

A background network diagram consisting of various sized circles (nodes) in shades of blue and grey, connected by thin lines (edges). The nodes are scattered across the page, with some larger nodes and some smaller ones, creating a complex web-like structure.

# Unlocking the wealth

A government guide to Immigrant  
Entrepreneur & Investor Programs

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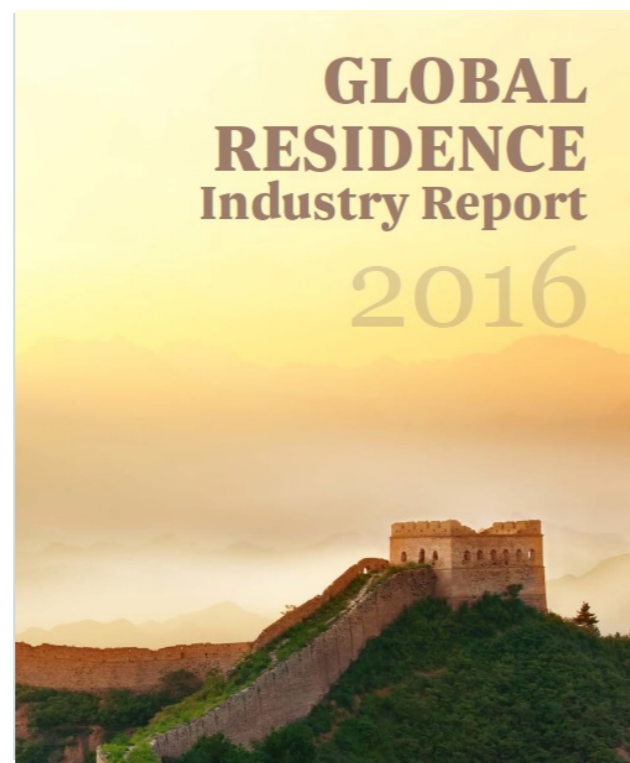
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## About STC

Since 2010, we have conducted research on most of the world's business immigration schemes and built city- and country-based indexes tailored to HNWIs. Explore our rankings to see how your country fares at [www.globalresidenceindex.com](http://www.globalresidenceindex.com)

Our main expertise is working with governments to optimize their business immigration programs, both the pre-landing and post-landing aspects. Contact us for a consultation [www.stephanetconsulting.com](http://www.stephanetconsulting.com)  
Our other 2016 reports:



## Introduction

"Instead of asking the HNW immigrant what he can do for your country, ask yourself what you can do to help him grow his wealth and make his settlement more comfortable. You will realise that your interests are aligned and you can profit from seeing him prosper in your backyard."

In order to bring your country forward, you can either innovate or copy those who do. It takes two different skill sets, comparable to the artist on one side and the critic on the other. Very few are those who can innovate in terms of policies, be avant-garde and accelerate their nation's development process. You might not be that person, but you might not need to be. Far more have thrived by identifying the real prophets, weeding out the false ones, and becoming an apostle for the real ones. As long as you can identify the ground-breaking principles, you can copy them and adapt them to your needs. You might even improve them and gain greater capacity to profit from them. As long as you are either one of the two, you might never slip behind. Currently, many countries don't use proper methodology when building new migration programs. They look to improve their programs without much awareness of what's being done around the world; they try to innovate from inside a room, without much knowledge of what's happening outside. A country like Canada will limit itself by peeking at what the USA, the UK and Australia have been doing in terms of Business Migration before looking to improve its own programs, unaware that countries like Chile and Barbados might

**"Instead of asking the HNW immigrant what he can do for your country, ask yourself what you can do to help him grow his wealth and make his settlement more comfortable. You will realise that your interests are aligned and you can profit from seeing him prosper in your backyard."**

have introduced more ground-breaking concepts a few years ago.

The focus of this guide is on HNW Immigration programs, but your program is not what's on offer. It's merely a means to obtain the actual product. Your immigration program is your price package, but the actual product is your residency or citizenship. Those two are affected but many factors, like the value of your passport, the quality of your health care, the strength of your economy, the quality of your higher education system and much more. That value is, of course, in the eye of the beholder, but we can estimate an aggregate market value based on world demand. Great marketing and services can help increase the perceived value of your product. And the opposite applies as well.

# Understanding Business Migration

## DEFINITION OF TOP PERFORMER

A Top Performer is someone who performs highly in a given discipline or field. When we say "Economic Top Performer", we talk about someone who performs well in an economic environment. A Top performer will perform better than the average man, and therefore produce more. Adding additional top performers to the mix will increase your production and your average per-capita output. For a simple understanding of a top performer, think of a sports team. If I add the league's best players to my team, it's likely that my team will have better chances of winning.

A Top Performer is a final product; talent is the raw material that is transformed to make someone a Top Performer. The transformation is the process whereby natural abilities are able to express themselves thanks to education and experience. To understand the nuance between natural ability and ability that is taught, look again at sports. A young Cristiano Ronaldo had plenty of training and experience before he became the football player he is now. But if you duplicated that training and experience and gave it to anyone else, it's extremely unlikely that they would reach the same level of performance as Ronaldo. In football, there are numerous natural abilities, both physical and mental, that affect performance: speed of thought, muscle elasticity, creativity, etc. We are at an embryonic stage of understanding all of the brain's abilities, and are still labelling and measuring its different attributes. If we knew the most important ones and how to measure them and their potential growth (as the brain matures differently in every child), we could theoretically predict

which child will become a great player if properly trained. The same principle can be used to predict future top performers in different fields and become much more productive by having a more efficient selection process. Then again, we are far from such thing, and moral concerns would almost certainly arise. When a country is looking for economic growth, increasing its number of economic top performers – more specifically, those with the ability to create wealth – could yield increased performance and competitiveness. Think of a Bill Gates or a Bernard Arnault and what they contribute in term of jobs and revenue to an economy. In this report, we focus on the trade of economic Top Performers and how to increase your own stock of economic top performers – from successful small business owners, to the next Bill Gates of this world.

## EVOLUTION OF THE WORLD ECONOMY

Human beings are becoming more and more valuable because of decreased supply (due to lower birth rates) and because of what a man can potentially produce using today's knowledge and technology. This is not true everywhere, however. Not every part of the world has developed at the same pace or with the same objectives. In many parts of the world, human life is cheap; many are born with the expectation that they will not survive childhood, and for those who do, high unemployment and low productivity keep their labor value low. In those countries wealth is below their feet in natural resources, and human life is, unfortunately, insignificant. This is one extreme.

Developed countries can be at the other extreme, where an important amount of resources are spent to feed, educate and cater to the health of individuals. In those countries, tremendous amounts of money are spent to rescue a citizen, regardless of their importance or standing in that society. In between those two extremes sits the rest of the world. This "value of human life" is an important concept that you will need to keep in mind for the rest of this report. You can view it as a commodity in the international market, as migration has become the trade of human capital; we buy from those countries that undervalue that resource.

On a humanitarian and moral level, every human life has equal value – or, at least in an ideal world, we aim towards this goal. But for certain objectives, a society can value and reward certain individuals more than others. Those objectives can be numerous and change over time. When the Black Plague was ravaging nations, doctors and men of science increased in value. When a country is at war, soldiers and military tacticians increase in value. And when a country is looking for economic prosperity, business people and financiers increase in value. In consequence, those who have a higher output toward that objective will be more highly valued and rewarded. The better the player, the better the pay.

The resource that has become the most valuable commodity in first-world countries is commonly known as "Talent" or "Brains". "Brains" refers to qualified workers in a general sense. "Brains" doesn't make the distinction between a lab technician and Nobel Prize-winning

scientist. We know that differences exist in scarcity and productivity. Using numbers for example's sake, 1 out of 3 citizens has the potential to become a lab technician, whereas 1 out of a million might have the potential to become a Nobel Prize laureate. As birth rates in the Western world decrease, the number of "brains" can decrease as well. The next 20 years will see an important shortage of "Brains" (we will show this in the Demography section) and competition for "Top Brains" will be fierce. It's not only the increase in demand from Western countries that will push the price up; it's the drop in supply and reserves. A country like China had already low fertility rates in the '90s but still has a high number of unused "Brain" reserves, as its economy doesn't have a use for all of them yet. As these economies slowly reach their potential, they tap into those reserves. Will such a high percentage of Chinese still be looking to leave their country in 20 years if the trends remain constant?

In coming decades, many factors will turn immigration into a competitive industry, one which will have a significant say in a Western country's economic performance. Policies and approaches will need to become much more efficient in order for those countries to be competitive, especially in nations with weak pulling power. Many of the policies will need to focus on specific regions, like agglomerations, in order to be more efficient. An agglomeration can have different objectives and require different types of "Brains". The top American cities have been able to become very competitive worldwide by reducing



domestic competition between themselves by specializing in certain industries: for example, the San Francisco Bay Area in technology, Greater Los Angeles in entertainment, and New York in finance. Those cities possess probably the greatest ability to attract the world's best talent in those specific industries. The US model is a peculiar one. It's an elitist model that doesn't make efficient use of its own human capita, but is nevertheless the most successful at attracting Top Performers from around the world due in part to its ability to pay more.

**THE RISE OF GLOBAL CITIES**

Economic power is expressed in terms of agglomeration, not country. Cities are economic centers; you can live most likely in one part of the city and work in another part. But it's unlikely that you work in one part of a country and live in another part. Everything is centered around cities, and Global Cities are designed to be competitive on the world stage. Cities are the tools of trade, innovation and wealth creation. Each city that reaches the level of Global City needs resources to continue being competitive. The main resource is Top Performers. The more top performers gather in your city, the more likely it is you will increase productivity. You want your Global City to attract Top Performers. Where do they come from? London has all of the UK, and when it comes to Finance it can cast a much wider net to include Europe. The San Francisco Bay Area has part of the West Coast – but when it comes to technology, it can pick people from across the US and even Canada. Those cities already produce a certain number of Top Performers, but in certain industries they can attract Top Performers from other areas and multiply the size of the pool they can fish for talent from. The San Francisco Bay Area has a population of 8 million, but it can access a pool of



**A city like New York  
doesn't produce  
enough talent  
in comparison  
to its consumption**

more than 300 million when it comes to tech. It fetches from MIT in Boston, even though the two are separated by more than 4000km. In a country like Romania, Bucharest has access to the Top Performers the city produces, and those from the rest of the country. But that number is still very limited, and the country itself is depleted by other Global Cities with more pulling power. Countries with large populations – or at least good access to a large population – will be able to profit from a statistically higher potential number of Top Performers. Global Cities within a country, by specialising in certain industries, can decrease domestic competition and be more profitable by attracting Top Performers from within their borders. Countries with large populations are bound to be the richest in the long run.

