



DIGITAL NOMADS: WHY NOT A NEW “VISA”?

Guilherme Machado Dray

Portugal is committed to promoting the transition to the digital economy.

More than having a Ministry specifically dedicated to this topic, the Ministry of Economy and Digital Transition, Portugal recently approved the Action Plan for the Digital Transition, through the Resolution of the Council of Ministers No. 30/2020, 21st of April.

Moreover, we have an amazing broadband network, which covers the entire national territory, excellent road structures, security, and a national and universal health system that – at least so far – has been able to respond to the pandemic of Covid-19 disease. But we have more. We have a huge Atlantic coast, villages and cities in rural areas willing to receive new residents, and a World Surf Reserve (Ericeira village) that is a factor of attraction for thousands of digital nomads.

Digital nomads are mainly young (and less young) literate and with financial autonomy, who work under telework and who do so from different parts of the Globe, alternating the countries where they temporarily set themselves. This is an increasingly marked trend that has been encouraged and supported by several global companies, especially technology corporations. Unlike traditional tourism, digital nomads are based in certain countries for prolonged periods, adapting to local culture. They bring knowledge, intelligence, a new way of being, and – of course – they enhance internal consumption. They rent houses, encourage local commerce, occupy co-working spaces, and have the financial capacity to do so. They are working and have financial independence; being paid by the international companies they work for.

Ericeira is an example – at the moment, hundreds of nomads from various parts of the globe, who by force of the pandemic began to work remotely, are living and working from this surf village for different companies and countries, taking advantage of the climate, the ocean, surfing and local products. But they do so informally, without any governmental framework. I do not even know if the Portuguese Government is aware of this movement.

There are several countries that are aware of this trend and are working with professionalism to attract digital nomads.

In a recent Washington Post report, we may find that some countries have created special rules to attract digital nomads from the United States during the pandemic period.

Antigua and Barbuda, for example, launched the “Nomad Digital Residence Program”, which grants visas for up to 2 years to nomads with an income of a minimum of \$50,000 USD per year. The cost of issuing this special visa amounts to \$1,500 USD per person, \$2,000 USD per couple and \$3,000USD per family of three or more. Based on this visa, nomads can enter and leave the country as many times as they wish, on condition that they remain resident in this country and present negative tests of Covid-19 disease.

In the same vein, the small island Aruba launched in September the “One Happy Workation”, which creates a “remote work visa”. The visa lasts for 90 days and nomads must guarantee, during this period, accommodation in residences or hotels. The Government promotes packages of accommodation in condominiums or residences, equipped with Wi-Fi, common areas and associated tourist and sports programs (diving, sailing, yoga, etc).



In Europe, the first visa for digital nomads was approved in Estonia. At the height of the pandemic, Estonia launched the new Digital Nomad Visa. Under this new visa, the Government assigns residence permits up to 1 year, requiring nomads to have a monthly minimum wage of €3,000. The new visa was created in June and, according to the Estonian Government, the country has since then received thousands of visa applications from the United States, Canada, Russia, and Asia.

Also in Europe, Georgia launched in July a special program ("Remotely from Georgia") to attract digital nomads from 95 countries, for periods equal to or greater than 180 days. To this end, they are required to have minimum monthly incomes of €2,000.

Portugal, for the time being, has done nothing in this sense, at least in a structured and integrated way. But the country should do it.

If we see the digital transition as one of the essential tools of the country's development strategy and if we want to be a benchmark in this topic, we must retain all those who have come to our country in recent years to attend the Web Summit.

The pandemic is an enemy of tourism and short-term travel, but it can enhance the fixation of all those who started working remotely on a global scale.

Since the focus on domestic consumption is a measure to combat the upcoming economic crisis, why not try (also) this measure?