eller besöker, Sverige av affärsmässiga skäl – egna företagare, investerare och andra affärsmän (inklusive affärsresenärer). Ett särskilt fokus finns på medborgare från tredje land som kommer till Sverige för att starta ett företag, köpa ett företag eller bli delägare i ett företag. Egna företagare som immigrerar till Sverige utgör, i relation till den totala invandringen under senare år, en relativt liten grupp personer. Under 2013 utfärdade svenska myndigheter 300 förstagångs uppehållstillstånd av denna anledning. Totalt utfärdades under detta år mer än 116 000 nya uppehållstillstånd. Under en femårsperiod, 2009-2013, utfärdades ungefär 1000 uppehållstillstånd till egna företagare.

Då det gäller investerare finns det ingen tillförlitlig statistik eftersom svensk lag inte innehåller någon reglering av denna kategori av företagsrelaterad migration. Svenska myndigheter kan inte bevilja någon ett uppehållstillstånd för längre tid bara mot bakgrund av att personen ska investera, köpa företag eller fast egendom, i Sverige. Uppehållstillstånd kan bara beviljas om personen köper minst 50 procent av ett företag och deltar i dess verksamhet vilket innebär att han/hon är företagsägare och inte enbart investerare. Investerare kan dock komma till Sverige för kortare vistelser med en Schengenvisering eller uppehållstillstånd för besök.

För de övriga affärsmän som kommer till Sverige för kortare perioder, med Schengenvisering eller svensk D-visering, finns det statistik som visar att antalet affärsresenärer till Sverige ökar för varje år. Under 2013 beviljade svenska myndigheter mer än 51 500 Schengenviseringar av affärsskäl – nästan en tredjedel av det totala antalet Schengenviseringar. Förutom dessa Schengenviseringar utfärdades svenska myndigheter också nästan 200 nationella D-viseringar av affärsskäl.

Vad det gäller krav och villkor för inresa och vistelse för egna företagare är den svenska utlänningslagen relativt vag men också ganska generös. Utlänningslagen stadgar att "[u]ppehållstillstånd får beviljas en utlänning som har sin försörjning ordnad på annat sätt än genom anställning. Om utlänningen ska bedriva näringsverksamhet ska han eller hon ha förmåga att bedriva den aktuella verksamheten". (Utl.l. 5:5, 2§). Detta stadgande som är den legala basen för immigration för egna företagare förtydligas inte vidare i lagstiftningen. Dock finns viss vägledning i förarbetena till utlänningslagen och praxis från migrationsdomstolarna. Bortsett från det har standard för handläggning av ärenden om uppehållstillstånd för egenföretagare, beviljandet av dessa tillstånd och vilka krav som den sökande måste uppfylla för att få ett tillstånd utvecklats över tid inom Migrationsverket. Från ett legalt perspektiv är invandringen av egenföretagare och dess utveckling över tid ett intressant studieobjekt. Det har påverkats av vana, praxis och erfarenhet i större utsträckning än ändrad lagstiftning.

Det kan generellt sägas att majoriteten av alla uppehållstillstånd som beviljas egenföretagare i Sverige utfärdas till personer som startar eller köper små företag. I många fall är det enmansföretag. De sträcker sig över ett brett spektrum av branscher och typer av företag. Det kan vara små uppstarts-företag inom IT-sektorn, specialiserade enmans konsultföretag, små restauranger och snabbmats-ställen, pizzerior, verkstäder, bilverkstäder, små import-export företag som specialiserar sig på exotiska produktioner, specialiserade hantverkare, m.m. Ibland ansöker två personer om uppehållstillstånd för att starta ett företag tillsammans. Många söker om uppehållstillstånd när man är utanför landets gränser men det är också vanligt att man söker när man redan befinner sig i Sverige. Ett exempel är internationella studenter som kan vilja starta ett företag efter studierna eller arbetsmigranter som vill lämna sin anställning och starta eget istället.

För att beviljas uppehållstillstånd för företagande krävs det ganska mycket dokumentation som ska biläggas och många krav ska uppfyllas. De som ansöker måste ha ett giltigt pass, visa att de har tillräcklig erfarenhet inom branschen och erfarenhet av att driva ett företag, ha dokumenterad kunskap i svenska och/eller engelska, visa att det är de själva som driver företaget och har det yttersta ansvaret för det, äga minst halva företaget, visa att företagets tjänster eller produkter säljs och/eller tillverkas i Sverige och visa att de har tillräckliga resurser för att försörja sig själva och i förekommande fall sin familj.

Det kan ibland vara en utmaning för den sökande att visa att han/hon har tillräcklig företagserfarenhet. Det visar sig att, jämfört med andra kategorier av migranter som ansöker om svenskt uppehållstillstånd, får en relativt stor andel av ansökningarna om uppehållstillstånd för egenföretagare ett negativt beslut. 2013 avslogs 34 procent av alla ansökningar i första instans. Andelen positiva beslut är runt 50 procent. Första uppehållstillstånd för egenföretagare beviljas normalt för två år, därefter kan personen få permanent uppehållstillstånd om företagsidén har fungerat. I osäkra fall kan det tillfälliga uppehållstillståndet istället förlängas ett år.

Based on the assumption that properly managed admission of third-country nationals can bring positive impacts on business, investments and trade, and ultimately contribute to economic growth, the European Migration Network (EMN) decided in 2013 to undertake a comparative study on the admission of migrants from non-EU countries (third countries) to EU Member States. The aim of the study is to provide an analysis and further understanding of the conditions in place in EU Member States that regulate admission for business purposes. Specifically, the study was designed to look into national rules concerning three broad categories of migrants, non-EU investors, non-EU business owners, and third-country nationals who travel to the EU for business reasons ("other business persons"). While the first two categories mainly tackle third-country nationals admitted for long stay, the last one includes also those travelling under Schengen short-stay rules.

The rules and policies in the EU Member States that regulate admission for business purposes for longer-term stays are, unlike Schengen rules or provisions concerning asylum seekers, persons migrating for family reasons and certain categories of employees, not harmonised across the European Union. The Study will therefore compare and contrast the ways, and extent to which, Member States' existing legal and policy measures are used to facilitate and attract the entry of third-country nationals for business purposes whilst safeguarding against misuse. The Study will build on information already collected during the course of developing other related EMN outputs. It also draws from literature published by third parties.

Facilitating the arrival of third-country nationals for business purposes into the EU has been emphasised in several EU documents and "soft law". The Stockholm Programme invited EU Member States to make access for business people to the Union's territory more effective and efficient,¹ and the European Council of 26-27 June 2014 concluded that, to remain an attractive destination for talents and skills, Europe must develop strategies to maximise the opportunities of legal migration through coherent and efficient rules, and informed by a dialogue with the business community and social partners². The EU "Entrepreneurship 2020 Action Plan" highlights key contributions that third-country national investors and business owners can make to sustainable growth and employment, and invites Member States to remove obstacles to the establishment of businesses by legal migrants.³ Meanwhile, a study by the OECD shows that the inflow of foreign business owners to EU Member States has been rather modest, and that wide variations exist in the Member States' practices for admission into their territory.⁴

1 European Council (2010): The Stockholm Programme — An open and secure Europe serving and protecting citizens, in: Official Journal of the European Union, C 115 of 4 May 2010, p. 1-38.

2 European Council (2014): Conclusions 26/27 June 2014, Brussels, p. 2.

3 Communication from the Commission: Entrepreneurship 2020 Action Plan – Reigniting the entrepreneurial spirit in Europe, COM(2012) 795 final, Brussels.

4 OECD (2010): Open for Business: Immigrant entrepreneurship in OECD Countries, Paris: OECD Publishing.

Increasing internationalisation of business, combined with a strong need for mobility, requires that Member States' admission systems are responsive to the realities and needs of the business sector. International businesses require third-country nationals, who are providing a service, to have access to the territory and to be able to come and go with ease. Immigration authorities must maintain certain controls while minimising negative impacts and red tape for businesses and, by extension, the economy.

When it comes to international trade agreements, the temporary movement of natural persons (TMNP) is one of the four modes of international service supply under the General Agreement on Trade in Services (GATS). Otherwise known as "Mode 4", TMNP covers the temporary movement of natural persons for the purpose of supplying a service. Six Mode 4 categories of 'natural persons' are explicitly identified, and each is defined by a prescribed length of stay:

- intra-corporate transferees (up to three years);
- graduate trainees (up to one year);
- contractual service providers (a cumulative period of not more than 6 months);
- independent professionals (as above, a cumulative period of not more than 6 months);
- business visitors (up to 90 days in any twelve-month period); and
- business sellers (up to 90 days in any twelve-month period).

This study will use the six categorisations set out above and will investigate what provisions exist at Member State level relevant to these types of business persons.

The scope of the Study will include predominantly legal, business-related immigration. It will take into account elements of mobility (short-stay under the Schengen rules), address conditions for entry and stay of immigrant investors, immigrant business owners and other business persons, and explore the national rules and restrictions in place to regulate their admission, as well as the effectiveness of legislation and policies to facilitate it, whilst preventing abuse. The study will also aim to identify and collect good practices in this regard.

This report represents the Swedish contribution to this comparative EMN study project. It has been produced primarily through desk research. It is based on an analysis of legal documents, such as the Swedish Aliens Act, EU-directives and the Swedish Migration Agency's Handbook for migration cases. The main source of the statistics used in this report is the Swedish Migration Agency. Where other sources or literature was used, references are given in footnotes. Where no references or sources are given, the information is based on in-house experience available within the Swedish Migration Agency. The author of the study also interviewed a number of experts within the Migration Board and at the National Board of Trade.

Compared to other types of immigration flows, immigration for business purposes including investors, business owners and other business persons is only partly covered by EU legislation. Thus, Member States may apply different criteria for admission. A number of harmonised elements are however relevant, mainly the EU Visa Code, the Directive on intra-corporate transfers, and EU free-trade agreements.

Visa Code

The EU Visa Code⁵ has streamlined the rules and conditions for issuing visas for the purpose of short stays and airport transit and enhanced the harmonised application of these common rules. Proposals, tabled in 2014 to amend this Regulation⁶ aim to shorten and simplify the procedures for those wanting to come to the EU for short stays, bring cost savings and reduce bureaucracy, whilst maintaining a high level of security. Making access to the Schengen area easier for legitimate travellers will facilitate visiting friends and relatives and doing business. It shall also boost economic activity and job creation in, for instance, the tourism sector as well as in related activities such as restaurant and transport industries.

