



GMS Flash Alert

Immigration Edition

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Belgium – Flanders Plans New Economic Migration Policy for Self-Starters

The Flemish Minister of Economy and Innovation has issued a position paper addressed to the Flemish government proposing changes to the current economic migration policy for foreign self-employed workers.¹

On the basis of this paper, the Flemish government will draft a new decree, which is expected to enter into force on 1 January 2022.

WHY THIS MATTERS

Flanders wants to position itself as a magnet for start-ups and innovating entrepreneurial talent, and develop appropriate conditions for foreign self-employed workers to avail of new policies to foster such innovation and entrepreneurialism.²

Individuals planning to start self-employed activities in Belgium will still need to obtain the proper immigration documents up-front and check up on conditions in this respect.

Third-country nationals working in Belgium as company directors also require a professional card (in French “carte professionnelle” and in Dutch “beroepskaart”).

Companies and individuals are advised to take note of the planned changes to help ensure business continuity for their activities in Flanders in future.

Background

Each region in Belgium is competent for the regulatory framework and implementation around economic migration policy on their territory. If the individual starting self-employment happens to be a third-country national, prior to the start of that individual’s self-employed activities in Belgium, he or she must obtain a professional card.

The Act of 19 February 1965 on the pursuit of self-employed activities by foreign nationals provides the conditions that need to be met by foreign self-employed workers in order to obtain a professional card and carry out self-employed activities in Flanders.³

KPMG NOTE

The process to obtain a professional card is strictly regulated and often implies long waiting periods. Also, the conditions to be met remain vague and the outcome of the application is sometimes unpredictable. Furthermore, no distinction is foreseen between the different types of self-employed workers and the sector-related specifics.

The present framework does not provide for separate, clear criteria for assessing economic added value to the Flemish region and is not focused on attracting innovative businesses.

Key Future Changes

Administrative Simplification and Digitalisation

In 2019, the Single Permit procedure was implemented for employees. This Single Permit procedure serves now as an example for the administrative simplification and digitalisation of the professional card application procedures for self-employed workers. The Flemish government wants to aim for a speedy, customer centered, transparent and efficient administrative process.

Limitation in Duration

The maximum duration of a professional card will be limited to three years (instead of five years). The duration of the professional card will furthermore depend on specific and clear criteria that will be set out in the applicable legislation.

Introducing Three Categories of Self-Employed Activities

Every foreign self-employed worker will be assessed on the basis of general criteria. Since the range of self-employed workers is diverse, the following three categories will be introduced:

- Start-ups and scale-ups;
- Traditional companies;
- Special statutes (a.o. athletes , artists, and diamond workers).

Economic Added Value Test

In order to verify the economic added value and/or innovative nature of the self-employed workers and their businesses, a number of criteria will have to be met. The following criteria will be specifically tailored to the aforementioned three categories:

- Business plan;
- Financial plan;
- Salary earned by self-employed individual;

- Minimum start-up capital;
 - Profile of entrepreneur;
 - Job creation, investments, experience with Flanders;
 - The self-employed activity must not constitute an infringement of public order and good morals and the activity must comply with applicable laws and regulations.
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KPMG NOTE

The present position paper sets out the guidelines for the review of the current legislative framework. In the coming months, these guidelines will be further developed and more specific provisions will be drafted.

The KPMG International member firm in Belgium will continue to follow up on the expected changes to the current legislative framework for foreign self-employed workers and we will endeavor to keep you updated on the process.

FOOTNOTES:

1 The Flemish Minister of Economy, innovation, work, social economy and agriculture (*De Vlaamse minister Economie, Innovatie, Werk, Sociale Economie en Landbouw*), Position paper (in Dutch) for the Flemish government, 10 July 2020, entitled "Betreft: Vlaanderen als aantrekkingspool voor start-ups en innovatief ondernemend Talent": [https://www.ewi-vlaanderen.be/sites/default/files/visienota - vlaanderen als aantrekkingspool voor start-ups en innovatief ondernemend talent.pdf](https://www.ewi-vlaanderen.be/sites/default/files/visienota_-_vlaanderen_als_aantrekkingspool_voor_start-ups_en_innovatief_ondernemend_talent.pdf) .

2 At this moment the Walloon and Brussels regions have not issued any public statements on similar changes to their regulatory frameworks for applications for professional cards. KPMG in Belgium will keep monitoring this.

3 The Act of 19 February 1965 on the pursuit of self-employed activities by foreign nationals (*Loi du 19 février 1965 relative à l'exercice, par les étrangers, des activités professionnelles indépendantes*), published in the *Moniteur belge - Belgisch Staatsblad* ("Belgian Gazette") 26 February 1965.

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Contact us

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