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Relocation & Moving

## Visa and Immigration in Asia-Pacific: Challenges and Solutions Across the Region

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Asia-Pacific (APAC) boasts a highly diverse workforce and commercial market. The region's economies offer significant opportunities for business expansion, relocation and multiformity. However, these opportunities come with quite a few challenges. APAC's geopolitical landscape is forever shifting as countries react to internal socio-economic indicators and regional market conditions, to stem the tide of arriving workers or open the economy to new businesses. Additionally, there is a talent gap that can exist in the region between where the talent is needed and where that talent can be found. There is often a shortage in specialized fields, particularly in those that require global experience. Because of this tumultuous environment for organizations, visa and immigration (V&I) requirements and processes within different APAC-based countries often change rapidly and with little warning. Organizations expanding into the region or protecting existing operations from compliance risks need to be prepared; the ability of an organization to flex and adapt its V&I-related activities — often and quickly — has become necessary.

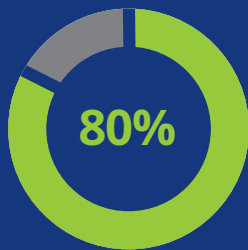
Many organizations try to design and manage robust V&I processes on their own, without understanding the region's geopolitical complexities. This approach often leads to accidental non-compliance with local V&I requirements in relocation/business travel destinations. In turn, this can lead to intense questioning upon arrival in a location, potential fines, delays or, worse, total relocation derailments, negatively impacting an organization's APAC presence and business efficiency. There may also be future immigration implications for the individual. To effectively meet growth goals in the region, it's crucial that businesses work with APAC talent mobility specialists and ensure all aspects of V&I are considered while formulating a global relocation strategy and mobility program framework.



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An additional complication involves domestic politics which, in many locations, have become increasingly nativist and protective of that nativism. While the need for talent from outside of a particular region may be very much needed, governmental legislation (to better protect and reserve positions for nationals) often encourages talent flow from some areas, while discouraging the flow from others.

Approximately 80% of participants in SIRVA's 2018 Mobility Report rated deploying talent as 'extremely important' or 'very important' to an organization's overall success.<sup>1</sup> To maximize mobility efforts, businesses' global relocation policies need to provide specific visa and immigration support to meet the measure of APAC's V&I challenges.



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<sup>1</sup> SIRVA, 2018 Mobility Report:  
<https://www.sirva.com/docs/default-source/default-document-library/2018-sirva-annual-mobility-report-final-web.pdf>

## Four Components Needed for Effective Visa & Immigration Compliance Management

Complying with local regulations is essential for improving workflow efficiency, achieving organizational goals and avoiding negative consequences associated with noncompliance. Regional organizations need four components to be V&I compliant:

1

### **A Comprehensive and Up-to-Date Understanding of Visa & Immigration Requirements**

A thorough and up-to-date understanding of current V&I requirements in each employee relocation destination is crucial to your mobility program's success. This can be quite complicated if individuals are being relocated to multiple destinations, each with its own V&I requirements, many of which are becoming increasingly strict and complex, globally. If this research isn't done, it can lead to simple mistakes that can result in complicated V&I issues. Further adding to the burden, government websites pertaining to immigration often contain limited summaries of legislation that can be thousands of pages long. Because of this, even if organizations conduct their own research, at the end of the day they may risk missing crucial information regarding the finer points of the immigration process. Enlisting the help of V&I subject matter experts, either in-house or third-party, is advisable to ensure compliance and efficiency.

2

### **Pre-initiation Visa & Immigration Requirement Guidance**

An expertly crafted mobility policy is only as effective as the people who manage and execute it. Applying this logic, you'll need to ensure that global mobility, HR, and recruitment managers understand the policy and V&I requirements, because the next step is to run through procedures with employees and their managers. This ensures all parties are aware of their responsibilities in managing a move, along with V&I-related deadlines for document submissions and overall time frames.

Direct and thorough communication between mobility management teams and employees being deployed overseas is also critical to managing the assignee experience. This provides employees with an opportunity to express any concerns about deployment to a specific area and allows V&I specialists to manage expectations by communicating the terms of the particular relocation's V&I requirements. Thorough planning also needs to be a consideration.