Intra Corporate Transfers Directive

The Intra Corporate Transfers Directive, adopted on 15 May 2014, establishes a transparent and simplified procedure for the entry and residence of third-country nationals in the framework of an intra-corporate transfer, based on a common definition and harmonised criteria.⁷ This directive is intended to make it easier and quicker for multinational companies to temporarily assign highly skilled employees (managers, specialists and trainees) to subsidiaries situated in the EU. Among other aspects, it introduces a special procedure for entry and residence and standards on the issue of residence permits for third-country nationals by Member States in the framework of an intra-corporate transfer. According to the Directive, intra-corporate transferees admitted will be issued a special residence permit by a competent authority designated by the Member States, entitling them to work.

EU free-trade agreements

The current EU free-trade agreements stipulate the basis of investments, establishments and mobility of personnel, and there are innovations introduced in later agreements, such as articles 7.13, 7.18 and 7.19 of the EU Free Trade agreement with the Republic of Korea,⁸ which indicates the liberalised sectors for establishments and investors and key personnel, graduate trainees and business sellers. Annex 7 of the said free trade agreement lists the reservations by Member States on acquisition of real estate by third country nationals and limitations in establishing business. Reservations made by Member States on key personnel, graduate trainees and business service sellers include residency requirements, trade permits, nationality conditions and economic needs tests.

5 Regulation (EC) No 810/2009 of the European Parliament and of the Council of 13 July 2009 establishing a Community Code on Visas (Visa Code).

6 European Commission (2014): Proposal for a Regulation of the European Parliament and of the Council on the Union Code on Visas (Visa Code) (recast), COM(2014) 164 final of 1 April 2014.

7 Directive 2014/66/EU of the European Parliament and of the Council of 15 May 2014 on the conditions of entry and residence of third-country nationals in the framework of an intra-corporate transfer.

8 Free Trade Agreement between the European Union and its Member States, of the one part, and the Republic of Korea, of the other part, in: Official Journal of the European Union, L 127 of 14 May 2011, p. 6-1343.

3 Relevant sources and literature

EMN Ad-Hoc Queries

At least five relevant Ad-Hoc Queries have been launched in the framework of the EMN throughout the period 2009-2014 on topics related to immigrant investors. The 2009 and 2011 EMN Ad-Hoc Queries on Issuance of Residence Permits in Case of Purchasing a Real Property in a Member State and on Limitations to acquiring real estate by third-country nationals,⁹ the 2012 Ad-Hoc Query on the duration of residence permits,¹⁰ the 2013 Ad-Hoc Query on Residence requirements for investors¹¹ and the 2012¹² and 2014¹³ EMN Ad-Hoc Queries on Wealthy immigrants / investors have tackled specific categories of third-country nationals admitted to the purpose of business or investment. Though these Ad-Hoc Queries show a significant rise in the number of Member States trying to facilitate the avenues of entry of investors, a systematic review of all Member States programmes and the evaluation of their impact have not been yet carried out.

Studies and reports

The 2012 EMN Study Visa policy as migration channel¹⁴ and the 2013 EMN Studies Attracting highly qualified and qualified third-country nationals to the EU¹⁵ and Intra-EU Mobility of Third-Country Nationals¹⁶ (in part) address aspects relating to the present study.

A number of European, international and national level studies have immigrant entrepreneurship and investments as their focus. The OECD Study "Open for Business: Immigrant entrepreneurship in OECD Countries"¹⁷ shows the contribution of migrants to the economic growth of their host countries, bringing new skills and competencies with them and helping to reduce labour shortages. Immigrant entrepreneurship has gone beyond traditional ethnic businesses, into a wide range of sectors and innovative areas. Greater knowledge of immigrant entrepreneurship is essential if policy makers are to better support migrant enterprises and their role in economic growth and job creation. This analysis is confirmed by the findings of the 2011 OECD "International Migration Outlook".¹⁸

9 EMN (2009) No.154, Ad-Hoc Query on Issuance of Residence Permits in Case of Purchasing a Real Property in a Member State, requested by LV EMN NCP on 16 September 2009 and EMN (2011) No. 324, Ad-Hoc Query on limitations to acquiring real estate by third-country nationals, requested by EE EMN NCP on 26 May 2011.

10 EMN (2012) No.428, Ad-Hoc Query on the duration of residence permits, requested by EL EMN NCP on 5 October 2012.

11 EMN (2013) No. 464, Ad-hoc query on residence requirement for investors, requested by EE EMN NCP on 4 March 2013.

12 EMN (2012) No. 414, Ad-Hoc Query on Wealthy immigrants, requested by NL EMN NCP on 17 July 2012.

13 EMN (2014) Ad-Hoc Query on Wealthy immigrants.

14 European Commission / EMN (2012): Visa Policy as Migration Channel, Brussels.

15 European Commission / EMN (2013): Attracting highly qualified and qualified third-country nationals to the EU, Brussels.

16 European Commission / EMN (2013): Intra-EU Mobility of Third-Country Nationals, Brussels.

17 OECD (2010): Open for Business: Migrant Entrepreneurship in OECD Countries.

18 OECD (2011): International Migration Outlook.

4.1 Immigrant investors

Definitions

The term “immigrant investor” is not defined by Swedish immigration law. The Aliens Act, which is the main law in Sweden pertaining to immigration, includes a provision regarding residence permits for foreigners “with means of support other than employment” (Chapter 5, Section 5, Paragraph 2 of the Aliens Act). Swedish authorities cannot, however, grant anybody a residence permit only to undertake an investment in financial products or real estate. When investment into a business is envisaged, a residence permit can only be granted when the person owns at least 50 percent of the business and gets involved in its management. The person must also show that he or she is capable of undertaking this business activity.

In other words, Swedish law does not provide for a specific immigration channel for investors. Rather, when they fulfil the conditions mentioned above, they can be considered as self-employed persons (business owners), for whom there is a specific residence permit.

Policies

According to the experiences of Swedish experts, it is not a common phenomenon that investors want to immigrate and reside in Sweden. Rather, they often come to Sweden and stay for short periods of time on the basis of a Schengen visa (for stays up to three months), a national visa (for longer temporary stays) or a temporary residence permit for visiting purposes. Thus, many investors are travellers, not migrants.

Sweden has no specific policy for attracting investors as immigrants/residents. Only when they invest into a business, a residence permit can be granted when the person owns at least 50 percent of the business and gets involved in its management. Investment in financial products in Sweden, or in real estate, for example, does not constitute a ground for granting a residence permit.

Admission criteria for investors

Travellers who need a visa to enter Sweden and who want to come to Sweden to make an investment can apply, depending on the circumstances, for a Schengen visa (type-C), a national visa (type-D) or a residence permit for visiting purposes.

Schengen visas allow for stays of up to three months within any six-month period. National (type-D) visas have a duration of up to one year. Residence permits for visiting purposes have a normal duration of six months. Longer durations are possible, depending on the circumstances in the individual case, but the maximum duration is one year. These durations/periods of validity are the same for all Schengen visas, national visas and residence permits for visits, not only for those issued for business/investment purposes.

Persons with a Schengen visa or a national (type-D) visa can apply for a residence permit for visiting purposes when they need to extend their stay in Sweden. Residence permits for visiting purposes are normally granted for periods up to six months. In certain cases, they can have a longer duration, but normally, they cannot be granted for periods longer than one year. The reason for this is that stays that are longer than one year cannot be regarded as temporary visits any more. Such stays would give the holder of the permit the right to take residence in Sweden, and residence permits for visits shall not result in residence.

Table 1 below lists some admission criteria and whether or not they are applied in Sweden.

Table 1: Admission criteria for investors in Sweden

Possible admission criteria	Applicability in Sweden
Minimum financial amount to invest	Schengen visas, national (type-D) visas and residence permits for visiting purposes can be granted for business purposes, but not for the specific purpose of financial investments. Thus, there is no minimum amount.
Investment plan	Schengen visas, national (type-D) visas and residence permits for visiting purposes can be granted for business purposes, but not for the specific purpose of financial investments. Thus, no investment plan is required.
Expected Impact of proposed investment in the Member State (economy, public life etc.)	Schengen visas, national (type-D) visas and residence permits for visiting purposes can be granted for business purposes, but not for the specific purpose of financial investments. Thus, an evaluation/assessment of the expected impact of an investment cannot be done.
Minimum Education / Professional skills	There are no education/skills requirements attached to Schengen visas, national (type-D) visas or residence permits for visiting purposes.
Language knowledge (certification, pre-entry tests, mandatory courses, etc.)	There are no language requirements attached to Schengen visas, national (type-D) visas or residence permits for visiting purposes.
Age requirement for applicants (minimum/ maximum)	There is no age requirement, but underage children or other very young persons will normally not be able to credibly show that they want to travel to Sweden for business/investment purposes.
Security / health / background checks in place (origin of investment, fraud checks, previous bogus activities, etc.)	In order to be granted a Schengen visa, national (type-D) visa or residence permit for visits, individual medical travel insurance is needed, covering the costs that can arise as a result of emergency medical assistance, emergency hospitalisation or medical repatriation. The insurance should cover costs of at least EUR 30,000 and, in case of a Schengen visa, be valid in all Schengen countries.
Other (please state)	<p>To obtain a Schengen visa, or national (type-D) visa or residence permit for visiting purposes, applicants have to hold</p> <ul style="list-style-type: none"> • a passport which is valid for at least three months after the final date of the visa, • an invitation from the company or the organisation arranging a conference in which the applicant wants to take part, • sufficient money to finance the stay in Sweden and for the journey home. Sweden requires that an applicant has SEK 450 for each day spent in Sweden. In certain circumstances, this amount may be lower, for example in the case of a young child, if the cost of food and accommodation is paid in advance or if the applicant stays with relatives or friends.

Schengen visas and national visas are issued by the Swedish missions abroad or by the Swedish Migration Agency. In the case of Schengen visas, other Member States may represent Sweden and issue visas for travel to Sweden. Residence permits for visits are issued by the Swedish Migration Agency. Renewal or extension of visas and residence permits

Persons with a Schengen visa or a national (type-D) visa can apply for a residence permit for visiting purposes when they need to extend their stay in Sweden. They are no specific requirements related to their investment. They will need to show that an extension or a new or different kind of permit is needed and that they fulfil the requirements attached to these permits, such as regarding the availability of the necessary means of support for their stay in the country.

4.2 Immigrant business owners

Definitions

Similar to investors, Swedish immigration law does not define "immigrant business owners" either. As mentioned above, the Aliens Act, which is the main law in Sweden pertaining to immigration, includes a provision regarding foreigners "with means of support other than employment" (Chapter 5, Section 5, Paragraph 2 of the Aliens Act). It further states that "if the alien is to conduct business activities, he or she must be able to conduct the activities in question." According to Chapter 5, Section 10 of the Aliens Act, such residence permits may initially be granted on a temporary basis.

