



Visa procedures for foreign professionals in France

France is the second largest recipient of job-creating foreign investment in Europe¹. French immigration policy is designed so as to exercise control over economic migration flows while still encouraging the arrival of highly skilled talent, in part by facilitating intra-group mobility.

Since 2007, the French government has introduced special procedures for citizens of non-European Union countries who wish to run a company, engage in highly skilled employment in France or work in a French subsidiary of their group.

These new measures have made it even easier for foreign nationals on international assignment and their families to obtain visas and live and work in France.

1. Easy intra-group mobility for company directors and skilled employees

1.1 Residence permit options

→ If you are a **foreign investor and you wish to invest in France or send an employee to France to manage a subsidiary**², you will be eligible for the following (as appropriate):

- **“Exceptional Economic Contribution” residence permit.** A foreign investor investing at least €10 million or planning to create or preserve at least 50 jobs is eligible for an “Exceptional Economic Contribution” residence permit. Investors should file their application for this 10-year renewable permit with the *Préfecture* of the area where they are planning to invest.

Spouses of “Exceptional Economic Contribution” permit holders are also eligible for this new residence permit³.

¹Source: Ernst and Young, 2011 *European Attractiveness Survey*.

² Under the principle of freedom of movement, nationals of European Union Member States, the European Economic Area and Switzerland have unimpeded access to the labor market. Only nationals of Romania and Bulgaria are required to obtain a residence permit (to conduct a business) or a work permit (to engage in paid employment) during a transitional period.

³ Thereby permitting their minor children to reside in France, since the minor children of lawfully resident parents do not require residence permits.

• **The “Skills and Expertise” residence permit.** This three-year renewable permit enables holders to work in any capacity in France. It is especially appropriate for subsidiary CEOs and individuals with highly sought after professional skills⁴. It acts as a work permit and, for entrepreneurs, is equivalent to authorization to register a company.

Foreign nationals holding a one-year “Business Activity” residence permit who are company directors of a French subsidiary may apply to the *Préfecture* of their place of residence for a “Skills and Expertise” permit on the expiry of their “Business Activity” permit.

→ If you wish to transfer or recruit an employee to work in France, your employee will be eligible for the following residence permits:

• **“Expatriate Employee” residence permit.** This three-year renewable residence permit was created to meet the needs of groups of companies and companies with branch offices (intra-group mobility). It is issued to non-French nationals being transferred to their company’s French subsidiary or assigned to it temporarily in the context of intra-group mobility. To be eligible, your employee must receive a monthly salary above a certain level: around €2,000 gross as of January 1, 2011.

• **European Blue Card.** As of January 2012, this new one-to-three year residence permit will be available for highly skilled workers. It will provide work authorization for France, which will automatically be extended to other European Union countries after 18 months. To be eligible, applicants must have either five years of professional experience in a specific sector or at least three years of post-secondary education and earn a gross monthly salary of approximately €4,000 or greater.

→ If you are a researcher, you enjoy special status:

• **Research scientists do not need any form of work permit.** Foreign nationals conducting research or teaching at university level receive a long-stay visa equivalent to a residence permit (VLS/TS) and as such do not require a residence permit for the first year.

• After the first year, they are eligible for a “Research Scientist” temporary residence permit, valid for up to four years.

➤ Over 20,000 foreign researchers in the French public sector

• To obtain this permit, a researcher must have a host agreement, which is issued by the hosting scientific or university organization and attests to the researcher’s position of research scientist, as well as to the nature and length of their employment. This agreement must bear the stamp of approval of the State Prefect of the area in which the hosting institution or organization is located.

→ A special status for accompanying families:

• **“Private and Family Life” temporary residence permit.** Accompanying family members of holders of European Blue Cards or “Skills and Expertise”, “Expatriate Employee” or “Research Scientist” residence permits are automatically granted “Private and Family Life” temporary residence permits so that all the family can come to France at the same time. This permit enables holders to work in France (no work permit required) or start a company.

• Beginning in 2012, the period of validity of the “Private and Family Life” permit will be based on the length of the spouse’s stay⁵.

⁴ Under Article L315-1 of the Code on the Entry and Residence in France of Aliens and the Right of Asylum, “The ‘Skills and Expertise’ residence card may be granted to an alien who, by reason of their skills and expertise, has the potential to make a significant and lasting contribution to the economic development, physical development, or intellectual, scientific, cultural, humanitarian or athletic importance of France and, directly or indirectly, of their country of citizenship. It shall be issued for a period of three years. It shall be renewable.”

⁵ Provided in the Immigration, Citizenship and Nationality Act of June 16, 2011. Previously, this card had to be renewed annually.

