

How a Foreign Investor Can Obtain a Visa and Residence Permit in China as Founder and Director of Their Own Company



"Investor" ≠ "Worker" in the Eyes of Chinese Authorities

The Chinese immigration system does not recognize the concept of a "beneficial owner-manager" as a single entity. For it, there is a strict separation:

Role	Purpose of Stay	Primary Document	Visa	Residence Permit
Investor (Shareholder)	Capital contribution, dividend receipt	Company registration, business license extract	M Visa (Business)	Not provided — only short-term visas, renewal via exit
Worker (Director)	Performing hired labor function	Work Permit (Foreigner's Work Permit) + Employment Contract	Z Visa → Work-type Residence Permit	Yes, up to 5 years with renewal possible
Highly Qualified Specialist (A-Class)	Attracting elite talent	Confirmation of A status + Work Permit	R Visa (the best of all)	Up to 10 years, simplified processing, family included "automatically"

The Essence:

If you have simply contributed capital and have not registered yourself as a hired worker, you are an investor.

And an investor does not have the right to conduct operational management—only to participate in board decisions (outside Chinese territory) or to appoint someone else.

Article 43 of the Law of the People's Republic of China on Control of Entry and Exit directly prohibits "engaging in labor activity without a work permit."



The only correct path for a foreign founder planning to live and manage in China

Obtain the status of a "highly qualified specialist" (Class A) → Work Permit (A) → R Visa → Long-term Residence Permit



Why specifically Class A?

- ✓ **No restrictions on age, education, or experience** (Art. VIII.2 of the Zhejiang Guide)
- ✓ **Simplified procedure:** Most documents are processed under the "trust principle" (self-declaration, without consular certification)
- ✓ **Maximum duration:** Work Permit up to 5 years, R Visa up to 10 years, Residence Permit up to 5 years with an automatic right of renewal

- ✓ **Family "included":** Spouse and children under 18 receive a Residence Permit of the same duration, have the right to study and (in some cities) work without a separate permit
- ✓ **Priority processing:** The issuance period for the Work Permit Notice is 5 working days, not 10 (see point XII.5 of the Zhejiang Guide)

Important:

You cannot obtain Class A simply because you are the founder. There must be objective, documentarily verifiable competence that corresponds to the "Criteria for the Classification of Foreign Specialists."

You are the sole founder + simultaneously the General Director in the registration documents.

For this, you submit to SAMR:

- ✓ **Articles of Association**, which state: "The founder [Full Name] is appointed as the General Director of the company without limitation of term"
- ✓ **Power of Attorney from the Board of Directors** (if you are not the sole shareholder)
- ✓ **CV + diploma + summary in Chinese** — already at the registration stage (to build a "credit history" in the system)

A Foreign Category A Entrepreneur? Not "just an investor," but a strategic partner for China



1. Investments – They Are Not Just Numbers, but a Story of Trust

- Investor's bank statement – confirmation of the ability to invest.
- Amount of registered capital – proportionate to plans, confirmation of intentions.



2. Business Plan or Audit Report

- Business plan, if the business is just starting (jobs, potential, and benefit).
- Audit report – proof of real activity, not just a "paper office."



3. Resume + Diplomas = Your Leadership Capital

- Industry experience
- Business experience
- Management experience

Diplomas and certificates – with apostille + notarized translation.



4. Innovation – Your Main "Trump Card" for Class A

- Patents (your name as inventor) – a weighty argument.
- Software certificates, awards, feasibility studies – all confirm uniqueness.

Link patent → technology in China → new jobs.



5. Ownership Documents – Legitimization of "I'm Hiring Myself"

- Shareholder register extract + company charter = proof: you are the owner.
- Employment contract in the name of the company: you are the General Director.

Two Paths to Obtain the "Work Permit Notification" in China

Route

Standard (Consular)

For Whom? Foreign citizens outside China

Pros. Flexibility: Can apply from any country

Cons. Requires exiting China, 1–2 months wait

Route

Simplified (Domestic)

For Whom? Foreign citizens already in China on another visa (M, F, L, etc.)

