

GMS Flash Alert



Immigration Edition

2020-002 | January 3, 2020

People's Republic of China - Targeted Changes to Facilitate Entry/Exit for Foreign Talent

The *Shanghai Municipal Administration of Foreign Experts Affairs* (SHAFEA), the National Immigration Administration, and the Exit-Entry Administration Bureau of Shanghai Public Security Bureau have progressively promulgated new policies since September 2019, aiming to attract more foreign talent and simplify entry and exit procedures for foreigners.

WHY THIS MATTERS

In light of the changes described in this newsletter, employers should find it simpler and more convenient to hire or assign in/to the People's Republic of China ("China" or "PRC") individuals with highly-desired talent and skills, valuable experience, and important contributions in their respective fields.

Transiting through China will also be made easier in certain circumstances.

However, employers should consult with their professional tax or global mobility advisers regarding the tax and social security implications of bringing these specialized employees into China by the various means and opportunities outlined below.

Key Points

Introducing Foreign Talent Pilot Program in Lin-Gang Special Area of China (Shanghai) Pilot Free Trade Zone

The Lin-gang Special Area (LGSA) of the Shanghai Pilot Free Trade Zone (Shanghai Pilot FTZ) will be upgraded to a foreign talent pilot zone. Specific measures to attract foreign talent specialising in innovative activities include:

- Foreign talent employed by scientific institutions and high-tech enterprises in the LGSA, foreign talent urgently needed for industrial development, and those who invest in the LGSA or engage in new innovative businesses will be subject to relaxed rules pertaining to age, education background, and work experience requirements for their preliminary PRC work permit applications;
- Talent and foreign team members who are pioneering in the high-tech industry will be entitled to simplified PRC work permits application procedures via the "Green Channel";
- Foreigners holding senior managerial or highly-technical positions in companies which are covered by the "Shanghai Science and Technology Innovation Occupations" list are entitled to simplified PRC work permit applications;
- Employers in the LGSA will have access to platforms established by the Shanghai Municipal Science and Technology Commission and SHAFFEA to identify and source foreign talent. At the same time, LGSA will also provide support relating to on-boarding training, legal consultation, cultural exchange, and the settling in to the new location for foreign talent.

China 144-hour Visa-Free Transit Program Expanded to Cover 27 Ports

Effective 1 December 2019, eligible foreigners entering from airports in Chongqing and Xi'an can transit and stay in China for up to 144-hour without a visa. Those who enter from airports in Ningbo can also visit Shanghai, Jiangsu, and Zhejiang Province during the 144-hour visa-free transit. Furthermore, airports in Chengdu have been expanded to Chengdu, Leshan, Deyang, Suining, Meishan, Ya'an, Ziyang, Neijiang, Zigong, Luzhou, and Yibin.

Following the expansion of the program, 30 border ports in 23 cities across 18 provinces in China will implement the 144-hour and 72-hour visa-exemption program for foreigners from 53 countries.

Maximum length of stay	Pre-December 1, 2019	Post-December 1, 2019 (*Newly-added border ports)
144 hours	Beijing, Tianjin, Shijiazhuang, Qinhuangdao, Shanghai, Hangzhou, Nanjing, Shenyang, Dalian, Qingdao, Chengdu, Xiamen, Kunming, Wuhan, Guangzhou, Shenzhen, Jieyang	Chongqing*, Xi'an*, Ningbo*
72 hours	Chongqing, Xi'an, Changsha, Guilin, Ha'erbin	Changsha, Guilin, Ha'erbin

Self-Assisted (Online) Registration for Temporary Residence

The Exit-Entry Administration Bureau of the Shanghai Public Security Bureau has officially launched an online platform that enables foreigners to complete registration for temporary residence online.

- Applicant can scan a QR code and subscribe to the "we-chat" public account or log-in to the system on a personal computer;
- Minimal details regarding the applicant are required for completing the registration (e.g., applicant's residential address and arrival/departure dates);
- Platform automatically verifies and confirms completion of registration on a timely basis;
- Completed "Temporary Residence Registration Form" can be downloaded and printed for record-keeping.

Launch of "Single Window" in Shanghai for Foreigners' Work and Residence Permits Applications

The Shanghai Public Security Bureau (PSB) and SHAFEA launched a "Single Window" for processing Foreigners' Work and Residence Permits applications. Foreign talent that qualifies for the Category A work permit can now submit his or her work permit and residence permit applications simultaneously to the "single window" and can obtain both permits at the same time upon approval; and the entire process should be completed within seven business days.

KPMG NOTE

Companies should proactively evaluate the feasibility of applying new immigration policy and practice to their foreign employees and consider aligning their deployment strategy and corresponding policies accordingly.

The KPMG team in the People's Republic of China is closely monitoring updates from the various authorities, and will endeavour to keep readers of GMS *Flash Alert* informed by way of future developments.

RELATED ARTICLE

This article is excerpted, with permission, from "China Immigration Trends," published in *China Tax Alert* (Issue 21, December 2019), a publication of the KPMG International member firm in the People's Republic of China.

Contact us

For additional information or assistance, please contact your local GMS or People Services professional* or one of the following professionals with the KPMG International member firm in the People's Republic of China:



Michelle Zhou
Partner
Tel. +86 (21) 2212 3458
Michelle.b.zhou@kpmg.com



Vincent Pang
Partner
Tel. +86 108 508 7516
Vincent.pang@kpmg.com



Murray Sarelius
Partner
Tel. +852 3927 5671
Murray.sarelius@kpmg.com

* Please note the KPMG International member firm in the United States does not provide immigration or labour law services. However, KPMG Law LLP in Canada can assist clients with U.S. immigration matters.

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

© 2020 KPMG Huazhen LLP, a People's Republic of China partnership and a member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative ("KPMG International"), a Swiss entity. © 2020 KPMG Advisory (China) Limited, a wholly foreign owned enterprise in China and a member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative ("KPMG International"), a Swiss entity. All rights reserved.

www.kpmg.com

kpmg.com/socialmedia



© 2020 KPMG LLP, a Delaware limited liability partnership and the U.S. member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative ("KPMG International"), a Swiss entity. All rights reserved. Printed in the U.S.A. NDPPS 530159

The KPMG name and logo are registered trademarks or trademarks of KPMG International.

The KPMG logo and name are trademarks of KPMG International. KPMG International is a Swiss cooperative that serves as a coordinating entity for a network of independent member firms. KPMG International provides no audit or other client services. Such services are provided solely by member firms in their respective geographic areas. KPMG International and its member firms are legally distinct and separate entities. They are not and nothing contained herein shall be construed to place these entities in the relationship of parents, subsidiaries, agents, partners, or joint venturers. No member firm has any authority (actual, apparent, implied or otherwise) to obligate or bind KPMG International or any member firm in any manner whatsoever. The information contained in herein is of a general nature and is not intended to address the circumstances of any particular individual or entity. Although we endeavor to provide accurate and timely information, there can be no guarantee that such information is accurate as of the date it is received or that it will continue to be accurate in the future. No one should act on such information without appropriate professional advice after a thorough examination of the particular situation.

Flash Alert is a GMS publication of KPMG LLP's Washington National Tax practice. To view this publication or recent prior issues online, please click [here](#). To learn more about our GMS practice, please visit us on the Internet: click [here](#) or go to <http://www.kpmg.com>.