There is a constant picking off of talent by Global

Cities from other areas. In your country, the areas that are being depleted must be restocked, at least to continue supplying your Global City. A city like New York doesn't produce enough talent in comparison to its consumption. The city needs to attract talent, and the American model does it very well. The model's success lies in its ability to pay more for Top Performers. Top Performers might be overpaid in the US in comparison to the rest of the world, but it won't deter them from seeking that better pay. So, where do you drain your talent from? How can you cast a wider net? How can you repopulate the areas you drain? Who drains you, and why? These are crucial questions you need to ask yourself – and find an answer for. You will discover hidden mechanisms that are affecting your economy, and whether you can affect or even reverse the drain is not necessarily up to you.

**ESTABLISHING YOUR ECONOMIC NEEDS**

Countries can have different economic needs, and those needs can vary over time. Even in a given country, different regions can have different needs. It's important to know them and how HNWI immigration can help address those needs. It's also important to understand that those needs change. You have to be able to rapidly modify your program to reflect those changes. For instance, if you had a real-estate program design to support your floundering real estate market and after few years the market start showing signs of overheating, your program should not still be running. If your bureaucracy is too rigid to enable those changes to happen quickly enough, you will face many inefficiencies. This would be equally true if you take much time to track the results and changes in your economy. So what might your country's need?

• **Better access to capital for the private sector.**

Access to capital is too tight for the private sector and its slowing down your economy. You need to inject capital into the market and require foreign investment that might in time transform into local investment if the investor become naturalized.

• **Access to cheap loans for the government**

to pay off expensive debts or to finance the budget. Many countries are in severe debt, burdened by high interest rates contracted many years ago. Like any financial planner would tell you, we need to get rid of that high-interest debt and replace it with low-interest debt. When no other country wants to loan you money, there is always the immigrant investor.

• **Purchase of business assets from the private**

sector. For demographic reasons, many businesses for sale lack a sufficient number of buyers. The low demand reduces the value of the business's assets – and no one wants to see that happen. Areas outside large cities are hit particularly hard.

• **Strengthening the property market.**

A floundering real-estate market requires new buyers. Usually this needs to be targeted in specific areas and dwelling types.

• **Strengthening of certain areas.**

Many regions in a country experience outflow of capital and minds; the goal is to slow, stop or reverse the process.

• **Access to relief money.**

Things are bad and you need cash, now. Some smaller countries might experience tragic events that hinder their ability to provide relief and services to their populations. A loan is good, but cash would be better.

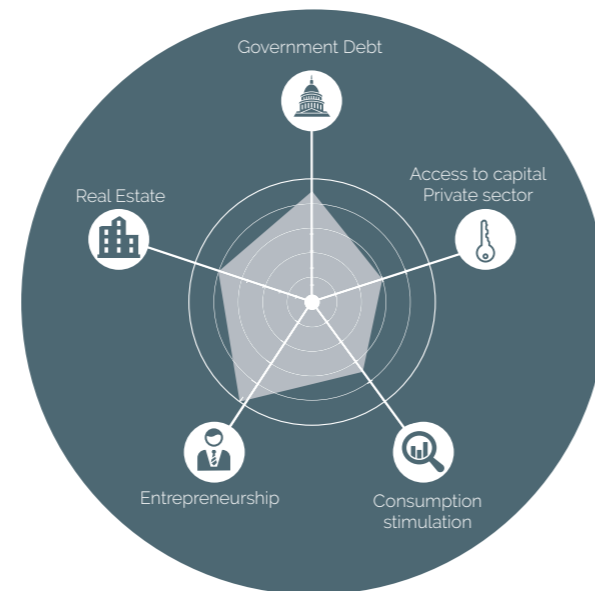
• **Stimulate consumption.**

When a wealthy resident tourist comes in, rents an expensive home, buys expensive goods and dines at fine restaurants, he stimulates the economy, usually by simply consuming everyday goods and services.

• **Entrepreneurship.**

Your capital is sitting there and needs growth? You need entrepreneurs to create

**Figure 1** What You Need



business, jobs and wealth.

• **Specific Talent.** You need this to increase productivity and competitiveness in specific industries. This can be sourced from targeted countries where that expertise exists.

• **Increase exports.** Export local products, services and technology to new or existing markets.

• **Strategic imports.** It's a key need for developing countries to import machinery or technology that will help improve production processes in local manufacturing industries.

• **Improved tax contributions.** Bring in individuals with high contribution/cost ratio.

Most countries need most of that – if not all of that – but not in the same proportion. When interest rates are low, access to capital is improved, and the need for cheap loans is reduced as well. Therefore, you might have a larger need for entrepreneurship in order to create growth with that capital. It's not really about the ingredients, it's how much of each you use to get the right sauce.

**METHODOLOGY**

Before creating a new policy, you need to apply a certain methodology to your reasoning. But what methodology should you apply before making significant changes to your HNWI Immigration program?



**1. Gather information:** This process always exists, and the depth of the information-gathering depends on one's prior knowledge of the subject and the time available. You need to know what's happening around the world, but also the potential future of the industry. Read about bold and different visions of some of its key thinkers. You want to know what is possible to accomplish via HNWI immigration; you want to set the limit of what can be achieved. Look at the experience of other countries in that regard. Understand both the positive and negative impacts. When you are done with the theoretical work, start focusing on the practical. Get a knowledge of all HNWI Immigration programs, try to understand the logic behind why one country or program allows certain things and another not. Discover distinct attributes of programs that make them effective, then track the results and talk to industry professionals about them.

**2. Establish your Economic needs:** You should come out of the information-gathering with a good understanding of the potential impact that HNWI Immigration can have. Now you need to establish your needs and how HNWI Immigration can potentially fulfill them. Your need can change over time, and your programs must respond to those changes in order to be effective.

**3. Building Programs:** Now that you know what you want, are you going to do it yourself or hire a specialist? You can go your own way, but it's a good idea to get help along the way to make sure you're on the right track. Obviously, you're unlikely to attain the same efficiency as a someone specialized in it.

- **Talk to industry professionals.** If you're updating

or creating a brand-new program, you will need their opinion. A program designed without industry input will have very limited success. You need to survey them about the application process. What paperwork takes too much time? How do they think it can be simplified? Talk about interesting benefits for the industry.

- **Talk to other governments.** You've identified the successful programs and want to know how they proceed when it comes to processing applications. How do they do it in a fraction of the time that others take? If you are thinking of creating a Citizenship by Investment program, the opinion of other countries might play a role in your program.

- **Establish your position.** What are you offering, and what is its worth in the eyes of others? To whom might it be worth more, and how generous do you want to be with those whom you value as potential clients?

- **Start building:** Create your HNWI migration program.

- **Create partnerships:** Put in place partnerships with the private sector and industry professionals in order to operate.

- **Market your program:** Create marketing materials (documents, videos) to help your partners sell your product.

The main three process to follow are really applicable to anything. That is, gathering and analyzing information before producing a response is the basic methodology

for all decision-making. Nevertheless, you would be surprised to see that it is partially or completely lacking in many of the decision-making processes used by numerous governments around the world. Far too many are irrational in their belief that they possess the required knowledge or qualifications to make those decisions. As a government official in charge of creating HNWI Immigration programs, you need to follow these basic steps, even if you decide to hire a professional. You absolutely must gather your information in order to have a certain amount of knowledge, or you could be fooled by any wolf in sheep's clothing. Your government must come up with its vision for the country's economic future and figure out what part that HNWI Immigration will play in it. The plan needs to be consistent with the rest of your actions. You can't plan to absorb 5000 millionaires every year in a city of 500,000 without understanding their impact and taking steps to deal with it. Many of those steps apply at different levels of governance and require coordination with regional and municipal governments. It's easier to attract capital than to create real, consistent and sustained growth.

**DEMOGRAPHICS**

We are in the trade of human capital, and it's important to understand that numbers matter. Demographic

studies of a population give key insights into a city or a country as a whole.

Here we look at the different demographic indicators that will help you establish your economical needs. We would have preferred data about cities rather than countries, but the information is not accessible for our full range of countries. (See the full list of countries in the Annex). (Fig. 2 - Data is from 2014)

**Short-term need for migrants:** If the unemployment rate is low and you already suffer from an aging population and a low replacement rate.

**Long-term need:** This is the long-term need for immigrants. It's derived from the median age and the fertility rate.

**Need for entrepreneurs:** A high unemployment rate will indicate an important need for job creators.

**Qualified worker need:** A low unemployment rate will indicate a need for qualified workers.

**Better-quality immigrants needed:** A significant gap between unemployment among foreign-born and local-born can indicate that most immigrants are less qualified than the local population. This can be corrupted to some degree by a very high unemployment rate, pushing foreigners down the picking order.

There are, of course, other indicators that will help you establish your needs outside of the ones we've just covered. Whether your annual budget tells you that you need more funds in the coming year to keep the economy going or that access to capital in your private sector is not flowing in a desirable way, you need to assess which indicators best highlight each need.

**LEGAL LIMITS**

Can you work within the current limits imposed on you by law? Is your government in a position to amend those laws to permit the changes you desire? It is essential to assess the limits within which you can work.