These provisions in the Aliens Act serve as the legal basis for decisions by the Swedish Migration Agency to grant a third-country national a residence permit for "self-employment" purposes. The Migration Agency uses the term "self-employed" rather than "business owner". These terms can be used as synonyms.

The provisions mentioned above can be considered as both rather vague, and generous. The law does not specify any further rules, conditions or criteria for the granting of residence permits for self-employment. Some guidance is however provided by preparatory work for the Aliens Act (and amendments to the Aliens Act), and by case-law from Swedish Migration Courts on individual cases. Most importantly, however, the current standards and criteria for examining applications for residence permits for business purposes and the granting of such permits have been shaped by the gradual establishment and further development over time of the administrative practice and routines of the Swedish Migration Agency regarding such cases.

Policies

The objectives of the Swedish rules regarding the admission of foreign business owners are not clearly defined. However, an important general guiding principle of Swedish immigration policies is that immigration helps to revitalise the Swedish society, the labour market and the economy as immigrants bring new knowledge and experience from their countries of origin.¹⁹ This guiding principle can also be applied to foreign business owners coming to Sweden.²⁰

¹⁹ Government Offices of Sweden/Ministry of Justice (2014): Migration policy, Fact sheet, Ju 14.04e, Stockholm.

²⁰ Please note that this is a political guiding principle and not a legal precondition for being granted a residence permit for self-employment purposes.

Foreign business owners can receive a residence permit for self-employment purposes when they fulfil the criteria as established by law and administrative practice. There are no restrictions regarding types of businesses. All types of business are possible. Swedish law and practice do not prioritise any particular economic sectors, and self-employed persons can take residence anywhere in Sweden. The Swedish rules are not country-of-origin-specific either; rather, they apply to nationals of all countries.

There are no quotas regarding the admission of foreign business owners to Sweden. Sweden does not apply any quotas to immigration, with the exception of the Swedish resettlement programme for refugees.

Sweden takes part in several EU Mobility Partnerships, and there are agreements on social security with some third countries, as well as working holiday schemes (bilateral agreements between Sweden and Australia, Canada, New Zealand and South Korea on temporary work of young people), but there are no bilateral or other agreements regarding the migration of business owners.

National rules regarding the immigration of business owners from third countries are not harmonised at EU-level. Thus, there is no co-operation with other Member States specifically regarding this group of immigrants. However, as a Member of the Schengen area, Sweden takes part in the common visa policy, which affects the short-term mobility of business owners. Also regarding residence permits, which is the document that is issued to business owners who fulfil the criteria to enter and stay in Sweden on a longer-term basis, there is co-operation at EU-level, such as with regard to the format of residence permit cards.²¹ There is also a common EU approach towards third-country nationals who are long-term residents.²²

Actors and institutions

As far as the processing of applications for residence permits for self-employment purposes is concerned, the Swedish Migration Agency is the responsible authority. It is responsible for all types of immigration to Sweden. Regarding admission criteria for business owners, the Migration Agency also provides information on its webpage in Swedish and English.

Immigration policies are developed by the Swedish Government, and laws are enacted by Parliament. As far as measures to promote Sweden as a destination for self-employed persons are concerned, the National Board of Trade²³ and Business Sweden²⁴ can play a role. Throughout recent years, however, there has not been much activity in this regard.

No specific actor or institution has a specific responsibility to promote the Swedish rules regarding foreign business owners. Regarding admission criteria for business owners, the Migration Agency provides information on its webpage in several languages.

²¹ Council Regulation (EC) No 1030/2002 of 13 June 2002 lays down a uniform format for residence permits for third-country nationals, setting out the general characteristics of the uniform format, a model of which is annexed to the Regulation. According to the Regulation, residence permits are to be issued as stand-alone documents, based on the given format. Among other aspects, it also includes provisions regarding biometric identifiers to verify the authenticity of the document and the identity of the third-country national in question.

²² Council Directive 2003/109/EC of 25 November 2003 on the status of non-EU nationals who are long-term residents states, among other provisions, that the status of long-term resident should be awarded after a person has lived legally in an EU State for an uninterrupted period of five years.

²³ The National Board of Trade is the Swedish governmental agency responsible for issues relating to foreign trade, the Internal Market and trade policy. Its mission is to promote an open and free trade with transparent rules

²⁴ Business Sweden was founded in January 2013 through a merger of the Swedish Trade Council and Invest Sweden. With offices in nearly 60 countries, Business Sweden facilitates and promotes the growth of Swedish companies abroad and investment opportunities for foreign companies in Sweden. Business Sweden's aim is to strengthen and promote Sweden as an attractive, innovative and competitive business partner.

Measures to attract foreign business owners

Table 2 below provides some information on measures to make Sweden attractive to third-country national business owners.

Table 2: Measures to attract immigrant business owners to Sweden

Possible measures	Swedish practice
Active promotion / information dissemination / campaigns / events including in third countries	No
Does a list of specific procedural facilitations for admission exist? (reduced costs, shortened processing time, reduced documentary requirements, minimum residence period required (per year), possibility of renewal, etc.)	No
Do specific support measures exist? (financial / logistic, business support to applicants to establish a business plan, recognition of qualification etc.)	No
Are there specific tax incentives? (benefits, exemptions, etc.)	No
Are immigrant business owners granted access to social benefits?	Yes , but the rules concerning foreign business owners' access to social security benefits are no different from the rules that apply to other groups of immigrants. As a general rule, anybody who comes to live in Sweden is considered to be residing in the country if he or she stays, or can be expected to stay, for more than one year. On this basis, he or she will have access to residence-based social security benefits as all other residents. First-time residence permits for business owners are normally granted for two years and can then be renewed. Thus, immigrating business owners will normally be considered residents as soon as the first-time residence permit is issued and the applicant takes residence in a Swedish municipality.
Are immigrant business owners granted access to citizenship?	Yes , but the rules concerning business owners' access to Swedish citizenship are not different as compared to the rules that apply to other groups of immigrants. Third-country nationals can apply for Swedish citizenship after five years of legal residence in the country.
Does the possibility exist for immigrant business owners to be accompanied by family members? Are family members allowed to access the labour market?	Yes . Until recently, access for family members of business owners to Sweden was not regulated by law, but granted in practice. Since 1 July 2014, a provision in the Aliens Ordinance legally regulates the possibility of business owners to be accompanied by relatives. According to the new provision (and earlier practice), an applicant must have sufficient means to support both himself/herself and his/her family members during the first two years in Sweden. Since 1 July 2014, family members of persons with residence permits for self-employment can be granted a work permit. Before, they did not automatically have access to the labour market.
Other	Yes . The Swedish Migration Agency has made efforts to facilitate the application procedure by providing accessible and easy-to-understand information on its website in several languages, as well as by developing a user-friendly application form.

Admission criteria for business owners

Third-country nationals who intend to come to Sweden as business owners have to fulfil a range of admission criteria.

Evidence of entrepreneurial skills

In order to be granted a residence permit for self-employment (business owners), applicants have to demonstrate that they have significant experience in their field of business and previous experiences of running their own businesses. In order to make it easy for applicants to provide evidence regarding such experience, the application form for residence permits includes two Tables ("Work experience and experience in your field of business" and "Previously owned businesses") that applicants shall complete. Minimum level of educational achievement and professional skills

There is no requirement regarding any minimum level of education in order to be eligible for a residence permit for self-employment in Sweden. However, certain educational achievements and/or professional skills may be required, depending on the nature and type of business an applicant wants to start. The application form for residence permits for self-employment purposes includes a Table in which applicants shall describe their level and subject of education.

Evidence of capital

Applicants for residence permits for self-employment need to provide bank statements which show that they have sufficient funds to support themselves and, if relevant, their families during the first two years in Sweden. The respective minimum amounts are SEK 200 000 for the business owner himself/herself, SEK 100 000 for his/her spouse and SEK 50 000 for each accompanying child.

If the applicant intends to buy an already existing business in Sweden, he or she also has to show that he/she has sufficient capital to acquire the business. Otherwise, there is no minimum investment requirement.

Contribution to the economy / employment of the Member State

There are no requirements regarding specific contributions to the Swedish economy, or any specific economic sectors to be made. The number of jobs created through the establishment of a business is not relevant either. Experiences have shown that many persons who are granted residence permits as business-owners start up one-man operations or small companies with few employees.

Business plan

Applicants for residence permits have to submit a business plan. To make the application process as easy as possible for applicants, the application form for residence permits includes a template for a business plan that applicants should fill in. Thus, they do not need to submit a separate document.

Table 3 below lists the requirements for an acceptable business plan.

Table 3: Requirements for business plans

Business plan	Swedish requirements
National institution responsible for the approval	Residence permits for business owners are processed by the Swedish Migration Agency. The Agency also assesses the applicant’s business plan. To be able to do so, the Migration Agency has specialised case-workers and decision-makers.
Information required on legal aspects of the business	The applicant has to state the legal form of his/her business, i.e. whether it is (intended to be) a trading partnership, a sole trader business, a limited company, or a limited partnership.
Information required on the commercial and financial aspects	<p>Among other things, applicants have to show that they are running their business themselves, that they have the ultimate responsibility for it and that they own at least half of the business. They also have to show that the business’ services or goods are sold and/or produced in Sweden.</p> <p>If an applicant has bought or intends to buy a business, he or she has to provide the contract of sale. If an applicant does not own the whole business, he or she needs to show a partnership agreement or stock register. A bank document which shows that he/she has paid the purchase sum (or a relevant part of the purchase sum), has to be attached to the application, too. Furthermore, any contracts with customers and/or suppliers and contracts for premises need to be shown. If the business in question has been in operation prior to the application for a residence permit in Sweden, annual accounts or reports for the previous two years need to be made available. There also needs to be a balance sheet and income statement (report) for the current financial year, up to and including the month prior to the submission of the application.</p>
Duration of examination of the business plan	Depending on the nature of the business, the quality of information/documentation provided by the applicant and the caseload for the case-workers of the Swedish Migration Agency, the time needed for examining business plans varies. The examination of the business plan is part of the overall processing of applications for residence permits for business owners. Thus, there is no information about the average length of time needed examining of a business plan.
Documentation required	<p>The business plan must include information on the following aspects:</p> <ul style="list-style-type: none"> • field or area of the business; • description of the businesses’ operations; • future plans for the business; • products or services to be provided by the business; • potential customers and their location; • competitors; • plans for marketing the businesses’ products or services; • partners in Sweden (or abroad); • suppliers; • premises; • number of employees (if relevant); • role and function of the applicants within his/her business; • capital requirements; • share of financing by the applicant and, if relevant, by his or her partners; • budget estimates for the first two years in Sweden and information about the bases for calculating the budget estimate. More detailed information about the Swedish Migration Agency’s requirements regarding business plans can be obtained from the application form.

