

Q1
2022

Immigration Trends

LATIN AMERICA

LATIN AMERICA: Immigration Trends Q1 2022

COVID-19 regional update - travel and entry rules summary

Through the last quarter of 2021 and the first quarter of 2022, many Latin American countries reduced travel bans and quarantine requirements in response to increasing vaccination rates.

Proof of vaccination as an entry requirement for non-resident foreign nationals expanded, replacing strict entry bans. Approximately half of the countries we track in the region implemented vaccination requirements for entry – including Argentina, Bermuda, Brazil, Cayman Islands, Chile, Colombia, Guyana, Paraguay, St. Kitts and Nevis, Trinidad and Tobago and Uruguay which even required vaccination within nine months of entry.

Other entry bans that were imposed with the global spread of the COVID-19 Omicron variant in Q1 2022 – mainly for travelers from Africa – declined considerably. Very few countries now maintain small lists of disallowed travelers due to COVID-19 variants.

While some countries still require that travelers undergo a COVID-19 test before departure – a few also require on- or post-arrival testing – many now accept antigen and rapid tests in addition to PCR tests. Most countries no longer require long-term quarantine and exempt vaccinated travelers from quarantine requirements.

What's next?

Relaxed restrictions for travel. As vaccination rates continue to increase globally and regionally and as hospitalization rates decline, we expect more countries to relax their COVID-19 entry policies to attract visitors and support local and national economic recovery efforts. Some recently relaxed policies include:

- ▶ **Argentina, Chile and Uruguay** lifted the travel ban for unvaccinated foreign nationals.
- ▶ **Costa Rica** no longer requires travelers to complete an online Health Pass form prior to travel or show proof of international travel insurance.
- ▶ **Jamaica** no longer requires a Travel Authorization form and removed the testing and quarantine requirements.
- ▶ **Aruba** opened borders to all citizens and removed pre-travel testing requirements.
- ▶ **Guatemala** no longer requires proof of vaccination for non-resident foreign nationals.
- ▶ **Brazil** removed pre-travel testing requirements for vaccinated travelers.

While other countries may follow suit, travelers and their employers should still anticipate compliance challenges because entry and stay rules continue to change. Individuals considering travel should consult their country's consular posts and seek case-specific advice from their immigration providers.

Delays in government processing to continue. Though government offices mostly resumed operations over the last year, some backlogs and delays persist following extensive closures, system fine-tuning and implementation of changes in immigration laws and regulations.

- ▶ In **Peru**, processing times are currently three months or more for initial visa applications (up from the legal standard processing time of 30 business days), and 1.5 months or more for renewal applications (up from the usual two weeks).
- ▶ In **Mexico**, a significant backlog of appointments for all immigration filings has not subsided and has resulted in longer lead times for all immigration applications in Mexico City and other branches.
- ▶ In **Chile**, processing times are currently approximately three to six months (up from four months) for initial visa applications. Processing times tend to be unpredictable and vary considerably due to institutional backlogs and frequent changes in processes and regulations.

Foreign nationals and their employers should be prepared for continued delays throughout 2022 until governments in the region can stabilize staffing and clear backlogs.

Restrictive immigration policy proliferated through the lens of stricter entry rules

Restrictive immigration policies proved to be the most prevalent theme of 2021's last quarter and 2022's first quarter, implemented to address the continued dislocation of migrants following the devastating effects of the pandemic on the region's economies, political instability and extreme weather events.

The crisis in Venezuela has resulted in the second largest displacement of people (after the situation in Syria) – more than 3.8 million are estimated to have left the country in the past five years. Emigration from Haiti persists from the 2021 earthquake, and large numbers of migrants are moving from Central America into Mexico towards the United States, and from Nicaragua into Costa Rica.

In an attempt to control irregular migration, some countries implemented targeted restrictive immigration policies, including:

- ▶ **Chile**, where foreign nationals entering the country as tourists are no longer able to change to residence status in country and need to be outside the country while their work and residence immigration process is underway.
- ▶ **Panama** reduced the maximum period of stay in the country for visa-exempt tourists and business visitors to 90 days for each visit, down from the previous 180 days (except for nationals of Canada and the United States). Panama also increased labor law fines for companies that employ foreign workers without work authorization for the third time.

