

Market Views: How will China's new moves to lure foreign tech talent affect investment flows in the sector?

Heather Ng

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As the US raises barriers for foreign tech talent, China is opening its doors.



As the Trump administration rolls out a one-time \$100,000 fee for new H-1B visa applicants, raising significant barriers for foreign tech talent seeking entry into the US, China is charting a sharply contrasting course.

On October 1, Beijing launched the new K visa, a targeted initiative aimed at attracting early-career STEM professionals. Unlike traditional visa programmes, the K visa offers flexible entry, residency and employment options without the need for employer sponsorship, positioning China as a more accessible and appealing destination for global tech talent.

AsianInvestor asked industry experts how China's new K visa initiative could shift the global talent landscape, and what it could mean for future investment flows into China's technology sector.

Steve Alain Lawrence, CIO

Balfour Capital Group



Steve Alain Lawrence

China's introduction of the K visa for STEM professionals marks a structural shift that will reshape tech investment flows over the medium to long term.

The contrast with the US is striking: a proposed \$100,000 H-1B fee is likely to deter early-career global talent from relocating to Silicon Valley, pushing many of the brightest engineers, AI scientists and semiconductor specialists to look East. Beijing has aligned this policy with its strategic priorities—AI, semiconductors, quantum computing and clean-tech hardware – sectors that are both capital-intensive and talent-constrained.

For investors, the implications are clear. Venture and growth equity funds are recalibrating, with Chinese VC arms of HongShan and GGV Capital increasingly framing talent access as a competitive edge. The K visa amplifies this dynamic, making China more attractive to founders and backers alike.

Companies such as Huawei, BYD, CATL and Baidu stand to benefit from a larger pool of international engineers, while semiconductor fabs in Shenzhen and Wuhan and AI labs in Beijing and Shanghai are actively recruiting from Europe, India and Southeast Asia.

The competition is no longer only about financial capital – it is about intellectual capital. Whoever attracts and retains the best minds will lead the next wave of global technological dominance.

Benjamin Fanger, founder and CIO

ShoreVest Partners

The obvious answer is that a more robust base of talent is likely to yield more impressive results and innovation. But beyond the obvious, investment in a space is often driven by how much the world understands the space and feels connected to it.

The world's lack of really knowing China means that, ex ante, there is a perceived higher risk (and therefore higher hurdle to capital deployment). Opacity might mean perceived risk, but it doesn't necessarily mean actual risk.



Benjamin Fanger

With more international talent working locally, global allocators will begin to better understand what's happening here on the ground in

China and feel connected to it, which can pave the way to more informed deployment of capital.

A bigger picture thing happening here is that China is following the playbook that made America great during the last century.

Will the term “US exceptionalism” be swapped for “China exceptionalism” in our lifetimes?

Beijing hopes so.

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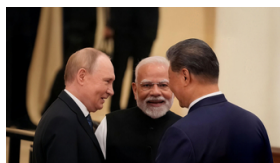
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