Business plan	Swedish requirements
Review period	Applications for residence permits are processed throughout the year, including the examination of business plans. The average length of time needed varies greatly, depending on the nature of businesses, the quality of information/documentation provided by the applicants, and the caseload for the officers of the Swedish Migration Agency. The Migration Agency operates a policy to prioritise applications that are complete from the beginning. Average processing times for residence permits for business owners are long, which mainly depends on the fact that incomplete or otherwise unsatisfactory applications are subordinated. In 2013, approximately 16 percent of all incoming cases were processed and decided upon within three months. Another 40 percent were processed within six months. The rest of the case-load took longer, or much longer, to process. The average processing time was 305 days.

Language skills

Applicants have to provide a course certificate or other evidence showing that they speak Swedish and/or English.

Age requirements

There is no specific requirement regarding the minimum or maximum age of an applicant. Generally, however, only adults (i.e. persons who are 18 years or older) can apply for residence permit by themselves. For minors, the application must be handed in by a parent or legal guardian.

In practice, it will be difficult for a minor to submit a credible application for a residence permit for business owners. A minor will normally not have sufficient education and/or experience to start up or buy a business in Sweden.

Insurance

Since a residence permit for business owners is only granted if the applicant has the intention to become a resident in Sweden, he or she is expected to become a resident in a Swedish municipality and thus also get access to the Swedish insurance system, including residence-based social security. Thus, there are no specific insurance requirements.

In the business plan that applicants have to submit with their application for a residence permit, information should however be provided about expected insurance costs for the business.

Security and background checks

To ensure that an applicant has the right to enter the Schengen area, all persons who apply for residence permits for business owners are checked against the Schengen Information System (SIS).

If the applicant has stayed in Sweden at an earlier point in time, or already stays in Sweden, checks are also carried out against the Swedish criminal records and records of suspected offenders. Case-workers at the Swedish Migration Agency can also check whether an applicant has outstanding debts or payment defaults that are registered at the Swedish Enforcement Authority.

If the intended business activity in Sweden is subject to special permissions or licences, e.g. businesses in the health care sector, case-officers can also investigate any records an applicant may have at the respective regulating authority, e.g. a country administrative board or a government agency.

Documents for residence

For business owners who intend to stay and take residence in Sweden, a residence permit for self-employment purposes is issued. It is normally granted for two years. After that, the applicant can apply for an extension/renewal of the permit. When he or she is able to show that he or she can support himself/herself through the earnings of the business, a permanent residence permit is granted. In cases in which it is unclear whether the applicant really can support himself/herself, an extension of the residence permit for one year will be granted instead of a permanent residence permit.

If it is not clear whether an applicant really intends to take residence in Sweden, case-workers need to examine this. In some cases, it may be that an applicant wants to operate a business in Sweden during a short period of time only, i.e. without an intention to stay in Sweden as a resident. In such cases, applying for a national type-D visa can be an alternative. For periods of up to three months, a Schengen visa can be granted.

Since first-time residence permits for self-employment purposes are initially granted for two years, the validity of the permit is indeed longer than for some other categories of residence permits in Sweden. A residence permit for study purposes, for example, is normally granted for one academic year at the time (with renewal/extension option), and a first-time residence permit for work purposes (employment) is granted for the time of employment in Sweden or, in case of an unlimited work contract, for two years. There are, however, also groups of immigrants that are granted permanent residence from the beginning, for example in the framework of family reunification or international protection (refugees).

Generally, Swedish residence permits must be applied for from abroad. In most cases, applicants will submit their application at a Swedish mission abroad. For applicants for residence permits for business owners, there is no possibility yet to file an application electronically. Thus, the application will be filed on paper. The Swedish mission abroad will register the application and pass it on to the Swedish Migration Agency for examination. In the event of a positive decision, the Swedish Migration Agency will issue a residence permit card. It is sent to the applicant by a Swedish mission abroad, or the applicant retrieves his/her card from the mission. There are no intermediary agencies that can take over this task.

In certain cases, it is possible to file an application from within Sweden, for example for international students who have managed to obtain at least 30 university credits and who intend to start their own business after their studies.

Renewal or extension of visas / residence permits

Immigrants who want to extend their residence permit for business owners are required to show that their business idea has succeeded to the extent that they are able to support themselves (and, if relevant, their families) through the earnings of the business. Applicants are asked to provide:

- the annual report, or annual accounts of their business,
- an income statement (report) and balance sheet up to the month preceding the application for extension,
- a copy of tax return documents for themselves and their businesses,
- pay slips for themselves for the last six months, if they are running a limited liability company,
- a bank statement listing all transactions from their companies' accounts from the last three months preceding the application for extension,
- insight into the cost of their housing (e.g. a rent invoice for their private residence).

The business needs to be active in the sense that the information mentioned above can be provided, e.g. annual reports, income statements, tax return documents, etc.

The information is assessed by case-officers of the Swedish Migration Agency, i.e. the same authority that also processes first-time applications. First-time residence permits for business owners are normally

issued for two years. This means in practice that in order to qualify for an extension of the residence permit, the business in question needs to be running and generate enough profit to support the applicant after the first two years in Sweden. According to experts and case officers at the Swedish Migration Agency, this period of time is relatively short. They have experienced that many applicants do not succeed in starting up and making their business profitable within two years. A considerable share of applications for extensions is rejected for this reason.

Types of businesses and registration

In order to be granted a residence permit as a business owner, applicants have to show that the business' services or goods are sold and/or produced in Sweden. This means that normally, in order to be granted a residence permit, the applicant is expected to start a business, and register it, in Sweden.

New businesses, except sole traders (which are responsible for their business as a private person), have to be registered with the Swedish Companies Registration Office (Bolagsverket). This can easily be done via the website of the Swedish Companies Registration Office (Bolagsverket). Registration can be done from abroad, either by the applicant himself/herself, or through an agent/representative.

For all businesses to be registered in Sweden, the same rules apply regardless of the nationality of the person registering. The requirements regarding capital or employees depend on the type of business:

- For sole traders and trading partnerships, there is no capital requirement. They do not need to, but may have employees. When they have employees, they must register as employers with the Swedish Tax Agency.
- In limited partnerships, general partners (partner with full liability) do not need to make a capital investment. Limited partners (partners with liability for their own input) need to formally invest at least SEK 1. Limited partnerships do not have to have employees. If they do, they must register as employers.
- A limited liability company must have at least one owner. This can be an individual (natural person) or a company (legal entity). Minimum share capital of SEK 50,000 is required to start a limited company. There do not need to be employees.
- For economic associations, there is a minimum capital investment of SEK 1, or investment in the form of work. There is no requirement for economic associations to have employees.

The Registration Office issues a registration number and protects the name of the business. Businesses also need to be registered at the Swedish Tax Office.

Immigrant business owners can run their business as a main business or as a subsidiary or branch. In most cases, however, immigrating business owners set up their operations as a main business.

Sole traders are responsible for their own businesses as private persons. Thus, if they choose to register their business, they do so as individuals. Trading partnerships, limited partnerships, limited liability companies as well as economic associations are legal entities.

There are no compulsory health examinations or other relevant restrictions – neither regarding the application for a residence permit for business owners, nor for the registration of a company.

4.3 Other business persons

Swedish immigration law does neither define “other business persons” nor any of the specific categories listed in this Table. There is an obvious mismatch between the different categories of business travellers mentioned in international trade agreements and the various categories of immigrants according to Swedish immigration law. Trade agreements and immigration law also follow different logics and purposes. While immigration law provides for different “channels” (or purposes) of migration and mobility, such as immigration for humanitarian reasons (e.g. asylum), study reasons, work reasons or family reasons, and determines the conditions under which third-country nationals can receive a residence permit, work permit and/or a visa, trade agreements differentiate between different functions of persons that either travel or migrate for various business-related reasons without determining whether these business persons are travellers or immigrants. Thus, a third-country national cannot apply for a residence permit or visa on the basis of fulfilling to one of the business-related functions mentioned in trade agreements. Rather, the question is whether they need an entry visa for a short stay, or a residence permit for a longer stay, whether they are employees or independent business-owners, or whether they fall into any of the other migration channels that immigration law provides for.

Business visitors for establishment purposes (BVEP)

Business visitors for establishment purposes (BVEP) are normally neither employed by a company in Sweden nor do they intend to become residents in Sweden. Thus, they are travellers rather than immigrants, and as such, they will normally apply for a short-term Schengen visa. In case a longer stay than 90 days is needed (which however would contradict the definition of a BVEP as quoted in the annex), a BVEP can apply for a national type-D visa or a temporary residence permit for visiting purposes. It is also important to note that there are BVEPs who neither need a visa nor a residence permit. BVEPs from countries to which visa-free travel applies, such as the USA or Canada, can come to Sweden and stay for up to three months only on the basis of having a valid passport.

BVEPs are normally employed by a company outside Sweden. They will thus be regarded as posted workers in Sweden. Normally, posted workers need a work permit, regardless of whether they come to Sweden on the basis of a residence permit or a (short-term) visa. There are however, several relevant exceptions. Workers who are posted to Sweden from another EU Member State, and posted workers from third countries who perform work as assemblers (for a period of two months) or experts/specialists (for a total time of less than one year), do not need a work permit. Since many BVEPs are specialists, they often do not need a work permit.

Intra-corporate transferees (ICT)

Intra-corporate transferees are not defined in Swedish immigration law. In most cases, ICTs will be employed by, or at least receive remuneration from, a company that is based in Sweden or abroad. For short stays, a short-term Schengen visa or a national type-D visa can be sufficient; for longer stays, a residence permit for employment reasons will be needed.

As far as the requirement to hold a work permit is concerned, ICTs are regarded as employees. Thus, they need a work permit. There is one important exception from this requirement, however: Specialists who work in Sweden for less than one year altogether do not need a work permit.

Experiences have shown that many ICTs coming to Sweden are specialists, and that many of them stay for rather short periods of time. Thus, exemptions from the requirement to have a work permit may apply to many ICTs.

Business sellers (BS)

Swedish immigration law does not define business sellers. This group of business persons will normally come to Sweden with a Schengen visa. For stays longer than three months, they may apply for a national type-D visa or a temporary residence permit for visiting purposes. (The definition of a BS as quoted in the annex, however, does not foresee longer stays than 90 days for BS). When BS are employees, they may however need a work permit.