3

### **Timely Visa & Immigration Document Preparation**

Preparing necessary documentation and submitting it to immigration within application deadlines is a vital task. Without adhering to key timelines, relocations can become disastrous as employees may discover they don't have the correct work permit or are missing documents, which extends the processing time. Securing housing, bank accounts, and other important action steps can all be delayed, as these may be dependent on the successful completion and approval of V&I documents. Fulfilling this function while streamlining the time and resources required to do so helps organizations to keep an international relocation within budget and on track.

Producing and managing accurate documentation in a timely manner is also key for improving the employee experience. Employees have an exciting opportunity for career development or to experience a new culture. If the mobility team is unable to streamline the administrative side of relocating them, it will become more difficult to get the right people to where they are needed. Outsourcing V&I-related tasks to a relocation partner is often more time effective and efficient due to their expertise in and understanding of legislation. Moreover, if additional documentation is requested, an immigration expert is able to deal with such requests promptly, while understanding the underlying purpose of the request.

4

### **Technology for Supporting Compliance**

In the modern workplace every function is more effective when supported by technology that streamlines workflows and supports smarter decision making. Meeting immigration compliance requirements is no different.

Central oversight of all overseas assignees/business travelers through data analytics reporting or real-time location tracking helps to minimize the risk of employees breaching the terms of their visas. It provides global mobility teams with alerts about immigration application or work permit renewal deadlines and is also helpful should organizations be audited by local immigration authorities. Generally, this type of technology is difficult to access off-the-shelf or as an individual platform, but it's often part of the full suite of services provided by a relocation management company (RMC).

## The Risks of Managing Visa & Immigration Compliance Without Expert Guidance

Traditionally, issues with building V&I compliance into global mobility programs stem not from organizations failing to implement one of these four components but from trying to do so without the required knowledge and resources. In the increasingly globalized APAC region, companies that try to cut costs run the risk of falling behind competitors and potentially losing their best talent to more mobility-savvy companies.

The most common risks associated with an apathetic attitude or lack of knowledge regarding V&I compliance include:



**Assignment Delays/Derailments** - If your assignee/business traveler is detained at the airport due to an incomplete or incorrect work permit/business visa and/or documentation, this translates to increased business costs and administrative resources. The ramifications have both short- and long-term impact, as the time it takes to correct the issues can decrease or delay the assignee's focus on work and productivity — and mobility teams are forced to spend a significant amount of time correcting what has now become an escalated issue. Assignment delays or derailments also negatively impact employee satisfaction with your business and their impression of your mobility brand.

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**Fines/Immigration Sanctions** - Depending on the V&I regulations at each destination, certain countries can penalize ineligible workers with on-the-spot financial penalties. Other more severe sanctions include confiscating an assignee's or traveler's passport or detaining them. In addition to representing notable costs to the business, such circumstances can also cause significant employee frustration.



**Immigration Blacklisting** - Consistent non-compliance with visa regulations can result in companies being restricted in the number or types of visas they can secure for employees. In some cases, this can be leveraged against non-compliant travelers on the spot, resulting in immediate deportation and individuals being unable to secure an alternative visa. Organizations should avoid a point in which regular non-compliance results in blacklisting; the damage could be irreparable for your reputation in APAC.

While the risks of failing to manage V&I compliance are ever-present, how these risks manifest themselves differs, depending on the geopolitical conditions and strength of the economy at the destinations your employees are relocating or traveling to. Challenges can differ widely within the APAC region, with some countries more stringent about V&I compliance processes than others.

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## Breaking Down Visa & Immigration Challenges in the APAC Region

Each country, depending on its economy, political structures, and social landscape, has a different framework for assessing and issuing work visas. It's important that your organization know the lay of the land in each intended destination; being fully prepared for the nuances of each local immigration process will improve efficiencies and experiences.

To give you a better understanding of how immigration policies can differ between locations, here's a geographical snapshot of key APAC markets and their unique V&I challenges.