**COMMUNICATION WITH MINISTRIES**

Many countries divide their Ministries and their responsibilities differently. Immigration can fall under the Ministry of Immigration, Ministry of Labour, Ministry of Interior, Ministry of Foreign Affairs, etc. Effective HNWI Immigration programs require constant tracking of the economic environment. You need information and goals that are usually at the disposal of the Ministry of Economy or Ministry of Industry (or whatever name it has). If both Ministries don't communicate properly, there will be many inefficiencies in the running of the program. First of all, as we have established, your government needs to assess the economic needs, and those needs have to be assessed by the Ministry of Economy with the support of the Ministry of Finance. Depending on the importance of the economic benefits and the impact the HNWI Immigration programs can have, the subject might need to be discussed at cabinet meetings and involve many other ministries. But, above all, the economic needs have to be established by the relevant Ministry. Those needs can change over time, which is why communication between the Ministry of Economy (to establish goals) and the Ministry of Immigration (to manage the programs) is important.

**EVALUATING IMPACTS**

Your policies will always create positive and negative impacts. We all work to make a positive impact with our policies, but far too many lawmakers fail to correctly evaluate the negative impacts. In today's world, good policy making involves compensating for the negative impacts as well.

**Negative impacts**

Always keep in mind the indicators that are key to the competitiveness of your economy. If the impact of your business program can impact the overall competitiveness of your economy, you need to track the indicators thoroughly. In the case of business migrants, we are essentially talking about the price of assets such as properties and businesses. If the territory is small, they can inflate the prices of goods. There also might be consequences associated with lowering unemployment and increasing purchasing power. Perhaps the hardest thing is to know how much sauce to use. You know this will make it better, but adding too much can make it worse and give you another problem that's much harder to fix. You never want to cut your sideburns too high. This is why caution and systematic tracking of results are key. You can always have a made-up evaluation of your impact based on estimates, but no one can actually predict how much his start-up is going to earn in the first year.

**Real-Estate Market**

Unless renting represent a better economic proposition, someone who relocates usually purchases a property if he possesses the means. If a large number of wealthy migrants come in, over time they can seriously tip the balance in your property market. Many property markets are already vulnerable because of the lack of free lots, high construction costs, low annual property taxes, high property transfer taxes, high demand, etc... If you can't supply the demand, prices will go up. If your fiscal policy attracts real estate investors and speculators, prices will be going up. Real-estate prices influence a great many things, not just how much you need to pay for a property.

Cost of living: If rent goes up, prices of goods and services also go up. The cost of living as a whole goes up.

Wages: If the cost of living rises, the worker will push for higher pay, see his quality of life decrease or relocate to another city. Graduates might decide to enter the job market somewhere else.

Cost of higher education: To remain competitive, the university will need to pay more for everything. In

**Figure 2** Demographic Data

COUNTRY	MEDIAN AGE	%UNDER 15	% OVER 60	FERTILITY RATE	UNEMPLOYMENT RATE	FOREIGN BORN UNEMPLOYMENT
Australia	37	19	19	2	5.1	5.2
Austria	42	15	23	1.4	4.1	8.2
Canada	40	16	20	1.7	7.4	8.9
Czech Republic	40	14	22	1.5	7	8
Luxembourg	39	18	19	1.7	5.1	6.3
New Zealand	37	20	19	2.2	6.5	6.2
Norway	39	19	21	1.9	3.3	7.7
Switzerland	42	15	23	1.5	4.1	6.8
USA	37	20	19	2.1	8.9	7.5



consequence, it will need to increase its fees, which makes education less affordable.

**Access to labour:** If a portion of the workforce decides to relocate and there is a lower flow of new entries, unemployment would be low, but access to labour – especially for lower- to mid-level jobs – will be scarce. Corporate competitiveness: Large corporations will start to flee from your territory unless they can profit from your increased purchasing power. But no one will likely produce goods and services destined for export. Start-ups are more likely to relocate as soon as they reach mid-size.

**Passive Investment**

Many passive immigrant investor programs will publicize that X billions from investors will help finance private- sector projects. The real question is whether those projects would have found financing without passive immigrant investor program funds. Many apply for those funds because they are cheaper, not because they can't find financing elsewhere. Is there a significant economic benefit for the country when X company pays 1-2% less in interest on a loan? There is a subtle line where access to capital is efficient: those who should have access get it, and those who shouldn't, don't. If you're dumping too much money into the economy you will see inflation, inefficiencies and projects with low chances of success getting financed. This is death by saturation.

On the other hand, lack of access is also a great loss. You might want to direct access into certain industries or areas, but be vigilant by keeping track of them. Know when too much is capital flowing in. You will work with the private sector on these programs, which usually require couple of years to get going and will certainly not like you cutting the valve whenever you like. Try to be considerate by planning and vigilantly tracking the indicators.

Of course, if you are using financial institutions to allocate the funds, they will most probably skim some money off the top. But that's to be expected. You just need to make sure you have a certain amount of oversight and that the overall contribution of the intermediary remains highly positive.

The real economic benefits of these programs are hard to track. If your country is facing a banking crisis, the programs will definitely help your private sector. If your government is cash-strapped and limited in the grants it can offer to the private sector in R&D, this type of financing can be a great option. Using a venture-capitalist type model in a healthy economy – where you finance a local project or start-up – can seriously raise eyebrows. For example, how many good, long-lasting projects from the EB-5 TEA would not have seen the day of light without the program? I don't know, and it's safe to say that nobody does. But it would be good to raise the question if you want to evaluate the program's real economic benefits. Of course, those billions are put to good use – but finding the best use for them is the most important consideration. (Fig. 3)

**Figure 3** Venture Capitalist Index

COUNTRY	VENTURE CAPITAL INDEX
 Qatar	5.07
 Norway	4.20
 China	3.79
 Timor-Leste	2.62
 Lesotho	2.41
 Albania	1.89
 Mauritania	1.89

**Positive Impact**

Your policies can have direct and indirect impacts. Direct Impact is the first-hand consequence of your policy. If you ask your business migrant to create jobs, then your policy might create a thousand new jobs at the end of the year.

Indirect Impact is the consequence of your policy, the economic activity that a thousand new inhabitants can generate through their normal investment in residence and everyday living.

Calculated Impact is the "intelligent" impact you must strive for: the seed you plant in that fertile ground that grows rapidly into a tree. It's putting the right ideas into the right environment to see things come together like magic. It's where 1+1 doesn't equal 2, but 3 or 4. It's where you make a key investment in a sector that creates a snowball effect, leading to much more investment from the private sector and incredible growth. Now, obviously this is easier said than done, and we won't give you specific calculated impacts in this free reading. But we will try to help you understand how to form the idea. The best way to go about it is to create a demand that your private sector will pick up on and supply. You can basically create a fertile environment. If you want two people to have sex, forcing them to do it might not make them physically able to do the deed. But setting the right mood might get you a more positive result.

**IMMIGRANT ADAPTABILITY**

We like to say that everyone is equal in the eyes of God, justice or society (or at least we would like it to be). Nevertheless, when it comes to a specific objective, everyone is not necessary equal. If I was to create the best football team, a cook and a professional football player wouldn't hold the same value; that's easy to see. But if I have to choose one of two equally talented players and I want to play a more physical style of play, I would probably take the bigger and stronger

one. If I have two equally talented players and most of my team speaks Spanish, I would take the Spanish-speaking player. In these cases, I have made a decision based on the adaptability of the candidate towards my objective and environment. The same argument applies to migrants: they can be assessed if all other variables remain equal. Adaptability can influence how long it can take the asset to start producing to potential, if he ever reaches potential. A foreigner might never produce at the same level as a native (or racially uniform), because certain variables will never be at the same level: language skills, knowledge of culture & rules, connectivity with people, understanding of the environment, and so on. The foreigner can nevertheless reach a level near his potential over time. He might start at 50% of productivity and reach 95% after 5 years. But, during those 5 years, you have lost a lot of productivity. To counter this, you would either put measures in place to reduce that 5 year-period (if doing so outweighs the expenses) or look for candidates who are more likely to adapt. In the end, it will depend on your supply/demand and your objective. Candidates change in value only in relation to a certain goal. Once you have established that goal, then you can assess the candidates.

Each society molds his population to its values, customs and goals.

In practice, what all this means is that Candidate A will be more adaptable to the French economy as a pastry-maker if he was molded in Belgium than if he was molded in Indonesia. We could debate about exceptions, but the odds strongly indicate that we are correct to assume this.

Now, if a candidate is being selected for his ability to create wealth and jobs in a certain economy, it can be tricky to evaluate candidates. It can depend on how competitive the economy is. What is certain is that most businessmen drop in value if they move into an unknown environment, especially if its economy is more advanced and competitive. If they surround themselves