Suspension of visa waivers. Governments in the region have also attempted to control high irregular migration levels by eliminating visa waiver programs, redirecting previously

visa-waived citizens to apply for their visa at a consular post (or online, if applicable), thereby introducing another layer of discretion to the entry requirements (and possible visa refusal). Within the last year, several countries implemented policies that restrict visa-free entry to control the number of foreign national entrants:

- ▶ **Mexico** revoked visa exemptions for nationals of Ecuador, Brazil and Venezuela. As a result, nationals of these countries seeking to enter Mexico for tourist and business must obtain a consular Visit Visa for entry (unless they hold an eligible visa or immigration status from another country). Additionally, Colombian nationals are now required to complete an online pre-registration prior to traveling to Mexico.
- ▶ **Costa Rica** revoked the visa exemption for nationals of Venezuela transiting or entering Costa Rica for tourism or business (unless they hold an eligible visa or immigration status from another country). Costa Rica also implemented a Transit Visa requirement for nationals of Cuba and Nicaragua to transit through Costa Rican airports, whereas previously they only required a visa to enter the country.

Competition for talent has slowed recently, but growing regional cooperation is likely

With control of irregular migration at the forefront of immigration policy, we saw relatively little movement during the last two quarters in initiatives to attract talent into the region. Nevertheless, some government activities conveyed the intent to attract foreign talent:

- ▶ To attract film projects, the **Costa Rican** Legislative Assembly approved a law (expected to be published in Q3 2022) that seeks to introduce immigration, tax and other benefits to foreign nationals working in the film industry.
- ▶ The government of **Chile** published a regulation allowing foreign nationals seeking short-term work in Chile to apply for short-term work authorization prior to arrival. It also extended the validity of the permit.

After a busy presidential election cycle in Latin America in 2021 (Ecuador, Peru, Chile, Honduras and Nicaragua), there has been little room left for reforms.

COVID-19-related concessions continued to evolve. In the last quarter of 2021 and the first quarter of 2022, some Latin American countries continued to revise their concessions to retain foreign talent and promote investment during the pandemic.

- ▶ In **Paraguay**, unvaccinated non-resident investors, entrepreneurs or specialized technicians (who were otherwise banned from entry) could apply for entry authorization if they were entering for up to seven days.
- ▶ **Trinidad and Tobago** implemented an entry exemption for unvaccinated foreign workers in the oil and gas sector despite an entry ban for unvaccinated non-resident foreign nationals.
- ▶ **Brazil** extended concessions for foreign nationals with expired RNM protocols or cards, and extended registration deadlines for foreign nationals entering with temporary visas.



More regional cooperation possible. While no large-scale regional pandemic response or collaborative recovery efforts have been observed, governments are gradually working towards regional approaches to promote the intraregional movement of people and support mutually beneficial trade and economic development in the region. Bolivia, Ecuador and Peru are expected to implement the Andean Immigration Statute in 2022, which will offer reciprocal immigration benefits to their respective citizens and to Colombian nationals and permanent residents. Also, the United States will host the triennial Summit of the Americas

Colombia, ahead of the game, has implemented the previously-approved Andean Immigration Statute and is now offering a new nationality-based, two-year visa category with the option to apply for permanent residence. This visa category is available to eligible nationals of Bolivia, Ecuador and Peru and their families, and is similar to the Mercosur Visa in that it offers a simplified application process, does not require employer sponsorship, and opens a route to permanent residence after two years.

in early June 2022, which may encourage regional responses to the pandemic's economic, security and public health crises.

Positive developments in migration policies at a regional level play a significant role in promoting intraregional movement and drawing a wider pool of talent to the region.

Approximately 80% of migrants in South America entered their destination country under an intraregional agreement. In Brazil, more than three quarters of migrants from eligible countries use the Mercosur Residence Permit; in Bolivia, two thirds; in Peru, 40%; and in Colombia, 35%.

South America

Percentage of eligible migrants using the Mercosur Residence Permit

Brazil



Bolivia



Peru



Colombia



Increasing humanitarian efforts. In response to the invasion of Ukraine, **Brazil** introduced a new special humanitarian visa (available until August 2022) for Ukrainian citizens and stateless persons affected by the war in Ukraine. Visa holders are granted the right to reside and work in Brazil for up to two years initially. **Argentina** also introduced a humanitarian visa for eligible Ukrainian citizens and their direct family members (of any nationality) to reside and work in Argentina for three years. **Mexico** has also been prioritizing humanitarian visa applications submitted by foreign nationals currently in the country.

As the situation in Ukraine develops, other concessions may be introduced in the region.



Poor infrastructure held back the potential for success of the COVID-19-induced digital transformation

Since the start of the pandemic, governments in the region moved many immigration processes to online systems. Within the last quarter:

- ▶ **Mexico's** National Immigration Institute (INM) expanded its online appointment system to include all immigration filings in all INM branches.
- ▶ **Mexico** and **Costa Rica** launched biometric passports.
- ▶ **Bermuda's** Immigration Department announced plans to digitize operations (expected in phases throughout 2022), including the use of online platforms for immigration application submission, payment of fees, status updates, and the issuance of approvals and immigration documents.