BS from countries to which visa-free travel applies, such as the USA or Canada, can come to Sweden and stay for up to three months only on the basis of having a valid passport.

Independent professionals (IP)

Swedish immigration law does not define independent professionals. This group of business persons will normally come to Sweden with a Schengen visa or, for stays longer than three months, a national type-D visa or a temporary residence permit for visits. Since they are, according to the definition in the annex, self-employed persons rather than employees, they do not need to apply for a work permit.

IPs from countries to which visa-free travel applies, such as the USA or Canada, can come to Sweden and stay for up to three months only on the basis of having a valid passport.

Contractual services suppliers (CSS)

Swedish immigration law does not define contractual service suppliers. This group of business persons will normally come to Sweden with a Schengen visa or, for stays longer than three months, a national type-D visa or a residence permit under the rules for labour immigrants.

In a similar way as Business visitors for establishment purposes (BVEP), Contractual services suppliers will usually be regarded as posted workers. When they perform work as experts/specialists, they will be exempted from the requirement to have a work permit (for a total time of less than one year). An exception also applies in case a CSS is posted to Sweden from another EU Member State. Otherwise, a work permit is needed (regardless of whether the CSS travels with a visa, a residence permit or – coming from a country to which visa-free travel applies – only a passport).

Graduate trainees (GT)

Swedish immigration law does not define graduate trainees. This group of business persons will normally come to Sweden with a Schengen visa. When they need to stay longer than three months, they need a residence permit for employment purposes (which includes a work permit). For stay up to three months, GTs are exempted from the requirement to hold a work permit. When they come from a country to which visa-free travel applies, they only need a passport.

Admission criteria for other business persons

Table 4 below describes the relevant admission criteria for other business persons.

Table 4: Admission criteria for other business persons

Business visitors for establishment purposes (BVEP)	
Is this category admitted (under a different name)?	Yes, within a different, more general framework.
If yes, under which name are business persons registered?	There is no specific name for admitting this category of business persons to Sweden. They are normally admitted under the under the Schengen visa rules (e.g. the Visa Code). Only when a BVEP needs to stay in Sweden for more than 90 days, national Swedish rules apply, such as the rules for residence permits for visiting purposes or the general Swedish framework for labour immigration . Within these frameworks, depending on the circumstances of each individual case, the rules for posted specialist workers will normally apply
What is the maximum duration of their stay?	Schengen visa: max. three months within a six-months period; extensions are possible when valid reasons apply (as a residence permit for visits). National type-D visa: one year at maximum. Residence permit: Either as a temporary residence permit for visiting purposes (with a validity of up to six months) or as a residence permit for employment reasons with a duration as stipulated in the work contract (max. two years at a time).
What kind of document is issued when admitting this category?	Depending on the length of stay, a Schengen visa, national type-D visa or a residence permit is issued. Normally, since BVEPs are short-term visitors, a Schengen visa will be issued. BVEPs from countries to which visa-free travel applies only need a passport for stays up to three months. They may, however, need a work permit (when they are not specialists or assemblers).
Is there a list of admission criteria?	BVEP are normally employed by a company outside Sweden. They will thus be regarded as posted workers. Normally, posted workers need a work permit, regardless of whether they come to Sweden on the basis of a residence permit or a (short-term) visa. There are however, some exceptions. Workers who are posted to Sweden from another EU Member State, and posted workers from third countries who perform work as assemblers or experts/specialists, do not need a work permit. Consequently, exemptions from the requirement to hold a work permit will apply to many persons that fall under this category. Otherwise, the Swedish rules for labour immigration (work permits) apply ²⁵

²⁵ Sweden has a liberal and demand-driven approach to immigration of third-country nationals for employment purposes. There is no agency-based labour market needs test; instead, employers decide themselves whether they want to recruit from abroad or not. There is no need for proof of a minimum period of employment, and the system is open to workers of all skills levels. There are no requirements regarding knowledge of the Swedish language, age or insurance. Before a workers can be recruited from a third-country, however, the vacancy has to be advertised in Sweden and the EU, and the terms of employment have to be in line with applicable Swedish collective agreements or customary conditions. There is also a requirement regarding minimum salary (SEK 13 000), some of which can be provided in kind if necessary.

Intra-corporate transferees (ICT)

Is this category admitted (under a different name)?	Yes, within a different, more general framework.
If yes, under which name are business persons registered?	There is no specific name for admitting this category of business persons to Sweden. They are admitted under the general Swedish framework for labour immigration , or, in the case of short assignments, under the Schengen visa rules (Visa Code).
What is the maximum duration of their stay?	Schengen visa: max. three months within a six-months period; extensions possible (as a temporary residence permit for visiting purposes). National type-D visa: one year at maximum. Residence permit: Normally, a residence permit for employment reasons is needed. The duration of the permit corresponds to the duration of the ICT's work contract (max. two years at a time).
What kind of document is issued when admitting this category?	Depending on the intended/needed length of stay, a Schengen visa, national type-D visa or a residence permit can be issued. ICTs from countries to which visa-free travel applies only need a passport for stays up to three months. They may, however, need a work permit (when they are not specialists or assemblers).
Is there a list of admission criteria?	In most cases, ICTs will be employed by, or at least receive remuneration from, a company that is based in Sweden or abroad. For short stays, a visa (and work permit) can be sufficient; for longer stays, a residence permit will be needed. ICTs are regarded as employees. Thus, they need a work permit. There is one important exception from this requirement, however: Specialists who work in Sweden for an international group for less than one year altogether do not need a work permit. If the ICT is to be transferred to Sweden from abroad to take up a newly created position within his/her firm, the position first has to be advertised within Sweden and the EU in order to give other job-seekers the possibility to apply for the job.

Business sellers (BS)

Is this category admitted (under a different name)?	Yes, within a different, more general framework.
If yes, under which name are business persons registered?	There is no specific name for admitting this category of business persons to Sweden. They will be admitted under Schengen visa rules (Visa Code) or, in exceptional cases, the rules for national type-D visas .
What is the maximum duration of their stay?	Schengen visa: max. three months within a six-months period; extensions possible (as a temporary residence permit for visiting purposes). National type-D visa: one year at maximum.
What kind of document is issued when admitting this category?	Depending on the length of stay, a Schengen visa or a national type-D visa is issued. BSs from countries to which visa-free travel applies only need a passport for stays up to three months. They may, however, need a work permit.
Is there a list of admission criteria?	The rules and criteria as defined by the Schengen Visa Code will apply. If there are special reasons, a national type-D visa for stays longer than three months can be issued.

Independent professionals (IP)

Is this category admitted (under a different name)?	Yes, within a different, more general framework.
If yes, under which name are business persons registered?	There is no specific name for admitting this category of business persons to Sweden. They will be admitted under Schengen visa rules (Visa Code), the rules for national type-D visa or the Swedish framework for temporary residence permits for visits.
What is the maximum duration of their stay?	Schengen visa: max. three months within a six-months period; extensions possible (as a temporary residence permit for visiting purposes). National type-D visa: one year at maximum. Temporary residence permit for visits: six months at maximum.
What kind of document is issued when admitting this category?	Depending on the length of stay, a Schengen visa or a national type-D visa or a temporary residence permit for visits is issued. BSs from countries to which visa-free travel applies, only need a passport for stays up to three months.
Is there a list of admission criteria?	The rules and criteria as defined by the Schengen Visa Code will apply. If there are special reasons, a national type-D visa for stays longer than three months can be issued. The rules and criteria regarding D-visas are similar to the rules for Schengen visas. When applying for a temporary residence permit for visiting purposes, applicants mainly have to show that they will be able to support themselves during their stay in Sweden.

Contractual services suppliers (CSS)

Is this category admitted (under a different name)?	Yes, within a different, more general framework.
If yes, under which name are business persons registered?	<p>There is no specific name for admitting this category of business persons to Sweden.</p> <p>They will normally come to Sweden with a Schengen visa or, for stays longer than three months, a national type-D visa or a residence permit under the rules for labour immigrants.</p> <p>In a similar way as Business visitors for establishment purposes (BVEP), Contractual services suppliers will usually be regarded as posted workers. When they are specialists, they are exempted from the requirement to hold a work permit.</p>
What is the maximum duration of their stay?	<p>Schengen visa: max. three months within a six-months period; extensions possible (as a temporary residence permit for visiting purposes).</p> <p>National type-D visa: one year at maximum.</p> <p>Residence permit: Either as a temporary residence permit for visiting purposes with a validity of up to six months) or as a residence permit for employment reasons with a duration as stipulated in the work contract (max. two years).</p>
What kind of document is issued when admitting this category?	<p>Depending on the intended/needed length of stay, a Schengen visa, national type-D visa or a residence permit is issued.</p> <p>CSS from countries to which visa-free travel applies, only need a passport for stays up to three months. They may, however, need a work permit.</p>
Is there a list of admission criteria?	<p>CSS will in most cases be regarded as posted workers. When CSS perform work as experts/specialists, they are exempted from the requirement to have a work permit. An exception also applies in case a CSS is posted to Sweden from another EU Member State.</p> <p>In other cases, a work permit is needed and the general framework for labour immigration to Sweden applies.</p>

Graduate trainees (GT)

Is this category admitted (under a different name)?	Yes, within a different, more general framework.
If yes, under which name are business persons registered?	<p>There is no specific name for admitting this category of business persons to Sweden.</p> <p>They group of business persons will normally come to Sweden with a Schengen visa. For stays longer than three months, a residence permit for employment purposes (which includes a work permit) is needed.</p>
What is the maximum duration of their stay?	<p>Schengen visa: max. three months within a six-months period; extensions possible (as a temporary residence permit for visiting purposes).</p> <p>Residence permit: depending on the duration of the training (max. two years).</p>
What kind of document is issued when admitting this category?	<p>Depending on the length of stay, a Schengen visa or a residence permit for employment purposes is issued.</p> <p>GTs from countries to which visa-free travel applies, only need a passport for stays up to three months.</p>
Is there a list of admission criteria?	<p>Since GTs are employed by a company in Sweden or abroad, they will need a residence permit for employment reasons (which includes a work permit) for stays exceeding three months. For shorter stays, a Schengen visa is sufficient and GTs are exempted from work permit requirements.</p>

Renewal or extension of visas / residence permits

For all six categories of “other business persons”, the following conditions and criteria for extensions of visas and/or residence permits apply, depending on the type of document that was initially issued. It is relevant to note, however, that some categories of business persons do not need any “initial document”. When they come from a country that has a visa-free travel arrangement with the EU, and when the intended stay is no longer than three months, Sweden does not issue any document; rather, only a valid passport is needed. Furthermore, it also needs to be said that depending on the nature of the business activity to be carried out, and sometimes also depending on the professional function of the business person, a work permit may be needed. Work permit requirements can apply irrespectively of whether the business person enters Sweden with a visa, a residence permit or only with a passport.