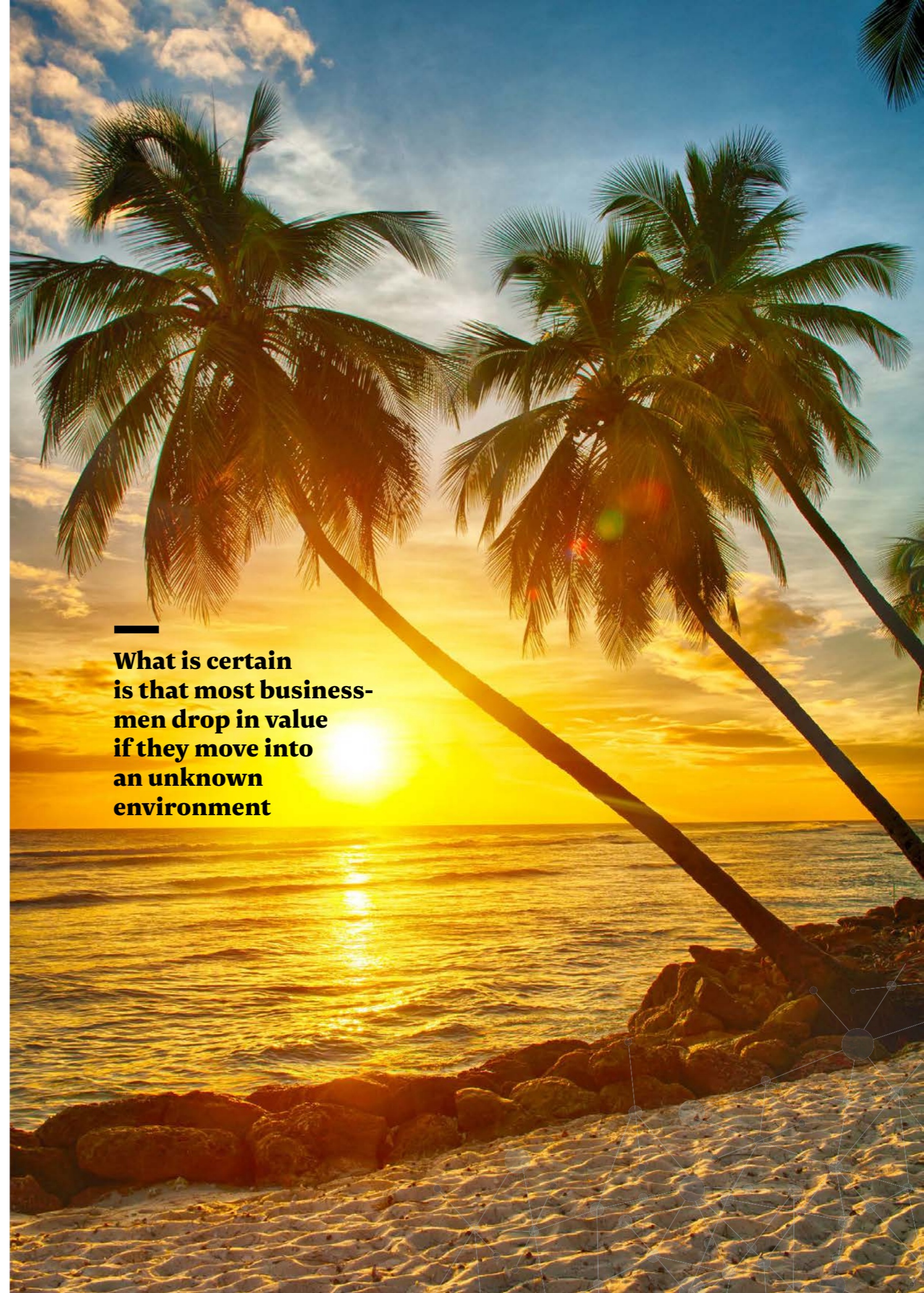
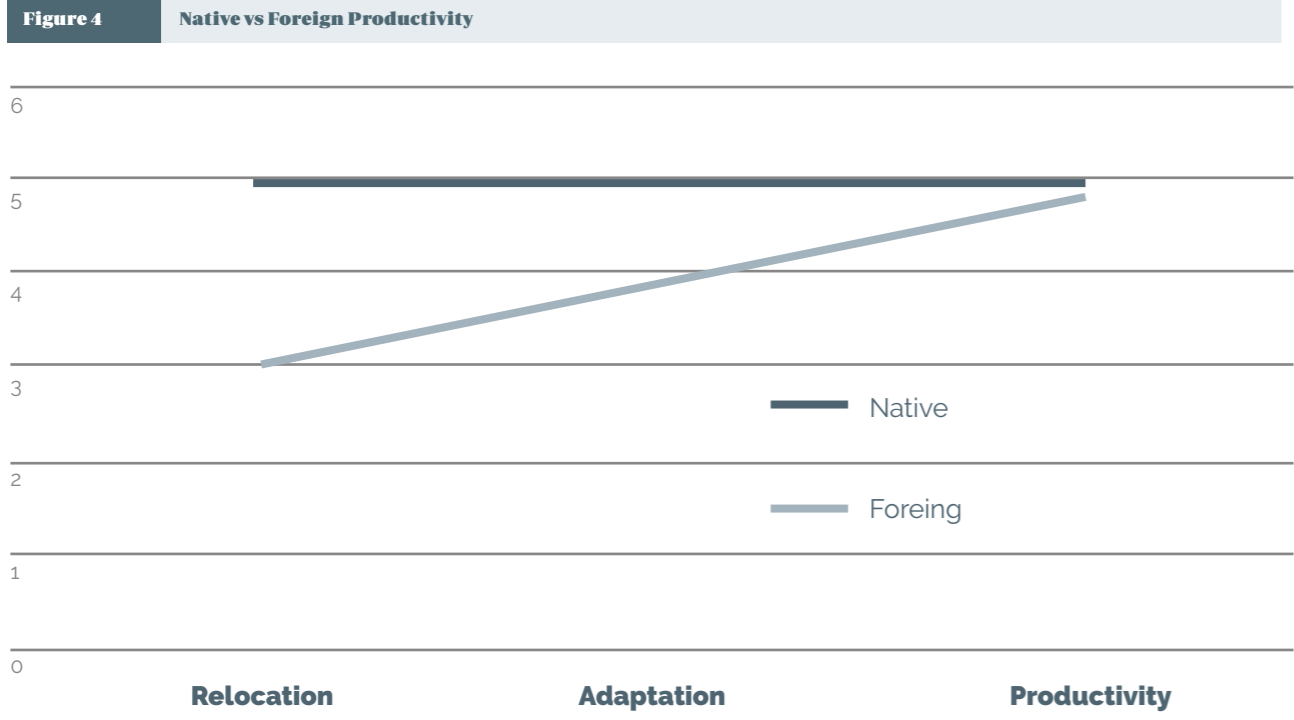


with sufficient resources, their drop in value might last for only the amount of time they need to gather enough information to make decisions. (Fig. 4)

### **ECONOMIC INTEGRATION**

A business immigrant will need to go through the economic integration process before they actively invest in a new business environment. Integration or adaptation to new environment takes time and information. An Active investor and a Passive investor are very different when it comes to the nature of their output. The Active investor will require brains and possibly capital; the Passive investor will, at first glance, only require capital. It's that brain that will require adaptation to its new environment to process new variables into the numerous equations its solves daily. Therefore, the Active investor requires economic integration to reach his expected productivity, whereas the Passive investor – one who invests in government bonds, for example – will not require integration to reach the expected productivity on their investment. Nevertheless, it's always possible for the Passive investor to make an active investment afterwards. He too may therefore need economic integration in order

to reach his expected productivity. As politician, imagine if you were to relocate to a foreign country, let's say Japan (France if you are Japanese). The change of environment affects your ability to communicate, you are not known and trusted by your peers, you don't have any connections and you might be completely unaware of the issues in Japanese society. Your value has dropped tremendously, and it will start rising only when you pick up vital information and learn about your new surroundings. This can take years, and you will probably never be as successful as the politician you were in your home country. It would be especially hard if you were older than 50 when you relocated. Nevertheless, you could still be a valuable member of Japanese society after you adapted to it. Now, imagine a support structure that took you under its wing and brought you up to your expected value in a shorter period of time. You can imagine the services that this support structure would include – the added value that support structure needs to help you be all you can be. That same reasoning is required when you deal with business migrants. If you spend time thinking about it, you can probably come up with numerous valuable services that could be offered to a newcomer. Then, soon, you will be faced with the issue of cost.



**What is certain  
is that most business-  
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an unknown  
environment**



# The Fundamental principals

## **KNOWING YOUR STRENGTHS AND WEAKNESSES**

Every country and city has strengths and weaknesses in comparison to its competitors. Before everything, it's important to know where you stand, so you can bank on your strengths and complement your weaknesses. Every year we pull out reams of data relevant to HNW migrants. It enables us or the user to rank world cities to customize his preference based on our 17 indices. Our focus is on cities, as a country can have a lot of contrasts (e.g., Detroit vs Los Angeles). That said, many of our indices are country-based, since data on cities does not exist or because the data applies to the country as a whole (e.g., passports). Some of our indices represent some of the key driving factors behind the desire to move. Climate, Taxation, Safety, To Do Business, Economic Power, Passport, and Education are the main reasons why HNWI relocate. Knowing your strengths will enable you to recognise your more saleable assets. If your tax regime is very competitive, your schemes should focus on that, etc. Your weaknesses can play a role, too, as they can divert people from your strengths. Covering them up is never the best idea, but complementing them to reduce their effectiveness can balance the outcome. For example, if your taxes are high, you can create a special tax regime for those categories. In most cases, you cannot change them and just have to live with those facts. Out of our main indexes, in many cases we have determined that Passport, Taxation, To Do Business and Education can by themselves be effective labels for immigration programs. Passport is probably the most common and well-known one, where an individual

only seeks a passport and preferably one that enables numerous visa-free travels. These are referred to as "Citizenship by Investment" schemes. Taxation is another highly popular category, as individuals often look for a nearby residence where they can lower their tax burden. Their main motivation is low tax, and the places closest to home are favored. Most of the other motives have usually a wider range of rationales. They might not be limited to passport & price, but rather numerous other factors like safety, education, etc.

## **PROGRAMS THAT FACILITATE IMMIGRATION VS. ATTRACT IMMIGRANTS**

Some business migration programs are aimed at facilitating immigration, and others are aimed at attracting immigrants. The difference might be hard to grasp, so here are some examples:

### **Facilitate**

A French entrepreneur has many clients in North America. He might decide that it's better for him and his business to move his activity to North America. He might choose Quebec, because it will be easier for him to settle there because most of its population speaks French. That individual is choosing Quebec specifically and an Entrepreneur or Self-employed program that will facilitate his immigration. He will most probably apply by himself.

### **Attract**

A wealthy Chinese business owner wants residence in

the West, and he will most likely see an immigration consultant. There are many possible countries he could choose, but the consultant will influence him and suggest only those countries he works with (commission wise). Out of a few dozen possibilities, the consultant will show the client a couple. The Chinese business owner might be more inclined to go the US, but the consultant could jump in and say, "Listen, you have the money, why bother with the US? They have terrible fiscal policies, and it might take you six years before you're accepted. You want the Rolls Royce of programs? Go to London! You can get approved in one day, and by the time you would have only landed in the US you will be a British Citizen."