→ **To enable employees who are not covered by intra-group mobility to work in France** (e.g. employees temporarily assigned to provide a particular service):

If your employee is ineligible for all of the above-mentioned residence permits, the government authority responsible for evaluating the work permit application⁶ will take into consideration the local employment situation where the employee would be working, except in the case of occupations for which recruitment is difficult. France has a list of 14 such “short-staffed” sectors⁷.

Outside these 14 sectors, you must first carry out an effective recruitment search in the relevant employment area by submitting your job offer to the National Employment Office, which will advertise it to jobseekers in France. If your job offer does not attract a suitable candidate after two months, the authorities are then free to approve the application for your foreign employee to work in France. However, their remuneration must comply with French labor market requirements.

The admission procedure will be streamlined for your employees. Once they receive a work permit, they will be issued a **long-stay visa equivalent to a residence permit (VLS/TS) indicating either “Temporary Worker” or “Employee”**. With this visa, workers holding a three-to-12-month work permit or endorsed employment contract will not have to apply to the *Préfecture* for a residence permit to cover their first year in France.

For further information, see France’s official economic migration website:
<http://www.immigration-professionnelle.gouv.fr>

1.2 Simplified procedures

→ **Trial one-stop service for “Skills and Expertise” and “Expatriate Employee” permit applicants**

In three French *départements*⁸, the French Immigration and Citizenship Office (OFII) acts as the **single point of contact** for all of the required authorizations:

- Authorization to work (work permit)
- Authorization to live in France (residence permit issued within three months of entry into France)

This one-stop trial was launched in the spring of 2011.

→ **Easier to designate a proxy representative**

Employers or residence permit applicants may designate a proxy representative to serve as the authorities’ point of contact and to complete most of the procedures on their behalf in order to obtain a work permit or residence permit. Since 2011, it has been easier to designate a proxy, which streamlines the number of administrative steps that an applicant must complete in person⁹.

⁶The local unit (*unité territoriale*) of the Regional Directorate for Business, Competition, Consumption and Employment (DIRECTTE).

⁷According to the Ministerial Order of August 11, 2011: Internal and external auditors, operators of furniture and lumber-manufacturing equipment, mechanical product designers, compliance inspectors, civil engineering designers, electrical and electronic product designers, merchandising specialists, computer system production and operations engineers, glass-manufacturing equipment operators, teleconsultants and telemarketers, manufacturing production unit (UEP) managers, methods and industrialization technicians, chemical and pharmaceutical equipment operators, and furniture and lumber technicians.

⁸Paris, Hauts-de-Seine and Rhône.

⁹Only one step cannot be performed by proxy: the applicant must collect the residence permit from the *Préfecture* in person.

2. Attractive tax provisions for certain expatriates

- Expatriates eligible for the *impatrié* regime working in France may receive partial exemption from income tax (*impôt sur les revenus* – IR):
 - **Income tax exemption.** Expatriate employees and directors working in France under the *impatrié* regime do not pay income tax on their expatriation bonuses and allowances for business trips abroad. They enjoy partial tax exemption on income from investments and intellectual property earned outside France, as well as certain capital gains from the sale abroad of transferable securities and corporate rights.
 - **Wealth tax (*Impôt de solidarité sur la fortune* – ISF).** Cash subscriptions to the capital of SMEs or certain funds, e.g. local investment funds (*Fonds d'investissement de proximité* – FIPs) and innovation mutual funds (*Fonds communs de placement dans l'innovation* – FCPIs), are wholly or partially exempt from wealth tax, while assets held by *impatriés* outside France are exempt for five years.
 - **Tax exemptions on capital gains** arising from the sale of securities which have been held for at least eight years.

For further information (in French) on tax provisions for *impatriés*, visit the French tax authority's official website at <http://www.impots.gouv.fr>, and click on "Particuliers".

3. Bilateral social security agreements

→ For Europeans, European Union law applies

An employee working in France on a temporary basis may remain in the social security system of their country of origin for 24 months, with a possible extension of up to 12 months. Member States may opt for a longer period (up to six years for France).

→ Employees from non-EU countries may be governed by a bilateral social security agreement

A bilateral social security agreement will permit your employees to remain in the social security system of their country of origin during their temporary assignment to France (under the terms of the agreement) **without having to contribute to the French social security system.**

France has 33 bilateral social security agreements with other countries¹⁰. The three most recent are with **India** (in force since July 2011), **South Korea** and **Japan** (in force since June 2007).

Even in the absence of a bilateral agreement, the Economic Modernization Act of August 4, 2008 grants temporarily assigned employees a three-year exemption from retirement contributions, subject to certain conditions.

For further information on bilateral social security agreements, the Center of European and International Liaisons for Social Security (CLEISS) provides a list, summaries and/or full texts of the agreements at <http://www.cleiss.fr/docs/textes/index.html>.

¹⁰ Plus two agreements signed with Quebec in addition to the agreement with Canada.