Pros. No exit needed! Faster (5–10 days), direct transition to plastic card

Cons. Only for Category A or special cases

Advice for Investors:

If you are planning entry into China to register a company, choose an M (Business) or F (Visitor) visa. This will open the door to the simplified route and save you at least 1 month



Key Documents for Obtaining the Work Permit Notification in China

Mandatory for Everyone:



Online Application Form

personally signed + company seal



Employment Contract

clear functions, salary \geq regional average, duration, address



Passport

valid >6 months



Photo

white background, 354x472 to 420x560 pixels, JPG 40–120 KB



Resume and Diplomas

for Category A, a "commitment" is permissible, but better to attach legalized copies



Certificate of No Criminal Record

for Category A: "commitment" possible. For Categories B/C: legalized copy mandatory

Special Requirements for the Investor-Director:



In the Employment Contract: The text must reflect the duality "I am the founder, I am the director."



Salary: Cannot be lower than the regional minimum (checked by the tax authority).



Job Description: Attached to the contract.

Simplified Route for Obtaining the Work Permit Notification in China

Who can use it?

- ✓ Category A (investor-director with high-level management)
- ✓ The company is registered in a free trade zone or an innovation pilot zone
- ✓ Intra-company transfer (e.g., from Shanghai to Zhejiang)

What is needed additionally?

- ✓ Scan of passport with a valid visa and entry stamp
- ✓ Proof of the right to domestic application (e.g., valid visa, registry extract confirming registration in a free trade zone)

Why is it advantageous?

- ✓ No need to leave the country
- ✓ No "Notification → visa" stage – you get the plastic card directly
- ✓ Speed: 5–10 days instead of 1–2 months

Visa Choice: Z vs R – A Strategic Decision

Criterion	Visa Z	Visa R
Target Group	All foreign workers	Highly Qualified Specialists (Category A)
Validity Period	Up to 30 days, usually single entry	Up to 180 days, multiple entry possible
Processing Speed	Standard	Prioritized (and for family: S1/S2)
Residence Permit After Entry	Up to 2 years (often 1 year)	Up to 5 years
Status	Regular worker	Recognized Expert / Talent

Recommendation for Category A

Choose the R Visa!

It is not just a visa – it is a strategic tool for:

- ✓ Minimizing bureaucracy.
- ✓ Maximizing the period of legal stay
- ✓ Accelerating all subsequent procedures in China
- ✓ Strengthening professional image with authorities and the employer



Work Visa – Application ONLY Outside China



Where

Chinese Embassy / Consulate or accredited visa center



Who can apply

In country of citizenship or legal residence (if holding a residence permit/long-term visa)



Format

In person (in most cases)

Basic Document Package

Document	Requirements
Passport	Validity \geq 6 months, \geq 2 blank pages
Work Notification	Original + copy (Work Permit Notification)
Form V.2013	Signature + photo 48×33 mm (light background)
Proof of Legal Status	Only if applying outside country of citizenship
Additional Materials	Upon request of consulate (diplomas, work records, etc.)

Important:

Requirements may differ – always check the website of the specific consulate!

Entry and Receipt of the Work Permit Card



Where:

Only within China



Responsible:

Employer (application) + Specialist (medical exam, presence if necessary)



Deadlines:

Everything – within 30 days after entry

Critical Deadlines

Step	Deadline
Medical Examination	As soon as possible after entry (result valid for 6 months)
Application Submission	≤ 15 calendar days from entry date (according to passport stamp)
Receipt of Card	Up to 10 working days after submission

Missing deadlines = risk of fine, rejection, or deportation



Documents Required to Obtain the Work Permit Card in China



Passport with visa (Z/R) and entry stamp



Medical report from an accredited clinic ("Foreigner Physical Examination Report")



Employment contract (if not attached previously)



Originals of diplomas, work experience certificates, criminal record certificate (with apostille/legalization + translation into Chinese)



Photo (white background)



Official application form



The Plastic "Work Permit" Card in China



Not a visa – it is the primary document for legal work in China



Contains: photo, full name, category (A/B/C), employer, validity period



Issued: in person or by notarized power of attorney



Valid for up to 5 years (for Category A)

What's next?

