

Foreigners residing in China: Important visa application and extension issues

The PRC Exit-Entry Administration Law took effect on 1 July, and the supplementing Exit-Entry Administration Regulations were implemented on 1 September 2013. Together these new policies implement stricter requirements for expatriates that work in China for shorter or longer periods.

!!! All expatriates and companies hiring expatriates are strongly advised to review their practices, and ensure that they remain legal and practical.

1. New types of visas

The new law introduces several types of new visas. The old Z-visa is split into the Z1- and Z2-visa; the Z1-visa is for employees who will work in China for 90 days or more, whereas the Z2 visa covers work visits of less than 90 days. The new M-visa replaces the old F-visa and is for all business activities *except* employment. The new F-visa will only be for non-commercial activities. As a result, **all foreigners who work in China** (even for a short period) must have a **Z-visa**, and this will take longer than before to obtain.

2. Longer processing times for application and extension of visa

To apply for a Z-visa in your home country to enter China (valid for one month), the prospective employer must first arrange the following documents:

- *License for the employer to employ the foreigner*
- *Government-issued invitation letter*

Note: It takes approximately **17 working days** for the company to obtain the above documents – not including the time needed to complete additional pre-visa formalities at home.

Upon arrival in China, the foreigner must:

- *Complete a Health Check in China*
- *Apply for the Employment Permit*
- *Apply for the Residence Permit (including "permanent" Z-visa)*

The required documents are more or less the same as before, but under the new Law expatriates will face a much longer processing time, both for foreigners that apply for the first time and expatriates that want to extend their current Employment Permit and Residence Permit.

- **Application for Employment Permit and Residence Permit:** The application for Employment Permit takes **5 working days**, while the application for Residence Permit now takes **15 working days**. With the time to complete the Health Check, foreign applicants should count on remaining

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in China for more than a month to complete procedures. During this time domestic travel is permitted, but the foreigner will not be able to leave China.

- **Extension of current Employment Permit and Resident Permit:** The extension of Employment Permit and Residence Permit requires **5 working days** and **15 working days** respectively. During the application for extension of the Residence Permit, the applicant's passport will be with the handling bureau. During this period, international travel is not possible. If the expatriate changes employers, the process will take longer and will require additional documentation.
- **Application or extension of other visas in China:** The application for or extension of other visas in China (e.g. of an M-visa) can now take up to **7 working days or more**. During this period, the applicant's passport will be with the relevant bureau and international travel is not possible.

3. Return to home country

Even though we have seen practice vary, it is officially *not* possible to apply for a Z-visa in Hong Kong or a third country. Therefore it is best to return to one's home country to apply for a first-time Z-visa. However, extension of Z-visa with the same or a different employer can be completed in China.

4. More severe punishments

Foreigners that are caught living illegally in China, i.e. overstaying their visa or Residence Permit or engaging in activities inconsistent with their legal documents, face a fine of RMB 500 per day (capped at RMB 10,000), as well as up to 15 days of detention and/or deportation. Illegal employment is punishable by a fine up to RMB 20,000 and (in serious cases) 15 days of detention and/or deportation, while companies can be fined up to RMB 10,000 per illegal employee and can face confiscation of unlawfully obtained income. Experience suggests that enforcement will be more aggressive.

Questions ?

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