An "attractive" program is supposed to be competitive, and is aimed at attracting investors who might not have necessarily chosen your country prior to that. For a better contrast, the goal of a Citizenship by Investment program is to attract and not facilitate. The Quebec Immigrant Investor program is another great example: no one has a goal to come and invest \$800K CAD for 5 years at 0% return. They choose the program because of the overall competitiveness of the package it offers for residency into Canada. One of the main differences is in the marketing of the program. In order for a program to be known, it needs to be marketed. The main way to market a program is via intermediaries or sellers (immigration lawyers and consultants) by submitting a proposition in the market (e.g., \$40K per referral). Programs that facilitate immigration do not commission referrals, and consequently have a lower demand. The situation is

not unlike a hotel that decides not to use Expedia or Booking.com. Distinguishing both sets of programs are important to optimize results. For example, almost all Self-Employed programs are there to facilitate, not to attract. Passive Investor programs are most likely there to attract. Entrepreneur or Business Investor programs are sometimes difficult to differentiate.

## **PRE-LANDING VS. POST LANDING**

Pre-landing refers to both the actual immigration scheme that attracts the immigrant, and the process. It encompasses everything until the actual landing of the new resident. Post-landing refers to what happens with the immigrant – in the form of settlement services – after his landing. Most immigration programs have only a pre-landing part. If they have a post-landing part, it's extremely limited. This is a very important inefficiency in immigration programs, and is usually present because of the high cost of settlement services or the program designers' limited understanding of the opportunity costs of delayed economic integration. The loss of productivity suffered during the integration period is higher for business migrants than for the average immigrant worker because the former are usually more productive, independent and require more information to be on par with other business people. There is a significant opportunity cost for not doing your utmost to integrate them economically in the best and fastest way possible. That loss of revenue from delayed integration (or lack thereof) can only be offset by the

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cost of doing so (i.e., by integrating them). Post-Landing settlement services for business migrants are not implemented for charitable reasons. They are there to make the business migrant more profitable for the society that welcomes them. They are in place to reduce the time it takes them to reach a good level of productivity.

The goals of post-landing settlement programs are to facilitate settlement and to speed up the integration process, both social and economic. For the business migrant – especially those looking to make an active investment – a support structure that facilitates economic integration is key to improving the result of your programs and their overall contribution and benefits.

**REGIONAL VS. GLOBAL DEMAND**

Each country is affected by its neighbours and global demand. Regional demand applies to countries in close proximity and how changes in the current context (e.g., economic or political) affect your country. Global demand follows the trend around the world. For example, the population growth of your neighbouring countries might be negative, but world population growth is positive.

To look in more detail about how regional and global demand can influence HNWI migration, let's look at the example of the UAE. You usually get a residence permit there by either having a certain degree of wealth or by having a job waiting for you in the country.

With the numerous conflicts and instabilities in the Middle East region, many have looked to relocate in safer and more stable surroundings. Those with money have looked to relocate in the UAE, as it's both close and fast. The growing regional demand for safety and stability has benefited the UAE. A sizeable share of HNWI relocating to the UAE hail from Iran, Syria, Lebanon and Egypt. This is in contrast to global demand, which is mainly driven by China. Chinese citizens usually dominate the demand for HNWI in residence schemes.

Regional demand is usually the priority, unless it conflicts with the national interest. Nationals of neighbouring countries normally have a greater ability to integrate and adapt. It's important to follow the beat of your region to correctly capitalize on the opportunities that can emerge. It's important as well to keep yourself competitive in comparison to your neighbours and their programs. If your neighbour is offering a brand-new Rolls Royce for \$10K, it will be difficult for you to sell your beat-up Lada at \$15K. Your region is your first circle of competitors and possible clients. Understanding what's happening in these countries is of primary importance.

Regional demand is very important to assess when creating a business migration program. It's most important when it comes to entrepreneur type programs or schemes for jurisdictions with low levels of taxation. Global demand reflects the world trend; in certain cases, global demand might overshadow your regional demand. Global demand is basically the world

demand for residence and citizenship. The average HNWI migrant today is Chinese. If you are located far from China, it might be hard to attract HNWI Chinese migrants. You will need to compete against a vast variety of countries.

When building your programs, especially entrepreneurial ones, you should be aware of both sets of demands. If you design an entrepreneur program for everyone, but really you have regional citizens in mind, your programs might be out of sync with global demand. If you are a European country hoping to attract a brilliant young German engineer or English finance whiz kid to open a start-up in your homeland, but end up with mostly Chinese applicants trying to shoehorn themselves into your requirements, you have failed to address regional and global demand.

**CITIES VS. REGIONS**

A common mistake is not having a territorial division of your program. It's a common mistake that usually applies to the immigration policy of a country as a whole.

Country X suffers from a rural exodus of capital and qualified labour towards the metropolitan areas. Seventy percent of the country's territory is in need of capital and qualified labour, as they are concentrated and attracted to the metropolitan area. There is an overall need for both capital and qualified labour in Country X. The government will therefore put in place policies to attract foreign capital and labour to address the issue. Unfortunately, the policy might not target

specific areas, and most foreign capital and qualified labour ends up being attracted to the metropolitan area; the rural areas or second-tier cities remain starved. Have you ever wondered what percentage of immigrant investors or entrepreneurs have settled outside of London in the UK, or in the actual Targeted Areas in the US? Hardly any.

Most of you reading this are capitalists, and we believe that the market corrects itself. For example, 85% of all immigrants that settle in Quebec do so in the Montreal area. Montreal includes roughly half of the province's population, so it's easy to see the disproportion. Not only that: Montreal boasts many universities and produces a great amount of qualified labour. On top of that, many young people from the region flock to the city in search of education and jobs. Overall, Montreal (the city, not the metropolitan area) has the highest unemployment rate in the province, over 10%. That rate is much higher for immigrants, as they are less competitive in the job market on their arrival. So why do they still go to Montreal instead of Quebec City, where unemployment is practically half of Montreal's? Because Montreal is a better-known city and has more services & activities and people from their community. Yes, the market might correct itself, and after a few years the unemployed will leave for new pastures, possibly Quebec City. Meanwhile, however, your economy has lost millions, if not billions, in opportunity costs. Yes, markets can correct themselves, but why let someone burn his hand when we have the foresight to tell him the thing he's touching is hot? Of course, many

**DUBAI**  
The growing regional demand for safety and stability has benefited the UAE



**Quebec City**  
has half the unemployment rate of Montreal





## CHARLOTTE

You might need to buy a business for \$1M in New York versus \$500K in Charlotte to maintain a similar quality of life.

regional immigration programs exist to bring workers to targeted areas, but progress is hard to maintain; the pulling power of Global cities affect the work done. Now, to be fair to Quebec, they offer Permanent Residency, so the holder can settle wherever they like in Canada. But what is the excuse for countries that offer temporary permits to their business immigrants? Let's look at the data from the old Business Owner program of Australia, a program similar to an entrepreneur program where the immigrant needs to actively invest in a business. The most popular businesses were restaurants, gift shops and convenience stores, basically entry-level businesses. Most of them were located in either Sydney or Melbourne. What was the economic benefit of that? Does Sydney really need investors to come in and buy convenience stores? Does it need investment in simple, entry-level businesses worth \$200K-\$300K? Some other part of Australia could have probably benefited from that capital influx, but the country wasn't able to direct it there.

The first thing to establish about business migrants is why you want them, and where. Many are willing to buy a business for \$300K as a stepping stone into your economy. If you were the UK, would you rather them do it in London or Durham?

That's not the only thing. Every area has different economic needs. Some require support in the real estate market, others would love to have farming entrepreneurs. And different areas require different investment types. Furthermore, immigrants may not require the same amount of wealth to support themselves in different regions. Doing business in New York versus Charlotte doesn't require the same investment if the business owner has to sustain only himself and his dependents. You might need to buy a business for \$1M in New York versus \$500K in Charlotte to maintain a similar quality of life. One-size-fits-all is very inefficient in that context.

### INNER VS. OUTER COMPETITION

Your programs are always in competition with others. You can't price something only on your subjective valuation of it. Imagine being a store on the street. Other stores on your street sell similar products. You are competing against them. But as soon as a client steps through your doorway, your products are competing

against each other as well.

Inner competition: In the same country, program vs program. A Business Investor program asks for \$2M of active investment for temporary residence, but one could very well open offices in the city and apply for a work permit as an executive. Therefore, the business program you worked so hard to build doesn't attract many takers, but the work permit as an executive of a business is gathering all your supposed entrepreneurs. A clear case is the New Canadian Venture Capitalist Pilot program, which is supposed to replace the old CIIP. It's in inner competition with the QIIP, which offers Canadian Permanent Residency – but at a cost six times lower and at no risk (no return, though). There just isn't enough of a rationale for choosing it over the QIIP. The consequences? The QIIP could probably receive north of 5000 applications if it wishes to; the CVC hasn't delivered a single PR to date (mid-2016).

Pricing requires knowledge of the market and the demand. You must be aware that your products can compete against each other in a way that reduces your optimal gain.

Outer competition: Country X vs Country Y. X will demand \$1M in investment vs Y's \$2M. If the product is similar, the customer will most likely choose X's proposition. There is the case of the Chile Investor program, which is very similar to the Argentina Investor Program. The difference is that Chile has no minimum; the main pulling factor is that you obtain PR after 1 year versus 3 for Argentina. The economic context influences results as well, but the results are miles apart. Chile registered more than a thousand applications on its last recorded year, whereas Argentina hasn't had a single one in 3 years.

### EVOLUTION VS. REVOLUTION

Revolution is only a good idea when everything about your program needs a complete overhaul and nothing should be salvaged; basically, you stopped evolving a long way back and you are completely out of sync with today's standards.

In other cases – and we will always promote it – evolution is the way to go. But when we promote evolution, we must emphasise to never make drastic changes. What is considered a drastic change? Well, if your program used to require \$1M in investment,



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increasing it to \$2M from one year to the next create serious shockwaves. Your demand, and the sellers of your program, will absorb that shock. If you want changes, make them gradually, in a time frame that won't affect demand. As shown in the UK Tier Investor from 2014 to 2015, the number of approved applicants dropped tenfold. The opportunity cost is huge, and the inefficiency of abrupt changes is felt on the sellers as well, as they see their revenue and workload drastically change from one year to another. That means people lose their jobs, in both the private and public sector, unless they are shifted to another department. This highlights the importance of tracking results, to be able to assess the situation annually and make changes annually as well. Reviewing a program every five years and making changes every five years is highly inefficient and poses a significant opportunity cost when the expected benefits of the program are high

### A BETTER CANDIDATE SHOULD EQUAL BETTER ACCESS

If your goal is to get tall men to immigrate, you will usually put a cut-off size of, let's say, 2m. Your applicant will therefore be 2m or more. If you value the taller the better, then this need to be translated into your immigration policy. If there is only 1 place left, and your policy doesn't allow you choose the 2m15 men over the 2m, then your policy is not being run efficiently. If your quota is has been met but someone measuring 2m 50 cm comes knocking at your door, will your policy turn him down?