- ✓ With the obtained card – urgently apply for the Residence Permit at the Exit-Entry Administration
- ✓ Only the Residence Permit grants the right to multiple entry-exit and long-term stay

Residence Permit in China – The Final Leg of Legalization



Where

Exit-Entry Administration at the local Public Security Bureau (PSB)



Who Applies

The foreigner in person (mandatory!)



Application Deadline

≤ 30 days from the entry date (according to passport stamp)



Prerequisite

The plastic "Work Permit" Card (without it – rejection)

Critical Timeline

Action	Deadline
Temporary Residence Registration	Within 24 hours of moving in
Application for Residence Permit	≤ 30 days from the entry date
Processing Time	7–15 working days (on average)

Violation – Administrative fine, possible refusal of issuance



Mandatory Document Package



Passport (original + copies: Z/R visa, entry stamp)



Plastic Work Permit Card (original + copy)



Residence Permit Application Form (filled out on-site / downloaded online)



Temporary Residence Registration – Mandatory!



1 Photo (color, requirements to be confirmed at the office)





If necessary: Employment contract, medical examination report (original)

What Does a Residence Permit Provide in China?

Advantage	Explanation
Multiple Entry-Exit	Without applying for new visas.
Legal Residence	For the entire validity period of the document
Validity Period	Up to 1 year (for categories B/C). Up to 5 years for Category A (maximum!)
Renewal	Renewed in parallel with the Work Permit Card

Residence Permit in China – Key Points to Remember



Residence Permit = the final status of a "legal worker."



The employer and the specialist are obligated to track the expiration dates of both documents – the Work Permit and Residence Permit – and initiate renewal 30+ days before expiration



Without a valid Residence Permit, the following are impossible: opening a bank account, vehicle registration, long-term rental agreements, etc

Complete Legization Cycle – Summary

- ✓ Z/R Visa → Work Permit Card → Residence Permit
- ✓ All 3 documents are not interchangeable – each has its own role

Obligations After Receiving the Work Permit and Residence Permit in China

Not "the end of the road" – but the beginning of responsibility!

Employer + specialist must comply with the rules – otherwise, risk of fines, document cancellation, deportation

1. Tax Registration (within 30 days after Residence Permit)

- ✓ **Register with STA**
At place of residence
- ✓ **Obtain Tax ID**
Unique taxpayer identification number
- ✓ **Resident Status**
If ≥ 183 days in China → tax on all worldwide income
If < 183 days → tax on Chinese income only

**Violation - Fines, bank account blocking,
problems with renewal**



2. Social Insurance – A Legal Requirement

- ✓ **All Foreigners (B/C)**
Employer registers them in the social insurance system (pension, medical, unemployment, work injury, maternity)
- ✓ **Category A**
Replacement of state programs with commercial insurance (medical + pension) possible → Only with prior Letter of Commitment and presentation of policies

Important: Replacement is only possible if requested during the Work Permit application!



3. Document Renewal – Don't Forget!

Step	Deadline	Features
Renew Work Permit Card	≥30 days before expiration	Online procedure for A/B – no re-submission of diplomas, certificates
Renew Work Permit Card	≤30 days after receiving new Work Permit	The updated card must be presented

Both documents are renewed in parallel – otherwise one becomes invalid!



4. Notification of Changes – Mandatory! Notify the authorities within 10–15 days of:

- ✓ Change of employer → complete re-application of all documents
- ✓ Change of position/workplace within the company
- ✓ Change of address → re-registration with the police
- ✓ Loss of passport / card / residence permit → report immediately and replace

Without notification: Administrative liability, risk of status cancellation.



