

OPINION

Business immigration: One method, two objectives

Using this method, Indians entrepreneurs can expand their business globally and also move overseas with their family. Here is what's on offer.

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Image: Alamy



In recent times, we are seeing more and more business owners being bitten by the “Go Global” bug. After successfully growing their business in the home country, they are now looking at pursuing global opportunities and expanding their business overseas through foreign joint ventures, branch offices, subsidiaries, etc.

At the same time, we are also seeing more and more high net-worth individuals (HNIs) migrating to countries like the U.S., the U.K., Canada, Australia, etc., in pursuit of better education and lifestyle opportunities for their family. In 2018, 5,000 millionaires (2% of the total HNIs) migrated from India, according to a 2019 report, and the numbers have only increased since then. The U.S. was the most preferred destination and witnessed a 400% increase in demand for its EB-5 visas between 2016 and 2019. In fact, in 2019, this number reached an all-time high with over 750 Indian nationals applying for the U.S. EB-5 visa.

Indian business owners can now expand their business globally and move overseas with their family through “Business Immigration”. In the following paragraphs, we will discuss the options available to Indian businessmen to achieve this twin objective.

Starting a new business

If you are ready to go global with your business plans and are looking at the U.S., the biggest economy in the world with boundless business opportunities, you can look at the EB-5 direct programme. You can invest in setting up a business in the U.S. and acquire a Permanent Residency for yourself and your family.

To be eligible for the programme, you would need to invest either \$1.8 million (or \$900,000 in a Targeted Employment Area—high unemployment or rural area) in a new commercial enterprise in the U.S. Moreover, you would also need to create a minimum of 10 jobs for U.S. workers.

However, it is easier said than done as apart from the substantial investment amount, the need to fulfil other conditions like creating and maintaining a minimum of 10 jobs could be challenging to meet. Hence, this route is more suitable for setting up a large business with substantial investment and the potential to create huge employment.

In comparison to the U.S., Canada offers more accessible options for business immigration. The investment amount is modest with CAD 200,000 onwards, and there are less stringent requirements regarding job creation and business set-up. However, you would need to meet conditions for education, English language, business experience, etc.

Expanding an existing business

If you have a well-established business in India with a sizeable turnover and a good number of employees, you can set up a branch, a subsidiary, or an affiliate company in either the U.S., Canada, or the U.K. to expand your business there.

Most of the business immigration programmes mentioned here allow you to transfer a senior management employee, including the owner, to your overseas branch/subsidiary/affiliate to look after the business operations overseas. This modus operandi is suitable, especially for large family businesses where some family members can look after the business here, while the other family members can move overseas for expansion.

Some of the options under this category are:

L1 visa, U.S.: In exploring new business opportunities in the U.S., you can apply for an L1 visa, allowing overseas companies to transfer employees, including owners, to the U.S. business. To qualify for an L1 visa, the employee must have worked for a subsidiary, parent, affiliate, or branch office of an American company outside of the U.S. for at least one year. There are several other conditions to be satisfied. This programme would involve an investment of between \$100,000 and \$200,000, and the process can take around one year. However, it is essential to note that this is a non-immigrant visa and allows only temporary stay in the U.S.

Intra-company transfer, Canada: For expanding your business in Canada, you can look at the Intra-Company Transfer permit. Multinational corporations usually use this programme to move senior management and key staff between international branches, but it can also be an option for entrepreneurs to expand their business in Canada. Moreover, this programme can ultimately lead to Permanent Residency. This programme would typically require an investment of around CAD 200,000 and has a timeline of 6 months to 2 years.

Sole representative, U.K.: For the U.K., you can choose the sole representative visa (also known as Representative of an Overseas Business visa). Under this programme, the Indian business can set up a branch/subsidiary in the U.K. and transfer its senior management employee (including minority owner) as a sole representative to the U.K. It is important to note that the person being transferred is not a majority owner and has the skills, experience, and knowledge to perform the role and the full authority to make decisions on its behalf.

Starting an innovative business

Many countries have now introduced startup/innovator visas to attract entrepreneurial talent from all around the world. If you are an entrepreneur with an innovative business idea and have a good track record in setting up innovative businesses, you can move to countries like the U.K. or Canada through this category of visas. These programmes enable you to move your business and family to these countries and support you to grow your business globally through funding, mentoring, network, etc.

The popular options in this category would include:

Start-up visa, Canada: The Canada Start-up visa offers Canadian Permanent Residency to qualified immigrant entrepreneurs with an established track record and have the potential to create an innovative business that can compete on a global scale.

The programme seeks to attract innovative entrepreneurs to Canada and link them with Canadian private sector businesses with international market potential (angel investor groups, venture capital funds, or business incubators) who will act as facilitators for establishing their startup business in Canada.

The timeline for the Start-up Visa Program can be between 12 months and 16 months. To qualify for this programme, you need to get funding for your startup through a venture capitalist, or angel investor, or get accepted by a business incubator designated by Immigration, Refugees and Citizenship Canada (IRCC).

Innovator visa, U.K.: The U.K. has recently introduced the Innovator Visa, whereby successful entrepreneurs with innovative business can set up their business in the U.K. and move there with their family. To qualify, they need to get their business endorsed by an endorsing body notified by the U.K. Home Office and invest at least £50,000 in their business. The timeline for getting the endorsement and the innovator visa after that is about 3-4 months. This visa is valid for three years and can be extended further, subject to fulfilment of conditions regarding turnover, employment, intellectual property, customer acquisition, etc.

As can be seen above, there are multiple options available to you to pursue your dream of expanding your business overseas and migrating with your family.

Views are personal. The author is CEO of Acquest Advisors, an immigration advisory firm.