## United Arab Emirates (UAE)



The International Monetary Fund (IMF) predicts the UAE's GDP growth to remain at a stable 1.6% in the coming years,<sup>2</sup> with a liberal tax and trading regime making it a hot spot for business relocation and expansion.

However, the UAE V&I process makes relocating employees or planning extended business trips more complex. Any company that requires employees working in the UAE needs to be licensed by the General Directorate of Residency & Foreign Affairs (GDRFA) to manage visas on behalf of employees or partners. GDRFA provides simple regulations and document checklists to support organizations looking for this license. While the time frame for processing applications differs, delays due to missing documents or not abiding by GDRFA's timelines are significant as immigration files are processed on a first-come, first-served basis.

Additionally, after employees are issued their work visas, they need to resubmit their passports to receive the local Emirates ID card. This process normally takes one week. However, if the passport is not submitted within three working days, the delay could be longer as Immigration only issues the Emirates ID to UAE residents after the passport has been submitted and the file reopened.

Because of the above complexities, once business owners are authorized to hire employees, they normally partner with an in-house V&I specialist to issue residency visas and work permits.



<sup>2</sup>IMF UAE data: <https://www.imf.org/en/Countries/ARE>

## China



China presents a significant opening for businesses to enter a massive market; the nation will add the equivalent of the entire Australian economy to its GDP in the next twelve months.<sup>3</sup>

However, many organizations underestimate the complexities of China's immigration laws. One of the most common V&I scenarios that businesses face is trying to gain a work permit or renew an employee's residency. Many organizations aren't vigilant when it comes to tracking renewal periods (due to ineffective V&I processes), which comes with great risk. When working in China illegally (whether knowingly or unknowingly) employees can face significant fines, ranging from CNY5,000 to CNY20,000. Employers are also subject to penalties: Currently, according to Article 80 of Exit and Entry Administration Law of the People's Republic of China, people who introduce jobs to ineligible foreigners can be fined CNY5,000 for each job illegally introduced to one foreigner (with a maximum of CNY50,000 in total) and entities that introduce jobs to ineligible foreigners can be fined CNY5,000 for each job illegally introduced to one foreigner (with a maximum of CNY100,000 in total). Any illegal gains during the period of employment will also be confiscated.

Similarly, organizations trying to transfer assets to another legal identity typically fall foul of Chinese regulations. Governance dictates that business owners need to provide a personal legalized diploma of ownership in addition to their permit transfer applications. Because the application period is limited, Chinese authorities give applicants the chance to supply this document later, as long as they provide a letter of personal commitment in the meantime. However, many business leaders then forget to submit their diploma of business ownership within the right time frame. This can lead to a business being blacklisted and renders them unable to apply for the transfer for a year.

Consequently, businesses setting up a new branch or relocating to China often partner with an in-house V&I specialist to manage employee work permits and residency visas, as well as legal changes.

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<sup>3</sup> McKinsey & Company, *China Brief - The state of the economy*:  
<https://www.mckinsey.com/featured-insights/china/china-brief-the-state-of-the-economy>

## Singapore



Singapore's enduring popularity as the center of APAC commerce boasted a 3.1% increase in real GDP growth in 2018 — formidable considering its size.<sup>4</sup>

However, there are V&I processes that can trip up businesses that are relocating employees to Singapore. For example, the national Fair Consideration Framework mandates that all companies advertise job vacancies through Workforce Singapore before they submit an Employment Pass application. Job posts must follow strict Ministry of Manpower guidelines. If your organization's recruitment or HR team doesn't follow these regulations, the Ministry will reject any Employment Pass application. The most common issue occurs when businesses reuse an old job advertisement for a new role: Doubles of job post IDs breach the Ministry of Manpower's guidelines and stall recruitment.

Another example of a challenge in Singapore centers around the Ministry of Manpower's stipulation that a primary overseas work permit holder must earn a minimum fixed monthly salary of S\$6,000 to be eligible for a Dependant Pass (for children). Many businesses don't account for this and may apply solely with the salary of the household's main pass holder as opposed to combined spousal income. If the total amount of the main pass holder's salary falls short of the minimum, any appeal for the Ministry of Manpower to grant a Dependant Pass based on income from the whole household will be rejected.