Schengen visas always permit their holders to stay in a Member State for up to a maximum of 90 days. They cannot be extended. If the holder is aware at the time of applying that he/she needs to stay for more than 90 days, he/she should apply for a national D-visa (for up to one year) or a residence permit for visiting purposes (for up to six months) instead. If a business person staying in Sweden with a Schengen visa needs to extend his/her stay after his/her entry, he/she can apply for a residence permit for visiting purposes. Such residence permits can be granted for six months and can then, depending on the circumstances, be extended once. However, in total, the visit must be shorter than one year.

National type-D visas are valid for up to one year. They cannot be extended.

Residence permits for visiting purposes are granted for six months and can then, depending on the circumstances, be extended once. However, in total, the visit must be shorter than one year.

Residence permits for employment purposes are granted in accordance with the duration of the employment contract. If the contract foresees employment for two years or more, the residence permit will be granted for two years and can then be extended. After four years, a permanent residence permit can be granted.

For all visas and residence permits for business purposes, some documentation regarding the applicant’s intended work, assignment or training in Sweden is needed. For Schengen visas, applicants must also prove that they have sufficient means to support themselves while in Sweden, and the authorities will assess the applicant’s willingness to leave Sweden within the maximum validity period of the visa. Medical insurance is also required. The conditions for national type-D visas are similar to those for Schengen visas.

Regarding residence permits for visiting purposes, there also needs to be proof that the applicant can support himself/herself while in Sweden, and he or she needs to have a return ticket or sufficient funds to buy a return ticket. Medical insurance is not required, but applicants are encouraged to be covered for any costs that may arise in connection with illness or injury.

For residence permits issued for employment purposes, the overall legislative framework for labour immigrants applies.

Swedish immigration law does not provide for a definition of misuse/abuse. Misuse/abuse can only be described on the basis of non-fulfilment of immigration conditions as established by law.

Immigrant investors

Sweden does not have a policy to attract immigrant investors. Thus, misuse/abuse is not a relevant issue either.

Immigrant business owners

According to the experience of case-workers and decision-makers, a common problem regarding the examination of applications regarding residence permits for business owners (self-employed people) is that it is difficult to assess whether an applicant really will be able to support himself/herself and, if relevant, any family members during his/her stay in Sweden. Extracts of bank accounts are difficult to verify, because the money can easily be placed in such an account and withdrawn again. Bank accounts are therefore regarded as rather poor evidence. However, the Swedish Migration Agency has currently no other means of verifying whether an applicant has sufficient means. There is also no possibility to carry out systematic post-arrival controls, verifying whether third-country nationals who have come to Sweden with a residence permit for business owners actually start up their business. Only when they apply for an extension of their first permit, the Swedish Migration Agency assesses the state of their businesses.

In practice, a case of misuse can be at hand when a third-country national makes false statements, withholds relevant information, produces false documents or otherwise manages to obtain a residence permit or visa that he or she is not entitled to. Also on the employers' side, there can be attempts to circumvent the legal framework for mobility and immigration to, for example, exploit foreign workers. All the criteria to admit immigrant business owners listed above have been developed to ensure that residence permits for self-employed persons are granted only to applicants that really intend to start their own business in Sweden, to transfer a business in Sweden or to buy an existing business, and that they can be reasonably expected to succeed with their endeavours. In other words, these criteria shall make it possible to prevent misuse/abuse as far as possible.

The Swedish Migration Agency is the only authority in Sweden that has the responsibility to ensure that only those applicants are admitted to Sweden that can be expected to succeed with their business ideas.

Regarding immigrant business-owners, the Swedish Migration Agency has no mandate to perform post-arrival controls or inspection at work-places. Only when a first-time residence permit expires and the business owners applies for an extension of the permit, the Migration Agency will assess whether an extension is justified. A precondition for this is that the applicant has made his/her business idea work. Tax or police authorities may carry out checks when it comes to suspected criminal behaviour such as fraud. In other words, there are no systematic post-arrival controls. There is, however, no specific frequency of control. Enforcement agencies such as the police carry out controls when there is a suspicion of criminal behaviour.

Case-workers at the Swedish Migration Agency have observed that that businesses sometimes are faked, that share registers can include persons that do not exist in reality or that the financial means that at business owner needs to have in order to be granted a residence permit sometimes are not available in reality. It may also happen that business owners consciously or negligently make false statements in their bookkeeping/accounting when they apply for an extension of their residence permit. When a person holding a residence permit for self-employment does not or no longer fulfil the requi-

rements for holding this permit, it can be withdrawn. In cases of criminal behaviour, fines and prison sentences are possible, depending on the crime. They are, however, not dependent on the residence status of the person in question. Businesses can be closed down or put on hold.

Withdrawals of residence permits occur seldom. By way of contrast, it happens comparatively often that residence permits for self-employment purposes are not extended. The reason for this is most often that a self-employed person has not succeeded in making his/her business profitable and to generate enough income for himself/herself (and, if relevant, any family members). This, however, should not be seen as "misuse/abuse".

Other business persons

Even in the absence of a definition of "other business persons" in Swedish law, this category of persons is admitted to Sweden. Since they are admitted under different mobility frameworks (e.g. Schengen visas) or immigration rules (e.g. regarding immigration for employment purposes or temporary residence permits for visits), there is no systematic information regarding any patterns of misuse/abuse. It can be assumed that among all "other business persons" coming to Sweden, there may be a few cases in which applicants for visas or residence permits make false statements or fake a business activity. There may also be cases of business persons overstaying their visas or residence permits, or failing to apply for a work permit.

On the other hand, it should also be mentioned that it happens that business persons apply for work permits even when they do not need such a permit since they are covered by exemptions to the requirement of having a work permit.

When a third-country national applies for a Schengen visa for business travel to Sweden, the authorities (i.e. the Swedish missions abroad and/or the Swedish Migration Agency) assess the application on the basis of the Visa Code. For example, they check whether the applicant has sufficient means of support for his travel and stay. They also assess whether the person is likely to leave Sweden after the expiry of the visa. This is one of several preconditions for Schengen visa to be granted.

When applicants apply for residence permits, their cases are thoroughly examined, too. Among other things, there needs to be credible information regarding the activities to be carried out in Sweden. Applications for visas and residence permits are assessed by the Swedish missions abroad and by the Swedish Migration Agency, respectively. They do not carry out post-arrival checks regarding the applicant's compliance or non-compliance with the criteria for entry or stay. The Swedish Police, however, does carry out border controls and identity checks on foreigners within the country. However, this does not in any way affect business persons in particular.

Schengen visas can be cancelled and residence permits can be withdrawn. There is however no information on whether or how often this affects business persons.

Immigrant investors

The Swedish Government seeks to promote free trade and investment. Business Sweden, a public agency, has been given the task to strengthen and promote Sweden as an attractive, innovative and competitive business partner. It supports Swedish companies in reaching export markets and create business opportunities for small and medium-sized enterprises and facilitates for foreign companies to invest in Sweden.

As mentioned above, however, the promotion of trade and investments in Sweden is not linked to immigration policies. As mentioned above, Sweden does not grant residence permits for the purpose of investment, except if the applicant buys at least 50% of a Swedish business and becomes involved in its day-to-day management.

In 2006, a Government-commissioned enquiry came to the conclusion that investments from abroad were, in general, very valuable for Sweden, and that public authorities were already tasked with facilitating such investments. To establish a legal possibility for foreign investors to be granted a residence permit for the purpose of investing a certain minimum amount of money in Sweden, would involve certain risks, however. According to the enquiry, experiences from other countries had shown that such immigration channels may be used by criminal networks to establish a presence, and that there may even be suspicions of money-laundering. In this sense, the enquiry came to a negative opinion regarding any new immigration channel for immigrant investors ²⁶.

Business owners

In 2009, the Swedish government appointed an independent parliamentary committee to examine the connection between circular migration and development. The final report of the Committee, published in 2011, even looked into the Swedish rules for third-country nationals who want to come to Sweden to set up a business. The Committee found that Sweden had, in comparison to other countries, a rather open and generous approach regarding the immigration of business owners. For example, in contrast to many other European countries, the Swedish rules do not require business owners to invest a specific minimum amount of money. There was also no requirement for immigrating business owners to create a certain minimum number of jobs or to otherwise contribute to economic development in the country. Against this background, the Committee was of the view that surprisingly few third-country nationals applied for residence permits for self-employment in Sweden, that relatively many applications were rejected, and that the processing of applications often took long. The Committee argued that the number of third-country nationals to be admitted to Sweden as business owners should increase. In order to facilitate admission, it suggested that the examination of applicants' business plans should be transferred from the Swedish Migration Agency to another public agency with better economic expertise, or to engage external consultants for this task.²⁷ As yet, this suggestion has not led to any measures being taken in this regard, and the Swedish Migration Agency is of the view that its specialised case-workers have sufficient economic know-how to assess business plans.

Further to this, the Committee also noted that Swedish immigration law did not provide for any rules on whether immigrant business owners may be accompanied by family members or not. In practice, the Swedish Migration Agency granted residence permits for accompanying dependents, provided that the

²⁶ Statens Offentliga Utredningar (2006): Arbetskraftsinvandring till Sverige – förslag och konsekvenser, SOU 2006:87, Stockholm, p. 186.

²⁷ Statens Offentliga Utredningar (2011): Cirkulär migration och utveckling – förslag och framåtblick, Slutbetänkande av Kommittén för cirkulär migration och utveckling, SOU 2011:28, Stockholm, pp. 137-139.

applicant has sufficient means to support himself/herself and his/her family members during the first two years of residence in Sweden. Since this was not regulated by law, however, family members of business owners were confronted with a lack of legal certainty.²⁸ In this respect, the law was amended in 2014. Now, it is legally regulated (in the Aliens Ordinance) that self-employed people may be accompanied by family members, provided that they can financially support them. It was also clarified that family members of self-employed persons can receive a work permit to be able to access the labour market (Aliens Act).

