



# Asean Mobility Spotlight

May 2023

**EY**

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# Executive summary

In this edition of the *Asean Mobility Spotlight*, we take a deep dive into the immigration rules for short-term business travelers (STBTs) as jurisdictions in Southeast Asia open borders to a near normal state, bouncing back from the COVID-19 pandemic resulting in an increase of travels for business purposes. This includes the following:

- ▶ General entry requirements
- ▶ Permitted activities
- ▶ Adherence to regulatory guidelines

In a nutshell, STBTs refer to employees who travel outside of their base location for business and who are not on any formal assignment or transfer to the destination country. Each country has its own respective definition and threshold on what encompasses an STBT, but a similar characteristic is that STBTs are not allowed to perform activities defined as work in the respective destination country. Failure to adhere to the conditions imposed upon an STBT may result in repercussions toward not only the individual but also the deemed host or sponsoring entity.

With the increase in travels for business purposes in line with reinvigorating the economy, employers will need to undertake a review of whether current processes that are in place are sufficient to manage STBTs. Employers will need to practice diligence toward monitoring the business travel of their employees to not only ensure that the destination country's entry requirements are adhered to, but also to avoid any exposure to non-compliance. Employers may do so by:

- ▶ Having the necessary business travel policy in place
- ▶ Monitoring the latest immigration updates and requirements to enter the destination country
- ▶ Ensuring a mechanism is in place to track and monitor employee's business travels

Where gaps are identified, our EY teams are here to review and make recommendations about best practices that a company can implement to better manage STBTs and provide assessment and commentary where needed on case-by-case basis on entry requirements and other general immigration considerations.

Please note that the information provided in this spotlight is updated as of May 2023.



# Indonesia

## Entry requirement

STBTs must have a valid visitor visa to enter Indonesia. The visa types that can be applied for are as follows:

- ▶ Single entry visit visa (SEV) for stays up to 60 or 180 days
- ▶ Multiple entry visit visa (MEV) for stays up to 60 or 180 days
- ▶ Visa on arrival (VoA) for stays up to 30 days

STBTs with certain nationalities can also enter using the visa-free facility for a maximum stay of 30 days.

General requirements to apply for Indonesian visit visa:

- ▶ Have a minimum six-month passport for SEV with a validity period of 60 days or a 12-month passport for SEV with a validity period of 180 days or an 18-months passport for MEV with a validity period of 12 months
- ▶ Have a letter of guarantee from a sponsor company in Indonesia
- ▶ Have proof of having fund for living expenses for themselves and their family of at least US\$2,000 or equivalent
- ▶ Have a return ticket
- ▶ Have a recent color photograph with a white background, taken in last three months
- ▶ Have a declaration letter to bear the cost of medical treatment if tested positive for COVID-19 and to adhere to the health protocols in Indonesia
- ▶ Have proof of Insurance ownership
- ▶ Have a certificate of vaccine completion

## Permitted activities

Visitor visa holders are not permitted to perform any working activities when in Indonesia.

However, they may take part in the following activities with a valid visitor visa while being in Indonesia:

- ▶ Attend meetings
- ▶ Purchase of goods
- ▶ Social and tourism visits
- ▶ Government duties

## Increasing regulatory and enforcement scrutiny

A business visit visa cannot be used for working activities.

Frequent business visits to Indonesia may trigger additional scrutiny from the immigration authority upon arrival. Hence, a valid explanation should be provided in case questions arise upon arrival.

Common examples of STBTs carrying out unpermitted activities may include:

- ▶ Visiting a plant or factory that involves touching tools or machines
- ▶ Having activities in a working area (not in a meeting room), which could trigger further checking by the authority as it might be deemed working activities
- ▶ Performing continued supervision of production activities

Additionally, STBTs should also restrict their meeting to being conducted in a meeting room. The Ministry of Manpower and Immigration Office may do a spot check or a random check on the company's premises. If a visitor is found in the office doing some activities, they could be deemed to be carrying out work without the proper formalities, which will put both the company and the STBTs at immigration non-compliance risks.