The complications associated with the Singapore V&I process present significant challenges to companies that are attempting to relocate employees or expand in the region. They also may limit the talent pool from which businesses can choose candidates, since some employees may not meet the Ministry's designated criteria. Company stakeholders must be fully knowledgeable regarding Ministry requirements and be prepared for how they can reassign non-compliant workers to effectively manage talent.

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<sup>4</sup> Singapore Department of Statistics, *Singapore Economy Statistics*: <https://www.singstat.gov.sg/modules/infographics/economy>

## Hong Kong



Hong Kong's proximity to China and developed infrastructure makes it a compelling operational center for businesses looking to expand their APAC presence, particularly in the finance sector. However, in recent times Hong Kong Immigration has become more stringent in assessing overseas visa applications, which has increased processing times. Applications now may take up to six weeks to approve and time frames for applicants applying for work in law firms may be longer.

Additionally, the process for gaining local authority support for a visa application has changed in the last two years. Currently, organizations need to submit a 'justification case' for the applicant (subject to the background of the applicant and arrangement in Hong Kong) in addition to the usual documentation. In addition to stating the reason why the position cannot be filled locally, companies will need to provide proof of the local recruitment procedures that were taken (including resumes and interview results), and a statement proving that the applicant is capable of filling a newly created role or replacing an expatriate employee whose role is now open. Depending on the assignee's background, and in cases in which law firms are seeking a 'No Objection Letter' application, local authorities may need to run the application by a dedicated Consent Committee (a segment of the Hong Kong Law Society), which can lead to further approval delays.

Another challenge that organizations face is handling visa extensions for Mainland China Residents, holders of the Immigration Arrangements for Non-local Graduates visa, and applicants working in the legal sector. Currently the Immigration Department accepts applications for visa renewal up to four weeks prior to expiration, at the latest. Often, organizations (due to ineffective V&I procedures) leave applications until too late, while business travelers may not have the time to process their own extension. If the existing visa expires before the application process is complete (which can take up to four weeks or longer, depending on the application) the assignee will be unable to work or travel until it has been reinstated.

This means organizations need to be on top of everyone's visa situation and ensure applications for extensions are submitted with ample time to prevent extended delays to daily work flows.

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## Australia



Australia has emerged as an APAC powerhouse, spurred on by favorable trade deals with regional neighbors, a stable economy, and a highly skilled workforce.

However, the Australian market's desirability has led to increasingly strict immigration policies, made further impassable by any ineffective approaches to managing V&I compliance by companies.

In 2017 and 2018, the Australian immigration landscape changed significantly with the abolition of the controversial Subclass 457 visa and the introduction of the Temporary Skill Shortage (Subclass 482) visa.

Under this new visa program we saw:

- A reduced number of eligible occupations
- The introduction of 2 eligible occupation lists – the Short-Term Skilled Occupation List (STSOL) and the Medium- and Long-Term Strategic Skills List (MLTSSL)
- Occupations on the STSOL generally eligible for a Subclass 482 visa of up to 2 years with the ability to renew once onshore only (Occupations on the STSOL are generally not a pathway to permanent residence under the Employer Nomination Scheme.)
- Occupations on MLTSSL generally eligible for a Subclass 482 visa of up to 4 years with the ability to renew the visa (Occupations on the MLTSSL are generally a pathway to permanent residence under the Employer Nomination Scheme.)
- The introduction of Labor Market Testing (LMT)
- The introduction of the Skilling Australians Fund (SAF) levy

The above has resulted in a need for organizations to plan more and be transparent with assignees. It has also resulted in significant cost implications for employers in some scenarios. Additionally, employees who relocate to Australia often have a goal of gaining permanent residence. This has now become more difficult under the country's new visa and immigration requirements. For many employees whose occupations are on the STSOL (i.e. only eligible for a visa of up to 2 years plus one renewal, and not a pathway to permanent residence under the Employer Nomination Scheme) Australia has become less appealing. Some employees may be less likely to relocate their families or find the decision to be difficult if a permanent relocation isn't guaranteed, making the country a harder sell for employers.