CONTACTS

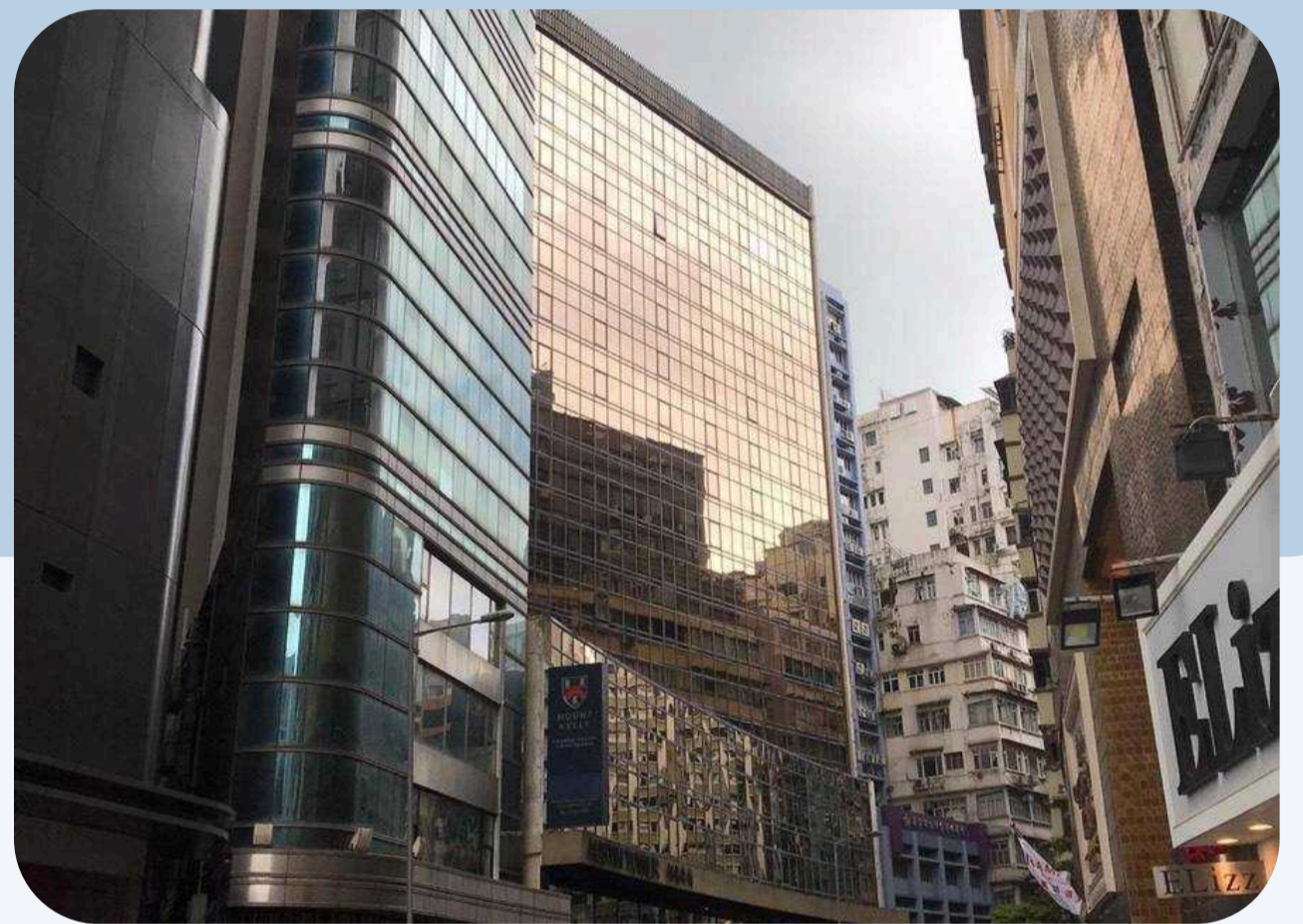
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