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China to Classify Foreign Job Seekers into A, B and C Grade

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China to Classify Foreign Job Seekers into A, B and C Grade

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For a long time, there exist two work permit management systems for foreigners in China. **One is called “foreign expert” management system and the other is alien employment management system.** In December 2015, the Approval Reform Office of the State Council decided to combine the two systems into one single “Foreigner’s Work Permit” system. Following the decision, the State Administration of Foreign Experts Affairs issued a Pilot Implementation Plan on the Work Permit System for Foreigners in China” on September 27, 2016. The key points are as follows:

I. “One unified permit”

Under the new system, the existing two sets of permits as listed below will be replaced by one set of unified permits, with a permanent code assigned to each qualified applicant:

- Current permits: Foreign Expert Work Permit, Foreign Expert Certificate, Alien Employment License, and Alien Employment Permit.
- New permits: **Approval Notice for the Employment of Foreigners, Foreigner’s Work Permit.**

II. Timetable of the reform

- Pilot phase: from October 2016 to March 2017, a pilot program is due to be launched in **Beijing, Tianjin, Hebei, Shanghai, Anhui, Shandong, Guangdong, Sichuan, Yunnan and Ningxia.** Non-pilot regions will follow the current policy and prepare for the overall implementation of the new policy. Please note that the specific timetables and policy may vary among those pilot regions.
- Overall implementation: starting **from April 1, 2017, the Foreigner’s Work Permit system will be implemented nationwide,** and the new Work Permit will be issued in place of the current ones. Current permits will remain valid for the remainder of the period of validity and the holders may replace their existing permits on a voluntary basis.

III. Classification of foreigners

Under the new system, foreigners working in China will be categorized into three groups (A, B and C-grade) and be managed under the principle of “encouraging A-grade, limiting B-grade and restricting C-grade”. Below is a table summarizing the criteria for classification, within which applicant may opt for either **Criteria-match Method** or the **Point Accumulation Method**.

Category	Criteria-match Method	Point Accumulation Method
A-grade High-end foreign talents	Selected by Talents-introduction Plan; Internationally recognized professional achievements; Jobs encouraged by the government; Innovative and entrepreneurial talents; Excellent youth talents	Points≥85
B-grade Professional foreign talents	Bachelor or higher degree with more than 2 years of related work experience, and qualified for other requirements; Outstanding graduates with master or higher degree from universities in China; Graduates with master or higher degree from world top 100 universities (according to rankings released by Shanghai Jiao Tong University); Foreign language teachers	Points≥60
C-grade Ordinary foreign	Ordinary foreign workers satisfying demands of Chinese domestic labor market, undertaking temporary,	N/A

workers	non-technical, or service work in compliance with national policies, and meeting certain requirements.	
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As for the method for the calculation of points, please see the section V below.

IV. Quota for foreign workers

In countries and regions like Singapore, Russia and Hong Kong, the governments set quota for foreign workers for the purpose of optimizing the structure of talents, securing local employment, etc.

The implementation plan sets forth that, under the new system, a quantity restriction will be imposed on foreigners working in China. A-grade applicants are immune from the restrictions; for B-grade, the quota will float according to labor market demands; and **C-grade applicants, however, are strictly restricted by quota**. It is foreseeable that working in China will become more and more difficult for ordinary foreign workers.

V. Point Accumulation Method

As aforementioned, point accumulation is an alternative method for classifying foreign workers. The following Points Assignment Table (Trial Version) is devised for the pilot program, in which **annual salary, educational background, Chinese language proficiency, age**, among other factors, are all taken into account.

Items	Scales	Points
Annual Salary paid by domestic employer (10,000 CNY) Points capped at 20	≥45	20
	[35,45)	17
	[25,35)	14
	[15,25)	11
	[7,15)	8
	[5,7)	5
	<5	0
Educational Background or International Professional Qualification Credentials	Doctor or equivalent	20
	Master or equivalent	15

Points capped at 20	Bachelor or equivalent	10
Seniority in related practice Points capped at 15	1 point added for each year exceeding 2 years	Capped at 15
	2 years	5
	Less than 2 years	0
Annual Working Months Points capped at 15	≥9	15
	[6,9)	10
	[3,6)	5
	<3	0
Chinese Proficiency Points capped at 10	Obtained bachelor or above degree with teaching language of Chinese	10
	Passed HSK 5 or above	10
	Passed HSK 4	8
	Passed HSK 3	6
	Passed HSK 2	4
	Passed HSK 1	2
Work Orientation Points capped at 10	West area	10
	Old industrial hubs in North-east area	10
	Special areas like national-level low resources counties in Middle area	10
Age Points capped at 15	[18,25)	10
	[26,45)	15
	[46,55)	10
	[56,60)	5

	≥60	0
Graduated from world-known universities or with experience with Fortune 500 Points capped at 5	Graduated for world top 100 universities With experience with Fortune 500	5 5
Extra Points given by provincial administration for foreign workers Points capped at 10	Special talents in urgent demand of local social and economic development (Specific standards to be formulated by provincial administration for foreign workers.)	0-10

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