You have to correctly establish what you value more in your selection process; again, that can change over time. In each investor profile, you need to establish the qualities of the applicants who are the most valuable. When you have established that, you need to create incentives and preferential treatment for those you value the most. That doesn't need to be at the expense of the rest of the applicants. HNWI Immigration needs to have a higher level of selection than other immigration categories, and there are many ways you can harden and facilitate access to your programs. You might not even need to amend your laws in many cases. How you evaluate the value of your candidates depends on your expectations for them. In most cases, wealth is the main driver behind "better". In others, it might be their

industry specialisation supporting their active investment. In many types of investments, we are talking about a fixed-price ticket: a \$1M passive investment, or a \$250K donation, etc... These fixed-price tickets don't allow you to establish a better candidate unless you offer them the option to invest or donate more to drive the market price up. A ticket using dynamic pricing is more optimal in increasing revenue and selecting better candidates than a fixed-price ticket. Nevertheless, many fixed-price tickets are actual "minimum-price tickets", just like concert prices start at a certain amount for the cheapest seats and increase in price the better the seats get. The same principle applies to a Real Estate investment. The minimum might be set at \$500K, but one might decide he wants that \$5M property near the waterfront. If, as a government, you value the \$5M investment more than the \$500K one, you need to put in place program mechanisms that offer incentives to buy more expensive properties. The same applies if an entrepreneur creates 10 highly qualified jobs versus 5 minimum-wage jobs. For a fixed-price ticket, post-landing can be the defining factor in terms of establishing a better candidate whether this is measured by net worth, willingness to stay and invest in the territory, number of children, age, etc... Now, the question really is how to offer better access to better candidates. This really depends on your program, but here are some tools you can use:

- ✓ Out of Quota places
- ✓ Reduced processing time
- ✓ Increased lengths of residence permit
- ✓ Absolution from certain conditions
- ✓ Less investment capital needed
- ✓ VIP post-landing services

### MIND VS. CAPITAL

The principle of mind versus capital is extremely important to understand, and this understanding is sadly lacking in the gross majority of current schemes. When one makes a business migration scheme, he must estimate the average immigrant economic output, both pre-landing and post-landing. You should calculate the output over the period it takes to become a citizen, or the estimated number of years they reside in your country on average. Let's say your country wants an estimated average direct contribution to your government to be \$500 000 in 5 years per immigrant



before they can become a citizen. This means that anyone submitting half-a-million cash would basically meet his quota. Therefore, it's really about whether the individual will pay in one transaction at the beginning, or in installments. You would decide very much like a bank would if the individual qualified for financing his \$500K and repaying in installments (or not). You would look at his ability to generate income and decide. If the loan applicant (immigrant) has the ability to generate income (create wealth) you will approve him for financing. The greater his ability, the lower the downpayment. His ability might be so great that you would finance him more than he needs, as you see him as a good investment. This zeroes in on the principle of Mind vs Capital. If an individual has the capacity to generate millions to your economy, you will not ask him to pay anything to you. Quit the opposite: you will be tempted to offer him money to come and generate wealth for you. This, of course, depends on what your economy values more. If unemployment is low in your country, job creators won't be as valuable as in Spain, for example. In a country with high unemployment, you will try to offer incentives to job creators to come in and create jobs. You will need your program to be very attractive. What is important to distinguish is who "technically" possesses mind, and who possesses capital. Mind would be willing to create wealth and jobs, whereas Capital

would be willing to use money. We highlight the will, as some possess both, but are not interested in putting their mind at the disposition of your economy. The opposite could apply as well.

This concept is especially important to correctly understand when building an Entrepreneur program and to distinguish those who bring "mind" or "brain" and those that bring "capital". To illustrate the contrast between the two:

- ▶ **Brain Entrepreneur:** Highly specialized in his field, and usually from a first-world country. Young and looking to create his start-up or take the next step. Highly competitive from the start, with great potential to innovate: think of a young Bill Gates, for example.
- ▶ **Capital Entrepreneur:** The average businessperson, usually from a developing country. Will come in the country in his 40's, usually with less than \$1m in his pocket. He needs to be phased into the economy before he starts being competitive. Think of your everyday small-business owner.

If you are a highly industrialized country, you cannot ask your Capital Entrepreneur to innovate or bring an expertise that will improve certain technical processes. The Capital Entrepreneur's main asset is his capital, and even that comes in a limited amount. These entrepreneurs are usually just looking to generate enough income to provide a good life for their families

and are willing to open any business that doesn't involve great expertise. So how can you make a good use of Capital Entrepreneur?

- ▶ **Direct them toward areas that need a capital injection:** This is usually outside your main cities. Demographic problems in certain regions can result in a drop in economic activity. Bringing new blood with money can definitely help.
- ▶ **Buying businesses:** Again, demographic problems have led to many small-business owners from the baby-boomer generation to lack buyers for their business or family members willing to take over. Many had to just close up shop or run their business into the ground because of their old age.

In brief, the best use for the Capital Entrepreneur is to direct them to towns in need of a capital injection so they can buy existing businesses. You might ask them to maintain the current number of jobs in the business. But creating additional jobs would require an additional injection of capital or an improved current business model, and to be honest, asking someone who just purchased the enterprise and basically just landed in the country to do this is irrational.

The Brain Entrepreneur, on the other hand, can be a very valuable commodity. You could potentially ask him to:

- ★ **Innovate:** find and develop new technologies
- ★ **Improve processes:** they can either through a start-up or by buying part or all of an existing business, help the business to become more competitive by improving the way it works.
- ★ **Create jobs:** they can create jobs, and not only lower-end jobs. These are your job creators.
- ★ **Increase exportation:** either with their country of origin or by developing a product or service that is competitive worldwide.

If I was to propose to bring 10 000 new jobs and \$1B in tax contribution to your country in the next 5 years, how much would your government pay me? If 1000 individuals would come forward and offer you 10 jobs and \$1m in tax contributions each, what would you offer them? Someone coming to your country with the ability to create jobs and wealth is doing you a favor by coming to your country, not the other way around. The Brain Entrepreneur is a rare commodity. At 30 years old they might not have much, but at 40 they could be worth \$5-10m. You want the in-between. You want them to work for your economy, and you will need to hire them to do so. The Brain Entrepreneur will choose where to go based on the resources he needs to prosper. In between you find the Self-Employed, a title with a very abstract definition. The term usually refers to self-employed professionals like doctors or lawyers. But in many countries it can include small-business owners, too. Its definition usually fills some of the holes left by your other programs.

**RATIONAL DEMANDS**

To follow up and expand on what we discussed in the previous chapters: you must be rational in the demands you make on your applicants.

It's irrational to ask an entrepreneur to start a business and be profitable from the start, especially if they come from outside your region. You can ask this of a self-employed professional, but not today's average global entrepreneur.

If an entrepreneur comes from a country that's significantly less developed than yours, it's irrational to ask him to innovate, bring in a new technology or improve a product process. This can be expected from a German going to Bangladesh, but it's unlikely to happen the other way around.

The average global entrepreneur is unlikely to create high-level jobs. The entrepreneur coming from China or India with \$300K to start a business will most likely create lower-paying jobs. Not that global creators of high-level jobs don't exist, it's just that they're a minority in the global market.

Unfortunately, many at the government level lack a deep understanding of how business works. A shoe factory owner in India cannot easily come to Germany, open a shoe factory, transfer his savoir-faire and enjoy immediate success. Most factories in India and China prosper by satisfying growing demand by maintaining low costs. Their product is being purchased because it is cheap. Their products don't possess a high value-added in comparison to a German product (we are generalizing). If that Indian entrepreneur established a factory in Germany, he wouldn't be able to apply the same work methodology, since he'd have higher costs and would have to sell his products at a higher price. At those prices, he would be competing with German shoemakers that produce shoes with a higher value-added than what he is accustomed to making. He would therefore not be competitive. This is linked to the development process of these countries' economies. These economies still mainly depend on cheap labour and selling to the world market, driven by countries with much higher wages. As these countries develop, inflation kicks in at every level. Soon, the price of the product they sell will need to increase as well. In order to stay competitive, their product needs to gain in value-added to offset the rise in price. The hope is that their years of expertise in manufacturing will permit them to improve their product – the same way it took Swiss watchmakers centuries of craftsmanship to be known as the world's best. Today, Swiss watches command prices in the thousands, whereas the average watch made in China is almost worthless in comparison.

**WHAT YOU WANT VS. WHAT THEY WANT**

Your government's attitude towards immigration will dictate whether your policies will lean towards "what we want" or "what they want".

**What we want:** Your overall approach is narrow. You reduce your own risk, and increase that of the client. You choose people who will give you exactly what you want, and you don't want to compromise. You risk not being competitive, as you're either not in need or your country has a hesitant attitude about immigration. You want to ensure that each investment you make in an immigrant pays off in full. This is advisable for a small country with no big needs and with a population that is not yet fully receptive to immigrants.

**What they want:** Your approach is more loose, and focused on satisfying the client. You show more trust, usually because you can afford to – or have no choice but to – be competitive. You shoulder most of the risk to attract more numbers. There will be risk associated with the numbers (such as saturation and bad apples), but the benefits can make a significant impact. This approach is advisable for any country in need and those that have developed an expertise in the field, enabling a constant increase in benefits over time. Obviously, you should not look at this in terms of black and white. "What they want" does not simply mean a free ride.

Because of our expertise, we always promote a "What they want" approach and try to put in place mechanisms that will enable "what we want" to gain a stronghold over time via post-landing programs. Therefore, you keep demand high for the pre-landing program by making it "What they want", and complement it with a post-landing program that will do a bit of both.

