

GMS Flash Alert

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People's Republic of China - For Guangdong, New Policies Facilitating Exit and Entry

Detailed rules pertaining to the so-called "Sixteen Policies" were issued on 10 August 2016, by the Guangdong Public Security department in the People's Republic of China ("China").¹ The Sixteen Policies, which came into effect on 1 August 2016, support the establishment of the Free Trade Zone (the "FTZ") and aim to simplify the entry and encourage the retention of high-level foreign talent and innovators in Guangdong.

Guangdong's detailed rules follow on the issuance by the Exit-Entry Bureau in Shanghai in July 2015 of detailed rules for the implementation of the exit and entry policies and measures first issued by China's Ministry of Public Security.

WHY THIS MATTERS

Guangdong's Sixteen Policies streamline and simplify visa application procedures, and thereby cut-back some of the red tape and delays concerning entry in and exit from Guangdong, the most populous province in China and one of the most economically successful. This will make it easier and faster for foreign workers and entrepreneurs to come to work in Guangdong.

Policy Highlights

Of the Sixteen Policies, six of them are applicable to the Guangdong FTZ, while the rest apply to the entire Guangdong province (including the Guangdong FTZ). Below are some highlights of the more note-worthy policies.

“Port-visa on Arrival” and Visa-Free Policies

- “Port-visa on arrival” is available for the Z-type (work) visa and an X1-type (student) visa, which simplifies the visa application procedures for foreign personnel to enter China for engaging in work or study.
- Guangzhou Baiyun Airport and other ports will become “visa free” transit ports, with an extended visa-free transit period of 144 hours.

Expanding Coverage of Long-Term Visas and Residence Permits

- Foreign personnel working in Guangdong who have applied for a work-type residence permit twice and have no record of violating laws and regulations can apply for a five-year work-type residence permit.
- Foreign citizens of Chinese origin who were born in Guangdong or whose original household registration is in Guangdong can apply for a five-year residence permit to meet their long-term stay needs for work, study, and visiting relatives.
- Foreign citizens of Chinese origin who were born in Guangdong or whose original household registration was in Guangdong who need to enter Guangdong for other matters (e.g., business, science, culture, education, etc.) can apply for a visa allowing for multiple entries and exits during a term of five years along with required certifications or guarantees, which are essentially supporting documents for the application. At this stage, there are no guidelines elaborating on this.

More Support to High-Level and Innovative Talent

- Channels for recommending talent eligible for R-type (talent) visas and work-type residence permits are expanded: in addition to authorities in charge of talent affairs in Guangdong, scientific and technological innovation authorities, the Guangdong FTZ Office, higher education institutions, scientific and technological research institutions, and other departments can also certify or employ foreign high-level talent, who can then apply for an R-type (talent) visa at a port or apply to change the visa with which they enter Guangdong to a R-type (talent) visa.
- Foreign high-level talent certified by the above authorities and foreign citizens of Chinese origin who set up a business in the Guangdong FTZ will no longer be constrained by the previous age limit of 60 years, and can apply for a residence permit with the term extended to five years.
- Qualified foreign high-level talent or high-level talent from Hong Kong and Macau are allowed to hire housekeeping personnel with foreign nationality and will be supported by measures to facilitate their lives in Guangdong.

Preferential Policies for the Guangdong FTZ and More Channels for Foreign Personnel to Apply for a Green Card

- Enterprises within the Guangdong FTZ that are registered with the Guangdong exit-entry administration authorities can invite foreign higher education students to complete internships in Guangdong.
- Foreign personnel working, running a start-up business, or investing in Guangdong are eligible for a permanent residence permit if one of the following criteria is met:

- Qualified foreign high-level talent (and their spouse and minor children) recommended by the Guangdong FTZ Office;
- Foreign personnel in an innovation and entrepreneurship team in the Guangdong FTZ who meet certain score-based standards and foreign technical personnel employed by enterprises within the Guangdong FTZ;
- Foreign personnel who directly invested a total of USD 1 million in the Guangdong FTZ either as a natural person or through an enterprise in which they are a natural-person shareholder, and who have good tax records;
- Foreign citizens of Chinese origin who have worked for an enterprise in the Guangdong FTZ for four consecutive years and lived in China for no less than six months per year;
- Employer-recommended foreign personnel whose income and tax contributions meet government standards and have worked in Guangdong for four consecutive years while living in China for no less than six months per year.

KPMG NOTE

With the introduction of these preferential policies in Shanghai and Guangdong, it is anticipated that China will step up its efforts to strengthen the management of foreign personnel employment and attract foreign talent and investments.

In view of the new policies, companies in Guangdong that have need of bringing foreign talent are advised to consider the preferential measures in their planning in order to shorten the lead time for applications as well as mitigate associated costs.

FOOTNOTE:

1 For additional information see the "[Entry, Exit and Residence Procedures](#)" webpage on the Entry and Exit Administration Office of the Guangzhou Public Security Bureau website (in English).

Contact us

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The information contained in this newsletter was submitted by the KPMG International member firm in the People's Republic of China.

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