The challenges of doing business in APAC vary from region to region but the resulting impact is the same: Increasingly stringent and ever-changing regulations present significant challenges to companies that are attempting to keep up when relocating employees, growing their global footprint, and managing talent.





## Getting Support to Better Manage Visa & Immigration Compliance

Seeing the challenges facing organizations in APAC, it's clear that managing ever-changing V&I compliance is complex. When companies factor in numerous relocating employees, industries, and origin and destination location combinations, it's easy to see how the process can be further complicated. Securing work or travel permits for your employees needs to be handled with careful attention to detail and a willingness to stay abreast of updates if your organization is aiming for maximum operational efficiency, compliance, and a positive employee experience. Ongoing tracking, reporting and advisory support and education will also be key.

Ultimately, the onus is on a company's global mobility team to ensure that V&I compliance measures are taken into account when relocating its workforce. According to *Workforce*, organizations are constantly subject to changing regulations and high-stakes political developments affecting the growing global workforce, making immigration a huge pain point, surpassing even costs as a concern in some quarters.<sup>5</sup> Business stakeholders can visit multiple countries' immigration websites daily for updates on current requirements but, as mentioned earlier in this paper, the amount of information required to process immigration efficiently is massive and often not readily accessible. For many companies, the simplest means to accommodate the range of V&I requirements faced in APAC is to outsource to immigration and relocation experts.



<sup>5</sup>Workforce, *3 Ways HR Leaders Can Stay Ahead of Changing Immigration Policies*:  
<https://www.workforce.com/news/3-ways-hr-leaders-can-stay-ahead-of-changing-immigration-policies>

## Partnering Up to Face APAC's Ever-Changing Visa & Immigration Challenges

Relocation management companies (RMCs) specialize in the logistics of moving or expanding business premises overseas - and this expertise extends to regional visa and immigration regulations. From discussing the aims of your move to managing the expectations of relocating employees, RMC experts will handle every detail, from start to finish. The benefits of partnering with a relocation management company include:

- ▼ Reduced time, stress, and resources required to manage V&I compliance (This allows your business' mobility function to focus on policy design and talent management.)
- ▼ Improved compliance success through managing documentation and training (This lowers the risk of immigration offices at your chosen destination blacklisting your business.)
- ▼ Increased likelihood of meeting critical business goals through efficient relocation operation and improved assignee satisfaction with the moving process

A further benefit of working with a relocation management company that has an internal V&I compliance team along with in-house moving professionals is the scale of efficiency that comes from working with a single-source provider. Coordinating complex visa & immigration timelines is a complex process that is further complicated when combined with managing the shipment of household goods, managing customs, and sourcing accommodations at employee destinations. An end-to-end relocation specialist provides expertise in each of these areas and streamlines them, coordinates them, and takes the burden out of your organization's hands.

APAC's geopolitical landscape is expected to remain in flux for the foreseeable future as the region's economy matures, meaning business travel and relocation will also remain complex. Risking immigration non-compliance is no longer an option for organizations: Astute attention to V&I compliance is crucial to a company's overall success.

For more insight into relocation and the implications of extended business travel across APAC, contact [\*\*concierge@sirva.com\*\*](mailto:concierge@sirva.com).

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## About SIRVA, Inc.

SIRVA Worldwide Relocation and Moving is a global leader in moving and relocation services, offering solutions for mobility programs to companies of every size. With 75 owned locations and more than 1,000 franchised and agent locations in 177 countries, we offer unmatched global breadth supported by localized attention and innovative technology that strikes the right balance of self service and human support. From relocation of household goods to commercial moving and storage, our portfolio of Brands (SIRVA, Team Relocations, Allied, northAmerican, Allied Pickfords and SMARTBOX) provides the only integrated moving/relocation solution in the industry. By leveraging our global network, we deliver a superior experience that only a 'one-stop shop' can provide.

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