

EMPLOYMENT OF FOREIGN NATIONALS: TOP-5 HEADLINES

27 September 2017

Today, 27 September 2017, the law simplifying employment of the foreign nationals with Ukrainian employees comes into force. As declared, the idea of the law is to soften one of the administrative barriers effective in Ukraine, in particular rules regulating employment of the foreign nationals, and consequently create conditions for increase of foreign investments. Below we provide top-5 headlines of the law which indeed facilitate procedure of employment or may impact the employment of the foreigners in Ukraine.

1. The list of the documents for work permit shortened

The list of documents, which is required for obtaining the work permit under regular procedure, has been limited to four documents: **(i)** employer's application, **(ii)** copies of the passport of the foreigner, **(iii)** photo, and **(iv)** labor agreement (contract). Specific cases require filing additional documents underlying the respective ground for issuing work permit.

2. Secondary employment is allowed

Although employment of the foreign national with each employer or at each position is conditionals on obtainment separate work permit, foreign high-paid professionals (*whose salary exceeds 50 minimum wages (UAH 160,000.00 / EUR 5,500)*) are allowed to combine employment at other employer within the term of employment at the initial position (*for which the employee obtained work permit*).

3. Employees have been split into two categories

The amended law envisages two categories of employees for issuing work permits:

- “*special*” category of employees, which includes: foreign high-paid professionals, founders, shareholders or beneficiary owners of Ukrainian companies, graduates of the world's top 100 universities, art professionals, IT-professionals; and
- “*regular*” employees – other employees, not included into the “*special*” category.

“*Special*” category of employees may be qualified for obtaining work permits with the duration of up to 3 years. Further, the requirement concerning payment of the salary at the level established by the law shall not apply to the “*special*” category of employees (*except for foreign high-paid professionals*).

4. Minimum wages for foreign nationals are established

The law introduced minimum wages for foreign nationals employed in Ukraine of not less than 10 minimum wages, which is UAH 32,000.00 / EUR 1,000.00, for employees of business entities and not less than 5 minimum wages, which is UAH 16,000.00 / EUR 500.00, for employees of charity organizations, NGOs, academic institutions.

5. Increased fee for the issuance of the work permit and established the fee for the extension of a work permit

The law provides for differential state fees for the issuance or extension of the work permits depending on the duration of the permit. In particular, the state fee may vary from two to six minimum living wages effective as of 01 January of the calendar year for issuing permits with the duration from 6 months to 3 years.

