



## GES NewsFlash

### China — Dependents of work permit holders no longer able to obtain residence permits in Guangzhou

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#### Key implications

Spouses and children of foreign nationals holding a work visa in Guangzhou are no longer able to automatically apply for a residence permit with a Z visa.

This new restriction comes as a result of the Foreign Trade and Economic Cooperation Bureau (FTECB) office in Guangzhou suspending the issuance of dependents' Z (work) visa invitation letters on August 1, 2011. Without the invitation letters, dependents who plan to accompany an expatriate assignee will no longer be able to obtain Z visas from People's Republic of China diplomatic posts overseas, which is necessary for the issuance of a residence permit. Instead, dependents may need to enter China on the strength of an L (family visit or tourist) visa, and seek a domestic extension of the L visa following their arrival in Guangzhou. Unlike residence permits, the domestically extended L visa will limit the person's duration of stay and number of entries into China. Additionally, while the schools in Guangzhou now take a seemingly relaxed attitude in enrollment acceptance of foreign students on L visas, generally speaking, children are not allowed to attend school under such temporary visas. Therefore, families with school-aged children may have to obtain an X visa for their children prior to entering China, which will then need to be converted into a student-type residence permit.

The FTECB in Guangzhou is unable to confirm at the present time if this new restriction will be a temporary or a permanent suspension. However, it has indicated that there may be some discretionary exceptions entertained for cases involving special circumstances. Although it is still very unclear what will be considered a special circumstance, the granting of Z visa invitation letters to dependents in special circumstances will require an explanation letter and supporting documents. Approval of this type of case is very difficult to predict at this point and it remains to be seen how long this policy will be enforced.

Currently, we do not have any reports of other cities/regions in China affected by a similar policy limiting issuance of Z visa invitation letters.

We will keep you advised of any developments in the near future.

#### Deloitte's view

Companies and assignees whose assignment destination is Guangzhou, China, should take note of this recent development to ensure a smooth transfer. Although it will create some inconvenience and more work to assign an expatriate's family to Guangzhou, with the proper preparation it should still be feasible for dependents to enter China and live in Guangzhou.

In view of these recent changes, seeking assistance from a professional organization to help the process and, when necessary, take advantage of the

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