In Swedish mass media, there has been little reporting about policies regarding immigrant business owners. Some isolated examples exist, however. For example, there has been reporting about long processing times for residence permits for self-employed people and the fact that these may hamper the establishment of new businesses in Sweden.²⁹

An enquiry committee report about labour immigration, commissioned by the Government and published in 2006, observed that the Swedish rules for immigrating business owners were not sufficiently clear, and that, for the Swedish Migration Agency, there was a contradiction between the task to process applications for residence permits for self-employed persons in a "generous manner" on the one hand, and the need to thoroughly assess whether the business to be set up was realistic, on the other hand. Sometimes, immigration opportunities for business owners were misused by people who had the intention to come to Sweden to join family members and who did not fulfil the requirements for family reunification. This could be done by, for example, pretending to join a family members' already existing business in Sweden as a co-owner. The Committee also found that applications for residence permits for business owners concerned very different types of businesses, ranging from people who want to become co-owners in the small company of a relative, to large international companies. Most often, however, the businesses in question were small-scale. Nevertheless, the Committee proposed to improve the promotion of Sweden and its comparatively generous rules for immigrating business owners abroad, and to further enhance support services for newly established businesses.³⁰

As mentioned in Annex 1, the Swedish Agency for Growth Policy Analysis (Tillväxtanalys), and Statistics Sweden (Statistiska centralbyrån), regularly publish statistical data on newly established businesses. According to their latest report on this topic, the number of businesses that were started by persons of foreign origin has increased over the period 2010-2012.³¹ This may suggest that immigrating business owners do contribute to the growth of the national economy in Sweden. It is not possible to quantify this in more detail, however. The published statistical data does not include information on how many newly established businesses were started by foreign-born persons who were Swedish nationals, or foreign nationals. Also, it is not clear how many of the newly started businesses were started by persons who had come to Sweden with a residence permit for self-employment purposes. (All third-country nationals with legal residence in Sweden may start a business.)

According to decision-makers and experts of the Swedish Migration Agency, most applications for residence permits for self-employment purposes concern small businesses. The start-up or transfer to Sweden of large or medium-scale businesses with heavy capitalisation and several employees is an exception rather than the rule. Thus, it may be concluded that the impact of immigrating business owners to Sweden on the national economy is limited. However, innovative business ideas may make it possible even for small enterprises to grow and positively influence the economic development, at least at the local or regional level.

28 SOU 2011:28, pp. 136-137.

29 Egenföretagare får vänta länge på uppehållstillstånd", *Sydsvenskan*, 28 Oktober 2014.

30 SOU 2006:87, pp. 179-190.

31 Tillväxtanalys (2014): *Nyföretagandet i Sverige 2012*, Statistik 2014:01, Östersund.

According to specialised case-workers of the Swedish Migration Agency, the misuse of immigration rules for foreign business owners is indeed an issue in Sweden. The fact that successful business owners can be granted a permanent residence permit in Sweden after an initial stay of two years may act as an incentive to try to access this immigration channel even when an applicant in reality does not intend to become a business owner. Consequently, there may be cases of falsified share registers (to pretend that a person owns or co-owns a business), false bookkeeping/accounting, or attempts to provide false evidence with regard to the minimum means of support that immigrating business owners are required to have. However, there is no reliable information about how often this happens, and the Swedish Migration Agency does not have any documented evidence of immigrating business owners misusing or abusing the rules concerning their entry and stay.

With regard to self-employment, the Migration Agency is not aware of any major such debates.

Other business persons

The Swedish Migration Agency is not aware of any evaluations or studies regarding cases of misuse of the provisions for entry and stay of other business persons. As mentioned before, there is no specific set of rules in Sweden concerning specific categories of business persons mentioned in trade agreements. These categories do not seem to be used much in research literature either.

Immigrant investors

As far as immigrant investors are concerned, no specific challenges can be identified since Swedish immigration law does not provide for third-country nationals to take residence in Sweden only on the basis of investing a certain amount of money. For an applicant, the challenge is simply that Sweden does not grant residence on that basis.

Immigrant business owners

At times, regarding the processing of applications for residence permits, it can be difficult for decision-makers of the Swedish Migration Agency to determine whether a business is real or fake, especially in cases of indirect ownership. It can also be challenging to determine whether a business' services or goods really are sold and/or produced in Sweden, which is a prerequisite for residence permits to be granted. Business plans are sometimes not sufficiently clear.

From the perspective of applicants, depending on the individual circumstances, it can be challenging to provide evidence of having sufficient financial means to support themselves (and, if relevant, their family members) during the first two years in Sweden, which is a requirement for being granted a residence permit. Applicants may also find it difficult to specify their business idea and to submit a sufficiently clear business plan. To provide evidence of previous business activities, as a proof for experience in the field, can also be challenging. The processing times for residence permits, which can be lengthy, especially in the event of incomplete applications, can represent a severe obstacle to admission.

Other business persons

No specific challenges regarding this category of business persons can be identified. However, when BVEPs apply for a Schengen visa, it can be challenging for authorities to assess the willingness of applicants to leave the country upon expiration of their visa. (Such assessments are required for Schengen visas.)

For applicants, it can be challenging to find out what kind of permit to apply for, i.e. a residence permit for employment purposes, a residence permit for visits, a short-term Schengen visa or a national type-D visa. Another challenge is to understand whether a work permit is needed or whether an exception from the requirement to hold a work permit applies. The rules are complex.

Immigrant investors

As this study has shown, Swedish law and administrative practice do not foresee the granting of residence permits to people who wish take residence in Sweden on the basis of investing a certain amount of money into, for example, a business, a financial product, or real estate. Longer-term residence permits are only granted for investments in businesses when the investor will own at least half of the business and gets involved in its operations – in other words, when the investor is a business (co-)owner. Investors who are not business owners may enter Sweden with a Schengen visa, a national type-D visa or a temporary residence permit for visits, which is initially granted for a maximum period of six months. These documents do not entitle their holders to take residence in Sweden.

It can be noted, however, that the Aliens Act provides little guidance regarding immigrant investors. The current interpretation of the law, meaning that investors cannot be granted a right to reside, may therefore be questioned. According to Chapter 5, Section 5, Paragraph 2 of the Aliens Act, a residence permit “may be granted to an alien with means of support other than employment.” Further to this, the Aliens Act only states that “if the alien is to conduct business activities, he or she must be able to conduct the activities in question.”

The possible creation of an immigration channel for investment purposes has so far not been a prominent topic in Swedish politics. Sweden’s cautious approach in this matter may be explained by the fact that preparatory work for immigration legislation mentions potential risks associated with this type of immigration, such as the establishment of international criminal networks, or money laundering.

Immigrant business owners

As this study has shown, Swedish immigration law is somewhat vague regarding immigration opportunities for business owners, and little guidance is available regarding the criteria and conditions that the Swedish Migration Agency should apply when assessing applications for residence permits. However, over time, through administrative practice, case-law, and preparatory work for amendments to the Swedish Aliens Act, clear rules, standards and routines for the examination of such applications have been established, also with regard to the duration of residence permits. In 2014, an amendment of the Aliens Ordinance and the Aliens Act clarified that third-country nationals with a residence permit for self-employment purposes may be accompanied by family members (provided that they can support them), and that their family members can receive a work permit. Previously, accompaniment was not regulated by law, and work permits were normally not granted.

Compared to other immigration channels, applications for residence permits for self-employment purposes (business owners) include many documentation requirements, and the examination of these applications is a complex task. The Swedish Migration Agency has a specialised, but small, team of case-workers and decision-makers dealing with business owner-cases. Long processing times suggest that this team has long been under-staffed. To cope with their task, applications with complete documentation have been prioritised over incomplete applications. In order to further facilitate the processing of applications, both for case-workers but also for the applicants, the provision of easy-to-understand and exhaustive information about the rules for obtaining a residence permit and required evidence is considered very important. The Migration Agency provides this information on its website in Swedish and English. Efforts have also been made to develop an application form, including a template for a business plan, through which most of the information that case-workers need can easily be provided. In 2014, the number of staff dealing with applications for residence permits for self-employment has been raised. This is expected to lead to shorter processing times and a decreasing number of pending cases. Sufficient staffing is also considered important in order to further improve internal routines, a uniform approach towards the interpretation of the legal provisions regarding the admission of self-employed people, and enhanced possibilities to detect misuse.

First-time residence permits for self-employment are normally granted for two years. Then, on the condition that the applicants' business generates sufficient profit to support himself/herself and, if relevant, any accompanying family members, a permanent residence permit can be granted. According to the experiences of decision-makers, however, two years are often not enough to set up a well-functioning and profitable business. It has been suggested that a longer period of validity for the first residence permit could be desirable in order to increase the chances of business owners to succeed. It needs to be observed, however, that an extended period of validity of the initial permit may also create false incentives. Many immigrating business owners bring family members, including children of school age. For them, it can be very harsh to face a non-extension of their initial residence, and consequently expulsion, in the event that their business idea fails. The longer the validity period of the first permit is, the more they will integrate into Swedish society, and the harsher the consequences of a termination of their residence may appear.

Misuse of the rules for self-employed people in order to immigrate to Sweden for other purposes certainly occurs, but it is not exactly clear to what extent this happens, or to reliably quantify the problem. There has been some media reporting about alleged cases, but no wider public debate, and evidence has remained largely anecdotal. The fact that there is little media coverage and a lack of systematic follow-up may be due to the fact that the admission of business owners represents, compared to immigration for employment purposes, family reasons, or protection, a small immigration channel. But misuse is also very difficult to detect and avoid. One possibility of trying to improve the prevention of misuse would be to introduce a minimum investment requirement, meaning that applicants would have to invest a specific minimum amount of money into their Swedish business. Such requirements exist in other European countries, and they may help to ensure that an immigrating business owner actually has the capacity to build up a well-working and well-financed enterprise. On the other hand, there is a considerable risk that the introduction of such a requirement would stall the immigration of business owners to Sweden, which is already modest in quantitative terms. According to preparatory work for immigration legislation, the immigration of business owners should be encouraged and facilitated, rather than complicated. Thus, it might be worth to look into other possibilities to curb misuse. A stronger requirement for applicants to demonstrate that they have successfully run their own business before applying for residence in Sweden could be worth exploring.

If there were a requirement for applicants to create a certain number of jobs when establishing their company in Sweden, this would probably have serious negative consequences. While even this exists in other countries, Swedish experiences have shown that many businesses that self-employed people from third countries start in Sweden are small, and that many business owners find it difficult to make their enterprise profitable before their initial two-year residence permit expires. Upon applying for an extended stay, many business owners barely surpass the threshold for minimum financial means of support – and this threshold is already set very low (corresponding to public social security payments). If there were a requirement to not only run a profitable business, but also to have employees, the share of applications for extensions being rejected would most probably be much higher than today, and many business owners might not even try to extend their stay.

