



INVESTOR VISAS IN OECD COUNTRIES

Conference on Global High-Skilled Immigration Policy

The national Academies – Board on science,
technology and economic policy

Washington, September 22 – 23, 2014

Jean-Christophe Dumont
Head of International Migration Division
Directorate for Employment Labour and Social Affairs
OECD



Entrepreneurs and investors programmes in the OECD ...

Many existing programmes for entrepreneurs / self-employed

Most new programmes focus on investors and set capital / job creation thresholds

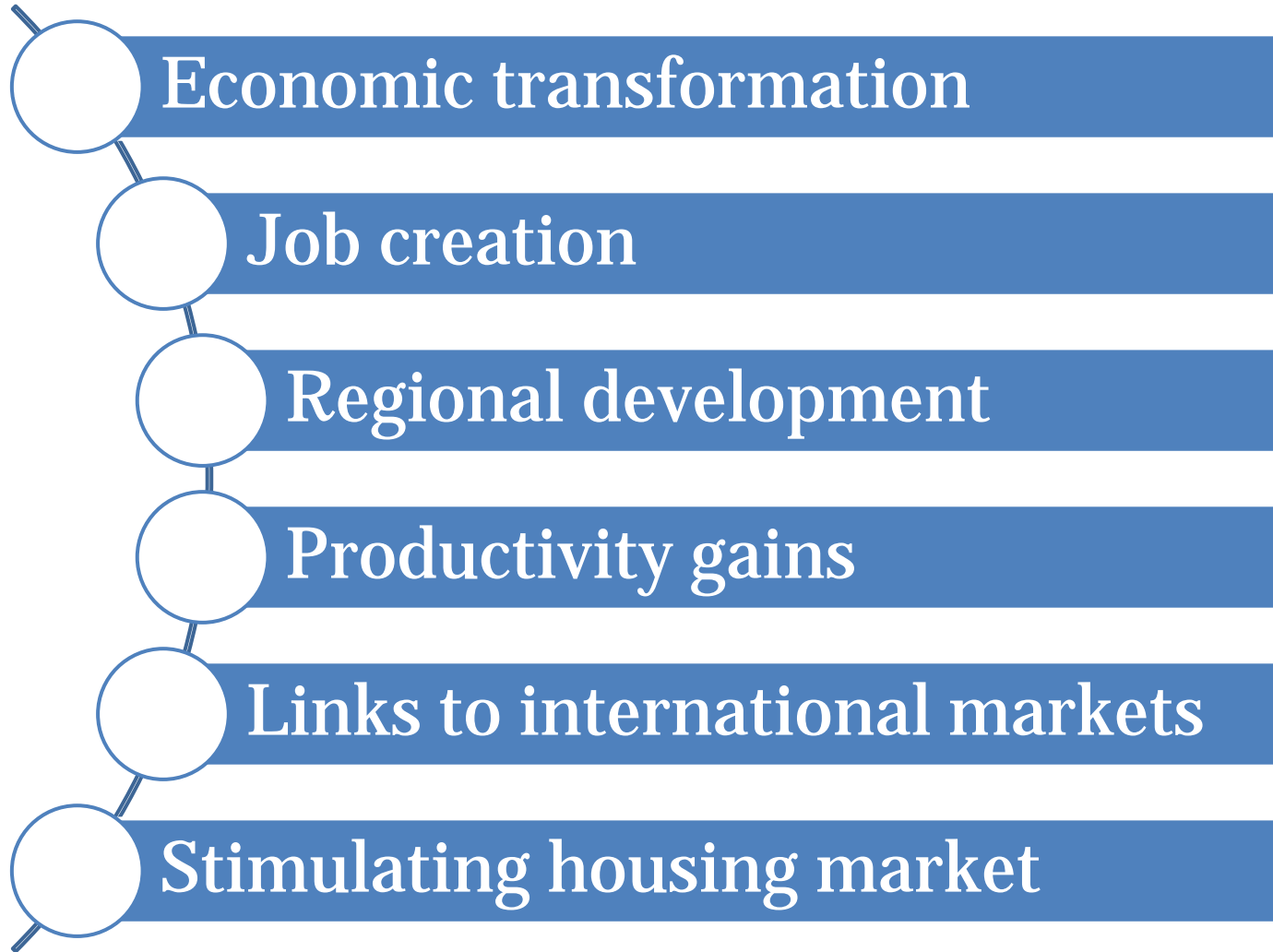
- **New Zealand** : "investor" and "investor +" since 1999 (rev **2009**)
- **Spain** : since September **2013**
- **United States** : "immigrant entrepreneur" visa EB5 since **1990** and "E2 treaty investor visa" since **1952**
- **Australia** : "investor" and "significant investor" (subclass 188) since **2012**
- **Netherlands** : since **2013**
- **Greece** : "investor", "strategic investor" & "real estate owners" since **2014**
- **Korea** : F5, F2 and G1 visas since **2010**
- **United Kingdom** : "investor subcategory" since **2009**
- **Portugal** : since **2007**
- **Ireland** : since **2012**
- **France** : "exceptional economic contribution" since **2009**
- **Canada** : ended its lump-sum system in **2010**