# Malaysia

## Entry requirement

All foreigners entering Malaysia must satisfy the following conditions:

- ▶ Possess a valid passport or international travel document
- ▶ Possess an entry visa
- ▶ Possess a valid return ticket and sufficient travel funds for expenses
- ▶ Not being classified as a prohibited person under Section 8 of the Immigration Act 1959/1963
- ▶ Have completed the Malaysia Digital Arrival Card (MDAC) application

## Permitted activities

The permitted activities as a social visitor are as follows:

- ▶ Social visit
- ▶ Visiting relatives
- ▶ Tourism
- ▶ Journalism or reporting
- ▶ Meeting or conference
- ▶ Business discussion
- ▶ Factory inspection
- ▶ Auditing company accounts
- ▶ Signing agreement
- ▶ Carrying out a survey on investment opportunities or setting up a factory
- ▶ Attending seminars
- ▶ Students on goodwill missions or taking examinations at a university
- ▶ Taking part in sports competitions
- ▶ Other activities approved by the Director General of Immigration

Any other activities falling outside of the above permitted activity list will need to be assessed. It is important to note that foreign visitors do not possess any rights to work in the country unless in possession of the appropriate work permit.

## Increasing regulatory and enforcement scrutiny

The Malaysian Immigration Department (MID) generally continues to carry out operations to apprehend illegal immigrants in both commercial and residential locations known to have large populations of foreign residents. As such, it is important for STBTs whose activities cross into those considered as work activities to ensure that they apply for the correct type of permit.

Some sample activities commonly mistaken for business activities include but are not limited to:

- ▶ Participating in workshops or training either as a participant or facilitator
- ▶ Any client-facing or intra-corporate activities that include production of deliverables, i.e., project activities
- ▶ Conducting internal process audits
- ▶ Conducting business as usual activities relevant to an individual's role regardless of where payroll is administered

## Other updates

Foreigners who wish to enter Malaysia for short term work purposes may opt for the following facilities that are available:

- ▶ **PLS@XPATS**: work rights granted on a social visit pass (SVP) to undertake work that is critical to a business' operation or activities
- ▶ **DE Rantau Nomad Pass**: a work permit introduced to allow foreign nomads to work remotely in Malaysia for up to two years

Malaysia has recently introduced electronic entry visa and autogate facilities for foreigners from 10 countries arriving via Kuala Lumpur International Airport 1 and 2 to improve travelers' experience.



# Philippines

## Entry requirement

All foreigners entering the Philippines must satisfy the following conditions:

- ▶ Have a minimum six-month passport validity
- ▶ Possesses valid tickets for return journey to the port of origin or next port of destination corresponding to the permitted or allowable duration of stay under a valid visa or visa free entry
- ▶ Fully receive COVID-19 vaccination, except only for minor children below 12 years of age traveling with their fully-vaccinated foreign parents
- ▶ Possess an acceptable proof of COVID-19 vaccination, which shall be presented prior to departing or boarding from the country of origin and upon arrival in the Philippines
- ▶ Must present a negative RT-PCR test taken within 24 hours, except for certain cases
- ▶ Registers on the Philippine One-Stop Electronic Travel Declaration System 72 hours prior to departure from the port of embarkation

Foreign nationals will be given a tourist or business visa upon entry.

Foreign nationals whose countries are not considered as visa-free in the Philippines are required to secure an entry visa from the Philippine Embassy.

## Permitted activities

Foreign nationals holding a tourist or business or 9(a) visa are given a limited set of activities, such as:

- ▶ Conduct or attend business meetings, limited only to discussion on business development, strategic planning, contract discussion and negotiation, processes and programs
- ▶ Attend as a participant or technical or non technical staff in a conference or exhibition
- ▶ Deliver or receive training in a classroom setting

## Increasing regulatory and enforcement scrutiny

Any activities involving contract signing, consultation and advisory and any other technical activity would pose a high risk of requiring a tax identification number and special work permit as the above-mentioned are considered as doing business or work in the Philippines.



