

China Tax Alert

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China remove the requirement of working experience for foreign graduates to get work permit

Regulations discussed in this issue:

- Ren She Bu Fa [2017] No. 3 - The Notice on Allowing Foreign Graduates Working in China issued by the Ministry of Human Resource and Social Security, Foreign Affairs and Education (hereinafter referred to as Notice No. 3)

Background

On 6 January 2017, the Ministry of Human Resource and Social Security, Foreign Affairs and Education jointly announced Notice No. 3 to allow qualified foreign graduates with no working experience to get work permit in China.

Main contents

Eligible applicant

Foreign graduates who have completed master's program or above within the last year from:

- a domestic university, or
- a well-known international institution

Criteria

- At least 18 years old
- Good health
- Clean criminal record
- Excellent academic record, with average minimum 80 points or B+/B grade
- Relevant degree and education background
- Proof of a confirmed job offer in China relevant to the applicant's degree, with a salary that is equal to or higher than the local average¹
- Valid passport or equivalent

Others

The employment permit will initially be issued with one year validity but

¹ The monthly average salary in Shanghai in 2015 is RMB5,939.

can be extended for up to another five years after the employer complete the application for renewal.

The employment of foreign graduates with no working experience is subject to a quota system, which will be proposed by the Human Resource and Social Security authority at the provincial level and approved by the Ministry of Human Resource and Social Security.

KPMG observations

The existing regulation which requires foreigners who intend to work in China have at least two-year related working experience put obstacles to those innovative foreigners who seek opportunities post graduate in China. The Notice issued by the State Administration of Foreign Experts Affairs of P. R. China on Carrying out the Pilot Program of Issuing Work Permits for Foreigners Getting Work in China in September 2016 has removed the requirement of working experience for qualified foreigners in the pilot areas whereas Notice No. 3 further clarifies the application criteria, procedures and extended to foreigners outside the pilot area.

At present, the specific quota has yet to be further clarified. Companies which intend to employ foreign graduates is recommended to pay close attention to the updates from the local government, make proper arrangement on documents collection and preparation. KPMG team will be pleased to support you and your foreign talents in obtaining employment related permits on a timely manner.