Online processing provided a way for governments to remain fully or partially operational during COVID-19-related closure periods and limit person-to-person contact. In some cases, it also streamlined immigration processes by eliminating in-person visits to various government departments.

However, as mentioned in previous Latin American Trends Reports, outdated technological infrastructure systems and change management challenges continue to disrupt and delay immigration processes in several countries. The delays have been exacerbated in recent months.

- ▶ In **Costa Rica**, the issuance of renewed identity cards (DIMEX) has been suspended since January 2022 while the *Banco de Costa Rica* develops its online and printing platform to make this service available to all foreign nationals.
- ▶ **Mexico** suspended its online appointment system for immigration filings due to a significant backlog of online appointments.
- ▶ In **Peru**, the online process implemented during the pandemic streamlines the visa application stage with the ability to submit electronic copies of supporting documents instead of originals. But technical issues have prevented in-country visa applications from being filed and staffing changes and changes to immigration regulations are causing significant adjudication delays.
- ▶ **Chile's** digital systems were expanded to include other applications and processes during the pandemic. While this shortened processing times for certain stages of the immigration application, technical glitches have lengthened overall response times.
- ▶ In **Brazil**, the Ministry of Justice replaced the online system that foreign nationals use to file work and investment visa applications, causing technical issues and resulting in processing delays.

Employers and foreign nationals should expect continued delays and frequent process disruptions as governments continue to fine tune their digital systems.

Lastly, an additional downside of the digital transformation in immigration is that in many cases the automatic submission of online documents makes it difficult to communicate directly with government officials or adjudicating officers for complex cases or those that require special attention.

GOOD NEWS FOR DIGITAL NOMADS

As companies continue to formalize hybrid working policies, remote work immigration programs continue to be favored as a mechanism to attract investment and help rebuild economies hurt by the pandemic.

Despite a slower pace of digital nomad and remote work policy changes, the list of countries with remote work/digital nomad visas continues to grow.

There are currently at least 25 countries that have remote work/digital nomads programs: Antigua and Barbuda; Aruba; Barbados; Bermuda; Brazil; Cape Verde; Cayman Islands; Costa Rica; Croatia; Curacao; Cyprus, Dominica; Estonia; Greece; Hungary, Iceland; Malta; Mauritius; Montserrat; Panama; Romania, Seychelles; Sri Lanka; St. Lucia; and the United Arab Emirates; with programs pending in Albania, Argentina, Colombia, Czech Republic, Ecuador, Grenada, Indonesia, Italy, Slovakia, Spain and Thailand.

Recently in Latin America:

- ▶ **Brazil** implemented a one-year digital nomad visa which offers foreign nationals who are employed outside Brazil or who provide services outside Brazil the option to reside in and work remotely from Brazil without local employer sponsorship.
- ▶ **Cayman Islands** extended the Global Citizen Concierge Programme for digital nomads until October 2022 and expanded its allowable proof of income.
- ▶ **Saint Lucia's** "Live It" extended-stay program now allows foreign nationals to apply to the Immigration Department for a multiple-entry visa to travel to and work remotely from Saint Lucia for up to one year, instead of the previous six months.
- ▶ **Costa Rica's** approved Short-term Visa for Remote Workers or Service Providers is about to be implemented, with regulations expected to be published within the next couple of months.

Remote work policy warning: From an immigration perspective, whether a work permit is required in a country depends on the type of activities performed, not necessarily on the duration of the activities. Therefore, a case-specific analysis of a foreign national's circumstances is key to determining whether individuals can benefit from certain remote work government policies. Employers should work with a trusted immigration partner to review strategies and assess risks associated with implementing and/or continuing remote work policies, especially since noncompliance with immigration law could lead to fines, administrative penalties, and in many cases, employers losing their rights to hire foreign labor. Employers should also consider tax and labor law implications beyond the scope of immigration-related impacts as part of their decision-making process.



Opportunities for Latin American immigration policy

Thanks to growing COVID-19 vaccination rates and increased employment levels across the region, opportunities for improvement are expanding.

A regional investment-friendly business environment can drive job growth and the region can use immigration tools and regional schemes to encourage tourism, increase investment and attract talent – and boost its overall productivity. These key facts illustrate the region's business potential:

- ▶ The number of unicorn businesses in Latin America has jumped from two in 2018 to more than 30 in 2021 (including in Argentina, Brazil, Chile, Colombia and Mexico).
- ▶ Costa Rica and Panama are among the top 10 countries in *Kayak's* Remote Work Ranking.
- ▶ Uruguay is among the main recipients of foreign direct investment in terms of GDP in South America.
- ▶ Foreign direct investment received in Chile in January 2022 increased 110%, compared to the same month last year.

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APPENDIX

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