# Singapore

## Entry requirement

STBTs must fulfil the following general requirements to enter Singapore:

- ▶ Have a minimum six-month passport validity
- ▶ Have sufficient cash and proof of onward travel, i.e., tickets, visas and more
- ▶ Complete Singapore arrival card declaration
- ▶ Possess entry visa (only applicable for certain nationals)
- ▶ Have international certificate of vaccination for yellow fever (only applicable for travelers who have visited any country of risk of yellow fever transmission in the past six days)

There are now no COVID-19 health measures for STBTs, regardless of vaccination status or traveler profile.

Upon arrival Singapore, STBTs will be granted a short-term visit pass (STVP) for a period of 14 to 90 days at the discretion of the Immigration and Checkpoints Authority (ICA) officer. STBTs should monitor the expiry of their STVP to avoid overstaying in Singapore.

## Permitted activities

STVP holders are not permitted to engage in any work, professional or paid employment activities when in Singapore.

However, they may undertake the following activities with a valid STVP while in Singapore:

- ▶ Attend company meetings, corporate retreats or meetings with business partners
- ▶ Attend study tours or visits, training courses, workshops, seminars and conferences as a participant
- ▶ Attend exhibitions as a trade visitor

The above activities should not involve a contract of service or a contract for service with an employer in Singapore.

## Increasing regulatory and enforcement scrutiny

Business trips to Singapore are intended to be reasonably short in duration. It will be accepted that STBTs to be undertaking business activities for an extended duration of stay in Singapore.

Extended and frequent business visits to Singapore may trigger additional scrutiny from the ICA upon entry into Singapore.

Common examples of STBTs carrying out unpermitted activities may include:

- ▶ Signing of corporate documents
- ▶ Foreign employees attending on-the-job training in Singapore
- ▶ Audit-related peripheral activities such as a walk through or review of audit process with subject matter experts and management leads

Additionally, STBTs should also restrict their presence in offices to meeting areas that are generally accessible to business visitors. Entering office premises that are accessible only to employees may be deemed to be carrying out work in Singapore. It is possible for the Ministry of Manpower to enter offices to conduct random checks. STBT deemed to be carrying out work without a work pass is an offence and will put both the company and the business traveler at immigration non-compliance risk.

## Other updates

Certain work activities may be eligible for a work pass exemption. If applicable, an STBT may undertake work in Singapore for a short period without a work pass. However, the Ministry of Manpower (MOM) must be notified of the STBT's intention to work in an exempted activity after entering Singapore, and before starting the activity. It is an offence to start work without notifying the MOM of a work pass exemption.



# Thailand

## Entry requirement

STBTs must fulfil the following general requirements to enter Thailand:

- ▶ Have a minimum six-month passport validity
- ▶ Business visa (non-immigrant visa “B”)

There are now no COVID-19 health measures for all inbound travelers regardless of vaccination status or traveler profile.

### Non-Immigrant Visa “B” (Business)

Travelers who wish to enter Thailand for conducting business must apply for a non-immigrant visa “B” at the Royal Thai Embassy or Consulate-General in their home or residence country before departure.

A single-entry visa is valid for three months and a multiple-entry visa could be varied from three months to one year.

Holders of this type of visa are granted a period of stay in Thailand for 90 days.

Notes: Participants of meeting, incentives, convention and exhibitions (MICE) event supported by Thailand Convention and Exhibition Bureau are regarded as tourist activities and may apply for tourist visas.

## Permitted activities

There are no formal regulations providing a list of permitted activities in Thailand for STBTs. The list below provides common activities for STBTs with a valid business visa, and which are exempted from work permit requirements:

- ▶ Arrangement or attendance of meeting, expression of view, lecture or presentation in a meeting, training, visit or

seminar or performance of arts, culture, sports competition or other activities as prescribed by the Council of Ministers

## Increasing regulatory and enforcement scrutiny

The Thailand immigration authorities are increasingly scrutinizing the following misuse of business visa cases:

- ▶ Business trips to Thailand are expected to be in short duration. Frequent use of business visas to enter Thailand for working will trigger scrutiny from the immigration authorities and may lead to an entry denial.
- ▶ Travelers of certain nationalities enjoy visa exemption or bilateral agreement, i.e., they are entitled to a 30- or 90-day visit in Thailand without visa or 15-day visa on arrival that are for tourism purpose. Going on business travels using these visas may trigger scrutiny from the immigration authorities at port of arrival and may lead to an entry denial.
- ▶ Working in Thailand under a business visa without a valid work permit is viewed as non-compliance for both the expatriate and the company sponsoring the visa. Penalties for non-compliance including fine and imprisonment will be imposed.