New entrepreneurs programmes have focused on start-ups

- **Chile** : Start-Up Chile (contest for entrepreneurs) since **2010** providing incubator and small capital
- **Canada** : Start-Up Visa programme (since **2014**) for entrepreneurs with local supporters

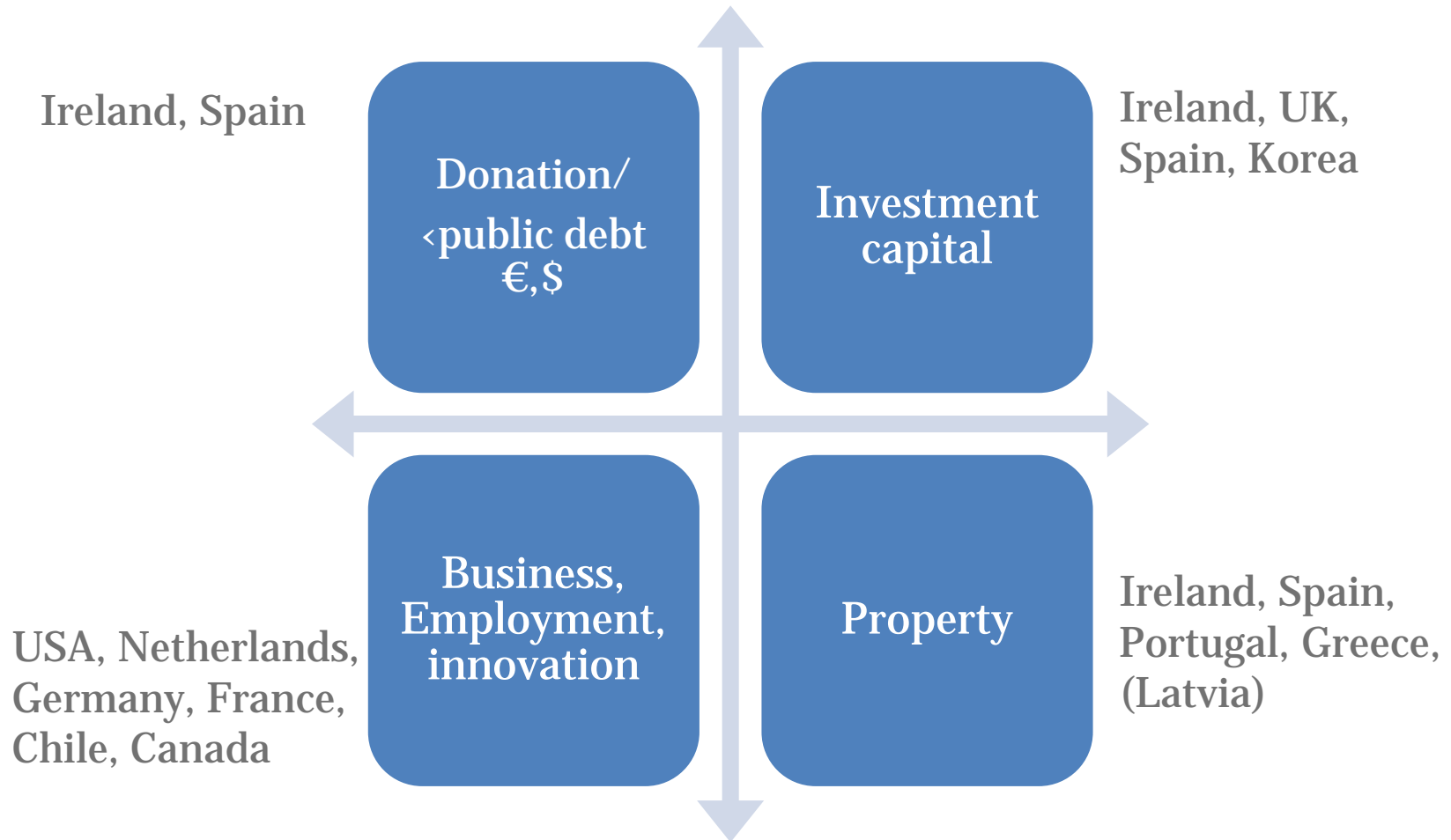


...with quite diverse objectives





Taxonomy of investors programmes





Recent policy changes

- **Early adopters, constant refining**
 - Multiple criteria, different grounds (U.K, AUS, CAN, NZ)
 - Larger the investment, fewer the requirements (e.g. < age, < language, < stay and residency duration)
 - Points Based System (e.g. standardised criteria and sorting) and numerical controls
 - Simplifying investment instruments (e.g. improve incentive and take-up)
- **Strong focus of recent programmes on the housing market**
 - Ireland, Greece, Spain, Portugal
- **Few systematic evaluations**
 - Focus on process and service (e.g. take-up, connection to local groups)
 - Examining key outcomes (e.g. earnings/taxes, expanded output or improved jobs headcount)