Other business persons

This study has also shown that in Sweden, little is known about "other business persons", such as categories of business travellers mentioned in international trade agreements. National immigration law and definitions of such business persons in trade agreements are not synchronised. As described in sections 1.5 and 1.6, "other business persons" may enter Sweden under different admission frameworks (e.g. Schengen visa rules, national labour immigration rules), depending on the individual circumstances. Sometimes, however, it can be difficult to assess which framework applies to a specific case, and there can be many different constellations, depending on whether a Schengen visa, a national visa, a residence permit for visits, or a residence permit for employment is the best solution for each individual case. Sometimes, no entry document is required except for a valid passport. There are also differences as to whether business persons need a work permit for their activity in Sweden, or are exempted from

this requirement. Statistical data on “other business persons”, as shown in Annex 1, suggest that most business persons come to Sweden with short-term visas (type-C visas).

The Swedish framework for immigration and mobility appears to cover all possible constellations, but it might be useful for many actors (e.g. the business community, employers, the Migration Agency, or officers at Swedish missions abroad) if targeted and well-structured information were developed explaining the potential pathways and technicalities for entry to Sweden for each of the categories of business persons mentioned in trade agreements. Otherwise, there may be a risk of potential business travellers or immigrants not finding the right information, or misunderstanding it. Experiences have shown that business travellers and short-term business migrants sometimes apply for work permits even when they do not need one, or that their employers, sponsors or clients are uncertain about what advice to give them regarding entry requirements.

Regarding residence permits for self-employment purposes (business owners), the Swedish Migration Agency granted 277 first-time permits in 2013 (see Table 5 below). If cases decided by courts are included in the total, approximately 300 residence permits were granted.

In 2012 and 2013, the number of first-time residence permits granted was considerably higher (332 and 277, respectively) than in 2009 (129 permits), 2010 (88) and 2011 (106). It is worth noting that the share of rejections among all decided cases (first-time applications) has been relatively high in all years. In 2013, it was 34 percent. The share of positive decisions was roughly 50 percent. Within the period 2009-2013, each year, the number of decisions taken was smaller than the number of incoming applications, except for the year 2012. This means that a considerable number of cases, often incomplete applications, have been left undecided.

In addition to the almost 2 000 decisions on applications for first-time residence permits for business owners that were taken over the period 2009-2013, which are displayed on a year-by-year-basis in the Table below, the Swedish Migration Agency also made 723 decisions on extensions of such permits. Most of them (641) were positive; 64 were negative. The fact that, over the period 2009-2013, the number of applications for extensions was considerably lower (641) than the number of first-time residence permits granted (932) indicates that many business ideas fail, or that business owners decide not to stay in Sweden.

As far as the main countries of origin of immigrant business owners are concerned, in 2013, most applications for residence permits for business owners were lodged by nationals of Iran (150), Pakistan (106), China (104), Iraq (52) and India (34). The average age of all applicants was 36. Almost 80 percent were men. In addition to residence permits for business owners, the Swedish Migration Agency also granted residence permits for family members of business owners. The exact number of permits granted to family members of business owners is unknown since a possibility to identify such permits in the statistical database of the Swedish Migration Agency has only been introduced in September 2013. According to specialised case-workers and decision-makers, the number of family members admitted in recent years has been almost the same as, or slightly higher than, the number of business owners admitted.

Regarding the statistical data on visas (see Table 6 below), it should be noted that Swedish authorities granted a total of 166 748 Schengen type-C visas in 2013. Almost one third of these visas were issued for business purposes (51 524). C-visas for business travel are thus, in quantitative terms, almost as important as tourist visas. Sweden granted 51 882 Schengen type-C visas for tourism purposes in 2013. The third largest category were C-visas issued for family visits (43 050). All other categories of C-visas (e.g. political activities, sports, cultural activities) are, in comparison, much smaller. Regarding national type-D visas, the total number of visas issued is much smaller than the number of C-visas. In total, Sweden issued 3 989 national type-D visas in 2013. Most of those visas were granted for family visits (1 618). Only a rather small number of people were issued a D-visa for business purposes (194). This means that it is rather unusual that business persons from third-countries enter and stay in Sweden on the basis of a D-visa. Schengen-visas, and residence permits for longer stays, are much more frequent.

In certain cases, business persons may also enter and stay in Sweden with a temporary residence permit for visiting purposes. Statistical data on such cases are not included in the Tables below. In 2013, the Swedish Migration Agency granted 1 520 first-time temporary residence permits for visits, and 6 609 extensions of such permits. A reliable disaggregation is not possible; it is thus not clear how many of these permits were granted for family visits, and how many for business-related stays or for other purposes, respectively.

Table 5: Statistics on immigrant business owners

	2009	2010	2011	2012	2013
Applications for residence permits	301	382	470	630	647
Residence permits issued	129	88	106	332	277
Residence permits refused	91	128	139	278	188

Source: Swedish Migration Agency

Table 6: Statistics on other business persons

	2009	2010	2011	2012	2013
Number of D-visas issued for business purposes	48	43	157	234	194
Number of Schengen (type-C) visas issued for business purposes	40 356	53 060	57 836	56 196	51 524

Source: Swedish Migration Agency

Data on businesses established by foreign-born persons in Sweden

The Swedish Agency for Growth Policy Analysis, and Statistics Sweden, regularly publish statistical data on newly established businesses. According to their latest annual statistics, 69 216 business were established in Sweden in 2012. 14 781 of these (21.4 percent) were started by persons of foreign origin. "Foreign origin" means that a person was born outside Sweden, or that both of his/her parents were born abroad. The share of businesses that were started by persons of foreign origin has increased over the period 2010-2012. Unfortunately, however, there is no further published information about these business owners. The statistical data does not include information on how many of them were Swedish nationals, or foreign nationals, which countries they (or their parents) have come from, or which type of residence permit they might have.

Annex: Definitions of "other business persons" – the EU Mode 4 categories

Category	Criteria	Length of stay
BVEP: Business visitors for establishment purposes	<p>Natural persons</p> <ul style="list-style-type: none"> - working in a senior position who: - are responsible for setting up an enterprise, - do not offer or provide services or engage in any other economic activity than required for establishment purposes. - do not receive remuneration from a source located within the host Party. 	Up to 90 days in any twelve month period
ICT: Intra-corporate transferees	<p>Natural persons who:</p> <ul style="list-style-type: none"> - have been employed by a juridical person or have been partners in it for at least one year - are temporarily transferred to an enterprise, the host entity, that may be a subsidiary, branch or head company of the juridical person in the territory of the other Party, - belong to one of the following categories: <p>1. Managers: Persons holding a senior position, who primarily direct the management of the host entity, receiving general supervision or guidance principally from the board of directors of the business or equivalent; that position shall include:</p> <ul style="list-style-type: none"> - directing the host entity or a department or sub-division of the host entity - supervising and controlling the work of other supervisory, professional or managerial employees - having the authority to recommend hiring, dismissing or other personnel action;. <p>2. Specialists: Persons working within a juridical person who possess specialised knowledge essential to the host entity's areas of activity, techniques or management. In assessing such knowledge, account shall be taken not only of knowledge specific to the host entity, but also of whether the person has a high level of qualification including adequate professional experience referring to a type of work or activity requiring specific technical knowledge, including possible membership of an accredited profession;</p>	Up to 3 years
GT: Graduate trainees/ - trainee employees	<p>Natural persons with a university degree who are transferred to a host entity for career development purposes or in order to obtain training in business techniques or methods, and are paid during the transfer;</p>	Up to 1 year
BS: Business sellers	<p>Natural persons who:</p> <ul style="list-style-type: none"> - are representatives of a services or goods supplier of one Party, - seeking entry and temporary stay in the territory of the other Party for the purpose of negotiating the sale of services or goods, or entering into agreements to sell services or goods for that supplier - do not engage in making direct sales to the general public - do not receive remuneration from a source located within the host Party - nor are they commission agents. 	Up to 90 days in any twelve month period

<p>CSS: Contractual services suppliers</p>	<p>Natural persons:</p> <ul style="list-style-type: none"> - employed by a juridical person of one Party which itself is not an agency for placement and supply services of personnel nor acting through such an agency, has not established in the territory of the other Party and has concluded a bona fide contract to supply services with a final consumer in the latter Party, requiring the presence on a temporary basis of its employees in that Party, in order to fulfil the contract to provide services - must be engaged in the supply of a service on a temporary basis as employees of a juridical person, which has obtained a service contract not exceeding twelve months. - should be offering such services as employees of the juridical person supplying the services for at least the year immediately preceding the date of submission of an application for entry into the other Party. - must possess, at the date of submission of an application for entry into the other Party, at least three years professional experience in the sector of activity which is the subject of the contract. - must possess a university degree or a qualification demonstrating knowledge of an equivalent level - must possess professional qualifications where this is required to exercise an activity pursuant to the laws, regulations and legal requirements of the Party where the service is supplied. - shall not receive remuneration for the provision of services in the territory of the other Party other than the remuneration paid by the juridical person employing the natural person. 	<p>A cumulative period of not more than 6 months or, in the case of Luxembourg, 25 weeks in any twelve month period or for the duration of the contract, whichever is less</p>
<p>IP: Independent professionals</p>	<p>Natural persons:</p> <ul style="list-style-type: none"> - engaged in the supply of a service - established as self-employed in the territory of a Party who have not established in the territory of the other Party - who have concluded a bona fide contract (other than through an agency for placement and supply services of personnel) to supply services with a final consumer in the latter Party, requiring their presence on a temporary basis in that Party in order to fulfil the contract to provide services - must be engaged in the supply of a service on a temporary basis as self-employed persons established in the other Party - must have obtained a service contract for a period not exceeding twelve months. - must possess, at the date of submission of an application for entry into the other Party, at least six years professional experience in the sector of activity which is the subject of the contract. - must possess a university degree or a qualification demonstrating knowledge of an equivalent - must possess professional qualifications where this is required to exercise an activity pursuant to the laws, regulations or legal requirements of the Party where the service is supplied. 	<p>A cumulative period of not more than 6 months or, in the case of Luxembourg, 25 weeks in any twelve month period or for the duration of the contract, whichever is less</p>

About the EMN

The European Migration Network (EMN) is an EU funded network, set up with the aim of providing up-to-date, objective, reliable and comparable information on migration and asylum for institutions of the European Union, plus authorities and institutions of the Member States of the EU, in order to inform policymaking. The EMN also serves to provide the wider public with such information. The EMN was established by Council Decision 2008/381/EC adopted on 14 May 2008. The Swedish Migration Board is the Swedish National Contact Point (NCP) for the EMN.

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