

# Bilateral Visa Policies Between India and China

By Natasha Agarwal

Nations across the globe use visa policies as an effective policy instrument to either facilitate or deter people-to-people exchanges. Notorious have been the stringent and restrictive visa policies of the developed high-income countries towards citizens of the Global South. For example, specific visa policies have been directed towards a section of the Global South citizenry to complement or fulfil domestic labour market shortages. This is evidenced in the signing of the German-Indian Migration and Mobility Agreement where Nancy Faeser **said**, “We are setting the course for qualified young Indians...in attracting skilled workers that we urgently need in the German labour market.”

Evolving global geopolitics has meant that stringent and restrictive visa policies are no longer the prerogative of the Global North. **Evidence** suggests that global travel visa regimes have moved from the North-South global mobility divide to regional and sub-regional levels. Increasingly, nations of the Global South also impose visa rules and regulations on citizens of fellow Global South countries. For example, it was **reported** in June 2024 that in the preceding two to three years, “thousands” of Chinese citizens with ordinary



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passports had had their business and employment Indian visa applications rejected. This has led to many Chinese nationals deciding to not apply for their Indian visas for “fear of rejection.”

## India and China Bilateral Visa Policies

Geopolitical turbulence means that India and China, independently and collectively, have the potential to change the discourse on global economics and politics. Yet, the use of discriminatory visa policies to restrict talent mobility between the two Asian behemoths sharing a border has been escalating. For example, China has chosen the path of “**broader before border**” (i.e., focusing on improving overall bilateral ties rather than managing the border issue) and has been liberalising its visa regimes towards India. This has facilitated, as reported, the travel of **180,000 Indians** with ordinary passports to China in 2023. Yet, **anecdotally**, it appears that Indian

government officials and Indian exporters/manufacturers have had their visas to China blocked or delayed, while Indian importers have encountered fewer problems receiving their Chinese visas.

On the other hand, India has chosen the path of “**border before broader**” (i.e., prioritising the border issue over bilateral ties) and has deployed restrictive visa policies towards certain Chinese nationals. For example, while the Indian government **apparently fast-tracks** visas for Chinese nationals who are associated with projects that fall under India’s Production Linked Incentive (PLI) scheme, Chinese nationals involved in non-PLI projects continue to face either **delays** or even **rejections** of their visa applications. Moreover, there is a discriminant use of India’s e-visa policy. Chinese nationals as well as applicants from other countries residing in the People’s Republic of China, cannot apply for their Indian visa online. This further brings to the fore India’s inequitable visa practice towards China.

Discriminatory visa rules and regulations across the border have implications for both India’s and China’s economic growth and development. For example, Indian businesses have been forthcoming in expressing their discomfort with how India’s visa policy towards Chinese nationals has negatively impacted Indian businesses **domestically** as well as **internationally**. To overcome visa hurdles, businesses have been **shifting** their manufacturing bases to other Southeast Asian economies.

## Research Evidence

My own **studies** on India’s **e-visa policy** have highlighted the irregularities and shortcomings of the policy, arguing that the supposedly liberalised e-visa policy proved restrictive on implementation. Moreover, **two studies** show the negative impact of visa restrictions on tourist inflows and economic welfare surrounding the 1989 Tiananmen Square Incident and the 2008 Beijing Olympic Games.

Causal evidence from cross-country **cross-sectional** and **panel studies** indicate that unilateral or reciprocal restrictive visa policies can deter and spatially divert foreign citizens, international trade in goods, and foreign direct investments (FDI).

## Bilateral Visa Liberalisation—Policy Recommendations

Cross-country studies corroborated by anecdotal evidence suggest that India and China should work towards establishing liberal and non-discriminatory bilateral visa policies. Accordingly, visa discrimination should end across the nationality spectrum. For example, there should not be a different entry and exit rule for Indian and Chinese nationals when compared to foreign nationals, say a US or British citizen. To this end, it is about time India also reinstated the e-visa policy for China. Moreover, visa discrimination should also end amongst Indian and Chinese nationals. Both Indian exporters and importers should be treated equally when it comes to receiving their Chinese visas. Likewise, Chinese nationals, irrespective of their association with

projects under India's PLI scheme, should not face discrimination in getting their Indian visas.

Besides, both countries should work on streamlining the various permutations and combinations of the multiple dimensions of the visa policy. Again, streamlining should occur across the nationality spectrum, as well as amongst Indian and Chinese nationals. These dimensions include the type of visa, visa fees, duration of the visa, duration of stay per visit, number of entries allowed on a visa, number of times visas are issued in a year, visa entry airports, conversion of visa categories and extension of a visa while in the destination country. For example, streamlining the validity of Indian business visas which, as **reported**, for Chinese nationals is valid for up to three months, whereas for non-Chinese foreign nationalities is valid for five years.

Other dimensions of a visa policy that can prove restrictive in nature also include the process and procedure to obtain a visa including the visa application forms, information on the supporting documentation required while submitting a visa application form, access to visa application centres or consular services, and appointments needed to submit the visa applications. For example, in September 2023, China **simplified** its visa application forms.

To apply for a visa, an applicant needs information. Both the countries on their respective embassy websites should provide details pertaining to the various visa

categories including documents required to submit a visa application, duration of visas, amongst others.

Lastly, no policy can be optimally designed unless there is data. Both countries should release data on bilateral people-to-people flows to advance research on the economic impact of bilateral visa hurdles.

## Conclusion

An optimal economic engagement between India and China should involve a refocus on one of the most important conduits of economic growth and development, i.e., people to people-to-people exchanges or as economist call it the "human capital." Such exchanges stand to benefit both countries as mutual interactions not only facilitate bilateral economic exchanges but also promotes multilateral economic exchanges, e.g., increased FDI inflows because of the greater availability of skilled Indian and Chinese workers within a country's boundaries. Besides, competitive collaboration between India and China has the potential to advance international development projects, particularly in the Global South.

While foreign policy and security stalwarts argue for a **cautioned** approach in opening borders for Chinese nationals, businesses **across** different **industries** and **industry lobbies** argue for opening up to the flow of human capital. After all, human capital makes financial capital productive. Accordingly, both India and China should work on liberalising their bilateral visa policies.

Multi-dimensional liberalisation of visa policies across (sub) regional as well as intergovernmental groupings is the way to go. Examples include visa-free travel, visa on arrival, or even just express immigration lines for SCO and **BRICS+** member states.

As Singapore's Prime Minister Lee Hsien Loong **noted**, "We need to focus on attracting and retaining top talent, in the same way we focus on attracting and retaining investments."

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