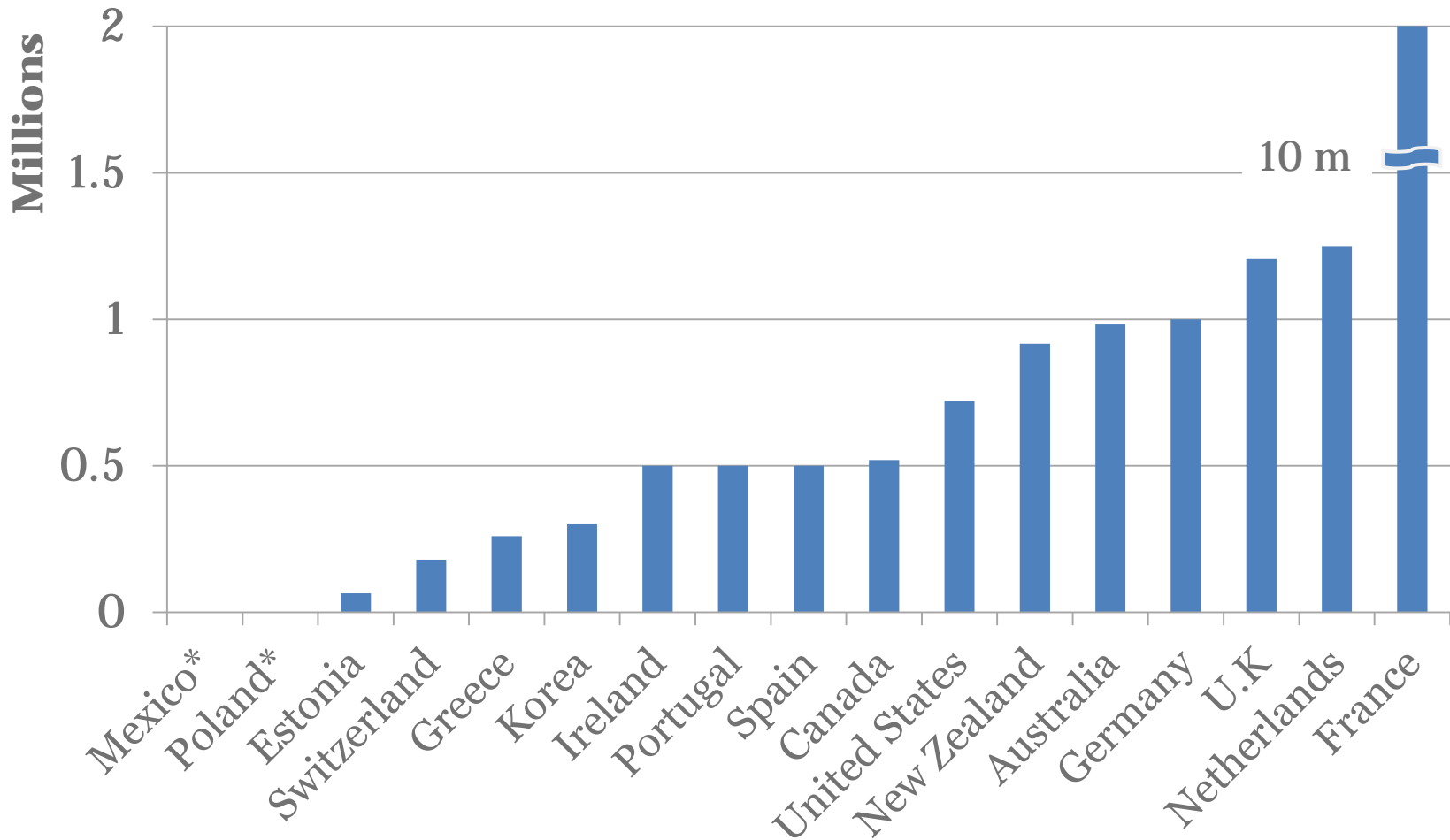
Comparing parameters cross countries

- **Financial capital**
 - Investment thresholds and type (active/passive) *
- **Human capital**
 - Age, education, language, business experience
- **Settlement factors**
 - Self-sufficiency, non-entitlement to public services
- **First renewal**
 - Success criteria (lock-in investment type/period)
 - Access to permanent residency and nationality *



Looking at investment thresholds....