## Other updates

An Urgent Work Permit (Form WP.36) may be applied in certain situations when STBTs are required to conduct work activities in Thailand which are necessary and urgent in nature for a period of no more than 15 calendar days. The processing time is one business day and application should be filed immediately upon arrival in Thailand by the sponsoring company in Thailand.



# Vietnam

## Entry requirement

STBTs must fulfil the following general requirements to enter Vietnam:

- ▶ Have a minimum six-month passport validity
- ▶ Have proof of onward travel, i.e., tickets, visas and more
- ▶ Complete Vietnam Arrival Card declaration
- ▶ Have an entry visa (applicable for certain nationals)

There are now no COVID-19 health measures for STBTs, regardless of vaccination status or traveler profile.

## Permitted activities

There are no formal regulations providing a list of permitted activities in Vietnam for STBTs. The list below provides common permitted activities for STBTs with a valid business visa while being in Vietnam:

- ▶ Attend internal meetings, events, workshops, training courses, orientations or candidate interviews
- ▶ Attend client meetings (no services are allowed to be provided to the clients during the meeting)
- ▶ Visit Vietnam offices for orientations or meetings, if needed

The above activities should not involve a service contract or employment contract with an entity in Vietnam.

It is worth to note that business visa can be used for expert, executive director, business manager or technical worker who work in Vietnam for less than 30 days for each trip and not having more than three trips to Vietnam in a year.

## Increasing regulatory and enforcement scrutiny

The Vietnam immigration authorities are increasingly scrutinizing the following misuse of business visa cases :

- ▶ Business trips to Vietnam are expected to be in a short duration. Frequent use of business visas to enter Vietnam for working will trigger scrutiny from the immigration authorities and may lead to an entry denial.
- ▶ Using “ghost” companies for business visa sponsorship will put the expatriates at risk of being included in the blacklist of immigration authorities. Consequently, they are not allowed to enter Vietnam in the future.
- ▶ Working in Vietnam under a business visa but without a valid work permit is viewed as non-compliance for both the expatriate and the Vietnam company that sponsors the visa. Penalties for non-compliance will be imposed and deportation will be executed.

## Other updates

For those who have certain special nationalities, i.e., Bangladesh, Sri Lanka, business visa approval is subject to the discretion of the Vietnam authorities and the processing time can be much longer than expected, i.e., may take from three to four weeks, in comparison with the standard processing time of five working days.

Besides, STBTs from 80 listed countries can apply for e-visas for business activities. The duration to obtain for the visa for those are in the list is from three to five working days.



# Country contacts

Christopher Lim  
Asean Immigration Lead  
+60 3749 58378  
christopher.lim@my.ey.com

Panneer Palaniandy  
EY Asean PAS Integrated Mobile Talent Leader  
+65 6309 8483  
panneer.selvam@sg.ey.com

Indonesia  
Kartina Indriyani  
+62 2152 895240  
kartina.indriyani@id.ey.com

Malaysia  
Cynthia Wong  
+60 12 323 5299  
cynthia.wong@my.ey.com

The Philippines  
Jackie Lou D Lamug  
+63 2 8910307  
jackie.lou.d.lamug@ph.ey.com

Singapore  
Lily Cheang  
+65 6309 8670  
lily.cheang@sg.ey.com

Thailand  
Wai Ph'ng Ng  
+662 264 9090  
wai-ph'ng.ng@th.ey.com

Vietnam  
Anh Thi Kim Ngo  
+84 2836 297780  
anh.kim.ngo@vn.ey.com

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EYG no. 004435-23Gbl

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