**So how can you make a good use of Capital Entrepreneur:**



Direct them towards areas that need capital injection:



Buying businesses

**The Brain Entrepreneur on the other hand can be a very valuable commodity. You could potentially ask him to:**



Innovate



Improve process



Create jobs



Export

# Consumer Base

## HNWI IMMIGRANT PROFILES

### Brain Entrepreneur

Young Entrepreneur: Technically not a HNWI, since he doesn't possess significant capital. He possesses a brain, and that is his main asset. He would move to a place with better access to capital. This is the time when it's the most profitable and easiest for a country to pinch him. The difficulty resides in distinguishing the future Economic Top Performer from the others.

Mature Entrepreneur: He is looking to expand, and might be interested in bringing his activities somewhere with better resources, whether it's access to capital, labour or market. If he has solid foundations, you might face competition in attracting him to your shores.

### Capital Entrepreneur

He is motivated to immigrate to a new country, and needs to start a new business in the process. He might have never made the transition to an investor or might be coming from a country less developed than yours. His brain is not competitive, at least as a newcomer to your country, and only his capital is valuable.

### Tax Resident

Independent Tax Resident: He is looking for a better tax scheme than he can find in his home country. He doesn't require many resources to make his living. He is usually very independent, and in some cases a laptop and internet connection might be all he needs to work. He might have international clients, which doesn't require him to be in a specific country to earn his income. A decent airport with daily international flights to major destinations and a strong internet connection are required to make your country competitive in this field.

Commuter Tax Resident: He will work during the week in the low-tax jurisdiction, and return home for the week-end (think of London-Channel Islands). Infrastructure and access to qualified labor is important for competitiveness in this field, as the company will be or have offices in the lowest-tax jurisdiction. A decent airport with few daily flights to the major surrounding global cities will make you competitive.

### Citizenship by Investment

CBI for nationality: Some are genuinely interested in obtaining a second or a first nationality. In this case, we are talking about people from countries with (usually, but not limited to) a poorly rated passport. The common use for those schemes is to gain a nationality for those who are stateless, or as a way for them to immigrate to a country their current nationality prevents them from immigrating to (think of the close current between China and Hong-Kong). CBI for passport: The most common reason for getting a second citizenship is to enhance one's international mobility as a result of a better travel document. A good passport enables him to travel and stay for up to 6 months in another country. He might realize that he frankly doesn't need actual residency elsewhere, and living 3 months here and there exploring the world is all he really needs.

### Residence

Casual Residence: His desire is to reside in your country, whether it's for the lifestyle, the great weather or something else. He could have no desire to work or pay tax in his new country of residence. Includes retirees.

Family-oriented residence: The main motivation is the

well-being of his family. The most important factor in the selection process will be safety and the quality of higher education.

### RELOCATION TYPE

We recognize 3 types of relocation: Full relocation, partial relocation and resident-tourist. These relocation types should be embodied into range of programs.

Full relocation, as the name implies, means the applicant is leaving his home country and is motivated to live actively in a new one. When an individual fully relocates, his principal source of income usually moves to his new country, too (unless he is retired). He will generate his income in his new country, he will be a tax resident in it as well, his family will live there and he will be present in the country for most of the year. These applicants are more suited for active, real-estate, living expenses & tax schemes, as they will recoup the investment as they become ordinary expenditures.

Partial Relocation (or transitional relocation) means the applicant is only partially relocated or is transitioning to become fully relocated in the coming years. That usually means his source of income is abroad, that he may not be a tax resident (depending on the benefits) and he doesn't spend most of the year in his new country. But he usually has property in the new country, and his family could be living there. He might be in transition and wants to fully relocate when circumstances allow. Partial relocation is usually family-oriented, and it's the children who fully relocate with the parents in between. Real estate, passive investment and living

expenses or even donations are the options most looked at. The opposite can apply for fiscal reasons – for example, where one would spend the week in a low-tax jurisdiction and return home to his family for the weekend. He is partially relocated to a low-tax jurisdiction where his source of income resides and where he is a tax resident. In that situation, a tax scheme can be an attractive proposition.

The Resident-Tourist holds little attachment to his new country, spends little time there and can decide to leave at any moment. He is basically a tourist with a resident status. This could be your typical Citizenship-by-investment applicant.

### THE CHINESE STANDARD

Since Chinese HNWI represent the most important nationality represented in HNWI Immigration, it's only fair that they are used as a measuring stick. The Chinese Standard is used in most of our research on the HNWI Immigration as a point of perspective. Here is what the Chinese Standard applies to:

- ⌚ aperwork and due-diligence practices
- ⌚ Application processing times, including from Hong Kong
- ⌚ Application cost based on a couple and a child (China one-child policy)
- ⌚ Tax implications

Not every program should be built on the Chinese Standard. If Chinese don't represent a sizeable portion of your demand, then you should standardize your program towards your main source of immigrants (e.g., Russians for Baltic countries) or the country or countries whose people you are aiming to attract.





# The Mechanisms of Program Building

## PRICING

Setting the right price for your product is always important, and that price needs to fluctuate over time to reflect the demand and size of your inventory. Governments commonly overlook simple economics. Often they adjust their price 2-3 years too late – or, in shockingly many cases, wait for inflation to catch up, sometimes after more than a decade. A solid example of this is the US EB-5 program. Created in 1990, the conditional Green Card was priced at a \$1M active investment minimum. The program was largely unsuccessful. In 1992, the government complemented the program with the Targeted Employment Area, which would use Regional Centers to identify projects requiring investment and that would create 10 jobs; that option would require a passive investment of \$500 000. The following 10 years, the program had limited success, with a bit coming in the late '90s, until inflation finally caught up and \$500 000 became a bargain. The program went from 332 initial applications (I-528) received in 2005 to 14,373 in 2015. First and foremost, the value can vary depending of the nature of the residence permit, whether it's temporary or permanent. For example, an Entrepreneur program that offers permanent residence transfers the risk from the immigrant to the government in contrast to temporary residence. Therefore, the program's value not only goes up because he doesn't have to wait for years to become a permanent resident, but also because he incurs no risk of deportation if he fails to meet his conditions of stay.

## DYNAMIC PRICING

Dynamic pricing is when you let the demand set the price of your item, much like at an auction. You will set a reservation price (the minimum amount you're willing to sell the item for), and then sell your product at an auction. Dynamic pricing would increase revenue and favor the highest bidder. It requires a finite amount of places, if not a scarcity, in order to work. It also requires a more established application entry system, like the "Skill-Select" from Australia. It's smart to have a monthly or even weekly submission rather than an annual submission, so applicant can retry with the chance of an increased bid if theirs is rejected. To conjure price-fixing from the main private-sector players, you will need to keep their interest aligned with yours by tying the commission to the selling price.

## PRICE ACCESSIBILITY

Price accessibility is an important factor to integrate into your pricing method. As it states, the purpose of pricing accessibility is to increase accessibility to the purchaser in order to increase demand. A clear example is the Quebec investor program, which permits financing of \$800,000 CAD in the form of a cash payment of between \$220,000CAD and \$250,000CAD. This provides those with limited current access with the liquidity they need to access the program. Small amounts are much easier to come by than large amounts, and you should always try to make your entry fee the lowest possible. There are many ways to package a price (with financing, for example).

## MARKET VALUE OF PERMANENT RESIDENCE & CITIZENSHIP BY COUNTRY

We have evaluated the market value of the Permanent Residence and Citizenship of 70 countries. The accuracy of these estimates is obviously debatable and is a question of perspective. This is like walking into a store and buying instantly of the shelf for cash. The market value is based on an

equilibrium point of 1000 applications per year. These estimates are in USD. See our full list in the Annex section. (Fig.5)  
These numbers are taken from current market estimates and account for the following factors, many of which are based on our indices. Others important factors might be missing (e.g., culture & lifestyle), as we have no means of taking an aggregate measure of them.

**Figure 5 Estimated market price**

COUNTRY	PERMANENT RESIDENCE	CITIZENSHIP
Australia	500000	2000000
Austria	400000	1500000
Bulgaria	250000	1000000
Canada	500000	2000000
France	450000	1750000
Germany	425000	1750000
New Zealand	400000	1750000
Russia	200000	300000
Saint Kitts and Nevis	150000	325000
United Arab Emirates	350000	500000
United Kingdom	550000	2000000
United States	300000	1250000



**PERMANENT RESIDENCE**

PERMANENT RESIDENCE	CITIZENSHIP
Climate	Climate
Average Income	Average Income
Economic Power	Economic Power
Taxation	Taxation
Infrastructure	Infrastructure
Universities	Universities
Health care	Health care
Luxury	Luxury
Airport	Airport
Welfare benefits	Welfare benefits
Connectivity with other countries	Connectivity with other countries
Cost of Living	Cost of Living
Freedom	Freedom
Safety	Safety
Conditions	Conditions
Processing time	Processing time
Requirements	Requirements
Pollution	Pollution
Political Stability	Political Stability
Military Service	Military Service
English proficiency	English proficiency
	Passport

**CHILE**

**Chile's Permanent Residence is estimated at \$200 000 and its Citizenship at \$1 000 000.**

REPÚBLICA DE CHILE



PASAPORTE

PASSPORT



**BUDGETING**

Take government expenditures for the year, and divide them per capita for the different jurisdictions, e.g., federal, state and municipal. Add them together to evaluate the average cost of an inhabitant to the state. We estimate the contribution of an Quebec immigrant investor settling in Montreal in the next 5 years and how it compares to the average cost of a citizen. Let's look at mostly direct returns on contribution. The following benchmark calculation is not an exact

method for calculating the average cost of a citizen. Budgets include contributions from the business sector, and it's a bit unfair to put that much weight on the investor since the average resident doesn't contribute anywhere near that amount. But it's a fair valuation of what you should expect from individuals that are supposed to make a higher contribution than average.