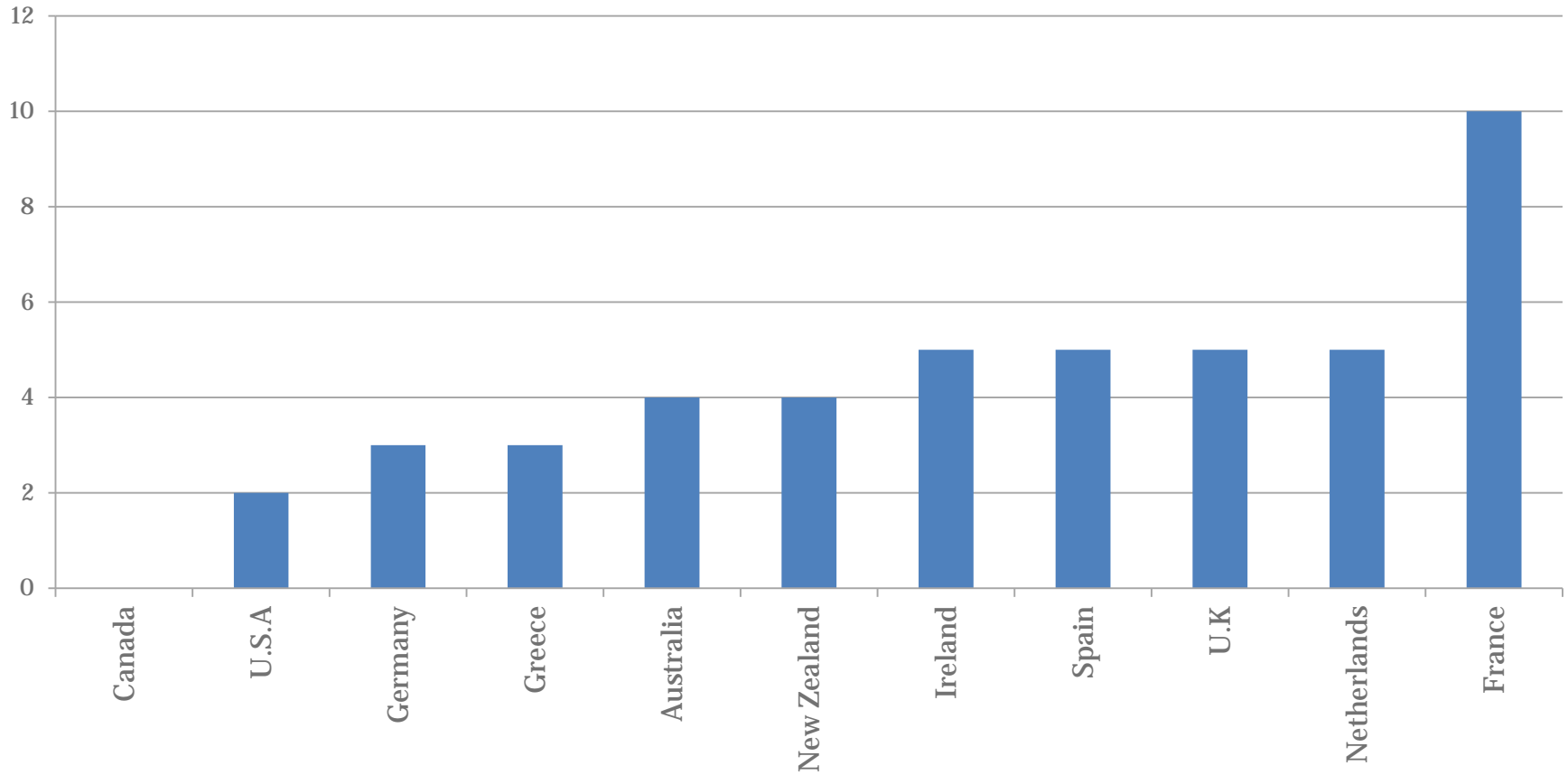
Minimum investment (EUR)





Years to gain permanent residence

Conditional residence





What do people with capital elsewhere want?

- **Immigration and investment** are “separate issues each with its own logic”
- **Migrant motives – investment returns, really?**
 - Safe destination/insurance policy
 - Tertiary education systems
 - lifestyle
 - Access to visa-free travel privilege
- **Rational choice:** taking the path of least resistance
 - how do investor and entrepreneur visas compare and overlap ?



Key policy questions

- **Public perception** (is the programme bringing value, or giving away/selling or “discounting” residency/citizenship)
- **Selection and monitoring**
 - Are immigration officers qualified to assess plans and monitor their successful implementation?
 - Identifying the type of investment projects representing a potential net gain for the country
 - Setting criteria to select start-up projects
- **Front and rear end policy controls**
 - due diligence of investment source (resource intensive, capability)
 - Integrity (e.g. preventing use for money laundering)
- **Cost-benefit analysis**
 - Reputational risks (e.g. money laundering)
 - Resource intensity (e.g. dedicated, trained staff, marketing “favoured destination”)
 - Distributional impacts (e.g. housing)
 - Externalities (e.g. impact on neighbours as in free mobility areas)
 - Uptake of visas compared with other streams (e.g. entrepreneurs, direct hires)



Thank you for your attention

For further information:

www.oecd.org/migration

jean-christophe.dumont@oecd.org