Nevertheless, this is the benchmark we have set for HNWI:

**BUDGET IN CAD**

(Note: we are rounding up numbers)

**COST**

<b>Federal Budget:</b>	300B (pop 30M) = \$10,000/citizen	
<b>State Budget:</b>	100B (pop 7M) = \$14,000/citizen	
<b>Municipal Budget:</b>	5B (pop 1.65M) = \$3,000/citizen	
<b>Total =</b>	\$27,000/citizen	
<b>Family of 2 =</b>	\$55,000 per year	5 years total = \$275,000

We didn't include children, as they can be considered an investment and not an expense if we take into consideration the demographic context.

**But if we were:**

**Family of 3 =** \$400,000 (5 years)  
 If shouldered by both parties (government and immigrant) at \$325,000 (5 years)

**REVENUE**

Passive investment of \$800 000 for 5 years, no interest, gives an estimated total contribution of \$120,000 (at a 3% interest rate).  
 Most investments are financed by financial intermediaries, \$250,000 being the financing cash equivalent.  
 \$250 000 (Financing) - \$120,000 (opportunity cost) = \$130,000 (cash profit)

That cash profit goes to few places, but let's make it simple by taxing it at the corporate rate of 27%.  
 = \$35,000 in corporate tax contributions from financing revenue.

**If the immigrant purchases a property**

<b>Real estate:</b>	\$500,000		
<b>Property transfer tax:</b>	1.5%	\$7,500	
<b>Property annual municipal tax:</b>	1%	\$5,000 per year	\$25,000 (5 years)
<b>Tax on Consumption:</b>	\$50,000 on taxable goods (15% VAT) = \$7,500 per year		\$37,500 (5 years)

	Family of 2	Family of 3	Shared
Cost	\$275,000	\$400,000	\$325,000
Revenue	\$120,000	\$35,000	\$7,500
	\$35,000	\$25,000	\$37,500
<b>Deficit</b>	<b>\$50,000</b>	<b>\$175,000</b>	<b>\$100,000</b>

In each case, you would need to increase the contribution from the investor, either by making him invest more or pay income tax.

Deficit	\$50,000/5 year	\$175,000/5 year	\$100,000/5 year
	\$10,000 per year	\$35,000 per year	\$20,000 per year
Income required (tax: 35%)	\$30,000	\$100,000	\$60,000

Just to finance his own upper-middle class expenses of \$80 000, he would need approximately \$140 000 in revenue in Quebec.

It wouldn't take much to make an investor (in the case of Quebec) worthwhile. Residents in that particular jurisdiction are supposed to get taxed on their worldwide revenue. Most of them (being from China) are taxed in their home country, where the revenue is generated. Not much, if any, would be left for Canada to tax. Quebec would need to make sure its investors either integrate actively into the economy, increase their passive investment or propose both options.

These models are the minimum direct contribution. There are additional benefits from the indirect economic impacts of those contributions. These are considered a bonus: the indirect jobs they create, the increase in revenue from the private sector, direct jobs created from active investments, tax contributions from business, and personal revenue (both local and international).

You set your contribution to the minimum acceptable, and work to get those bonuses up. This means the passive investment contribution would need to be roughly:

increased to \$1 000 000 - \$1 250 000 if only passive  
 -OR-  
 reduced to \$0 passive investment if they were to generate enough income locally to support an upper-middle-class lifestyle.

It's also important to look at who gets the contributions. In the case of Quebec, the main chunk is taken by the provincial government. The municipal contribution is acceptable. The federal government is the main loser here, since it gets few contributions if the investor doesn't pay income tax.

**TYPES OF INVESTMENTS**

Whether its mind over money or a mix of both, all programs around the world use one or more of the following types of investment or contributions:

- Donation:** a cash payment to an entity.
  - Government: direct donation to the government or a government-run fund
  - Charity: given to a registered and legitimate charity

- Active Investment:** control over where the money is going, an active role in the company.
  - elf-Employed Businessman: creates business, no requirement to create jobs
  - Entrepreneur: creates business, a requirement to create jobs
  - Business Investor: partial or full purchase of an established business
  - Trader: required to export goods or import strategic goods (or tech, in certain cases)
  - Lobbyist: required to facilitate exports and obtain contracts from his home country





- 🌐 **Passive Investment:** Unlikely in control of the fund, and passive in the dealings of the business.
  - Low-risk: Usually a government bond or special fund, no control over the investment.
  - High-risk: Given to an investment funds or venture capitalists; funds can be lost.
- 🌐 **Real Estate:** purchase or long-term rental of property.
  - limited Scope: usually in targeted regions, or in property types that require strengthening.
  - Unlimited Scope: No limit to what and where, as long as it satisfies a minimum amount.
- 🌐 **Living Expenses:** no investment required, but cost of living is usually high.
  - Rentier or Retirement or Net Wealth: Need to show a certain level of income, wealth or remittance for subsistence.
  - Tax Contribution: Usually in the form of Lump Sum taxation; need to contribute an annual minimum.

There is the option to mix those, and a few programs do. You need to match them with your motivations and type of relocation.

**RANGE OF PRODUCT**

Imagine going to a car dealership to buy a brand-new vehicle and they have only one product on display, one model of car to satisfy the whole clientele. When you go to a Mercedes-Benz dealership, they have a vast range of products based on the demands of their clientele, not one model to fit all. They have few Classes of products, and each Class has their own models. For instance, the Mercedes-Benz S-class has the 550 model. They create a way for the client to customize the product to his own specifications. Now, a car is a very client-oriented product compared

to residence & citizenship, and a government wouldn't go to the extent of letting the immigrant to choose the exact number of days out of the year he wishes to stay in the country. Nevertheless, most programs are too rigid to fit all applicants into the same mold. Your range of programs is integral to "what you value more" from the HNWI immigrant. It's a trade-off between you (the government) and the applicant. The following is a simple fictional example to help you understand: Programme Class: Investor  
What we value more: more investment.  
What they value more: tax residence & presence requirements; selection process. (Fig. 6)

This process can be applied to almost any type of investment, and we greatly encourage you to apply it to all your programs.

**TERRITORIAL DIVISION OF PROGRAMS**

As we stated before, territorial divisions are central to a more efficient distribution of the human resources in your country. If your current laws do not permit such a thing and you can't do anything about it, then you need to try to implement some incentives to direct the HWNI flow where you want. Territorial division should be done by metropolitan areas and/or particular needs. It's never a perfect system, as within that same region there could be significant contrasts, but regions should be delimited as areas within which one can work and live at the same time. Bear in mind that if jobs are created in a low-unemployment area of a city, someone living in a high-unemployment area can still commute there.

Some rural regions can be more widely delimited – for example, a region looking for agricultural investment. Within a program, demand can vary depending on the

**Figure 6** Fictional range of products

MODEL	OPTION 1	OPTION 2	OPTION 3
Investment fee	500 000	1 000 000	3 000 000
Presence requirement	186 days / year	186 days / year	50 days / year
Points-based selection	85 points/ 100 points	None	None



**Figure 7** Fictional minimum investment adjustment table, per region

ENTREPRENEUR PROGRAM	LONDON	GLASGOW	CARDIFF
Estimated cost of living	\$100 000	\$60 000	\$40 000
Minimum investment	\$1M	\$600 000	\$400 000
Points-based selection	85 points/ 100 points	None	None

product on offer. For example, in the UK, London will most probably be the main attraction for HNWI. In order to direct a significant portion of the demand towards other cities, adjustments must be made. You will need to evaluate the attractiveness of each city to your clientele and price it accordingly. If I go to a jewelry store and everything carries the same price, I will probably leave with the ring with the biggest diamond. You could completely close a program to a certain area, price them differently, eliminate certain conditions, require proof of higher net worth, etc... Usually, high-demand cities will have higher cost of living, so an adjustment of net worth or minimum investment relative to cost of living is a common denominator. (Fig. 7)

A country like the UK has the means to make those changes happen because it offers a conditional residence. Whereas Canada, for example, offers permanent residency, enabling the immigrant to relocate anywhere he pleases in Canada. Division into administrative regions or a group of administrative regions is probably the best way to go

**ADJUSTING YOUR PROGRAMS TO CHANGING NEEDS**

You have built a range of programs that cater to all your economic needs. You've attributed a certain amount of seats to each of them to reflect your present or short-term needs. Certain programs can be created, but start closed or at 0 seats attributed. This will allow the program to be there when it's needed and be quicker to offer a solution to a certain need. This open/closed type of product can be very advantageous when targeting less-populated regions or second-tier cities. (Fig. 8)

You need to also determine attributes in each program that you can play with in order to increase or lower the demand. Sometimes, just by opening new seats, they can be filled, but in other cases they will require you to make adjustments.

Let's not forget that each of those programs, to be more efficiently used, should be adjusted for each territory it serves by using the same principles

**Figure 8** Fictional seats adjustment table for 2017-20, per program

PROGRAM	REAL ESTATE	INVESTOR	TRADER	ENTREPRENEUR
2017	0	1000	100	2000
2018	+0	+200	+100	+200
2019	+300	+0	+200	+100
2020	-100	+0	+300	+100

**Figure 9** Fictional minimum investment adjustment table, per region

TRADER PROGRAM	REGION A	REGION B	REGION C	REGION D
2017	0	1000	300	2000
2018	+50	+200	+100	+200
2019	+300	+0	+200	+100
2020	-100	+0	+300	+100

previously discussed. (Fig. 9)

Seat Adjustment will control supply, but you can choose to manipulate the price – for example, to influence demand. You could instead decide to raise or reduce prices depending on the direction you want to take. However, doing this is less accurate, as you can't predict the market.

**COUNTRY QUOTA**

A Country quota can exist, depending on your type of program and if you are looking to promote diversity. It might be in your interest to promote better trade relations with country Z and to do so by importing businesspeople from country Z whom you believe will enable it. Right now, most of the world supply comes from China. Most programs are satisfied with this – in the case of citizenship by investment schemes, for example, where the applicant is unlikely to reside and make further investments.

A Country quota can be established to promote more diversity if supply can affect the social balance of the ethnic fabric. For example, a Baltic country might have a very high demand from Russia that in time might tip the balance of the ethnic composition towards a Russian majority. The country could place a quota on Russian candidates, and promote available seats to other countries. Quota can take the form of available seats per country, where a country would have a guaranteed amount of seats at its disposition. You should have country quotas only if you have clear objectives in doing so. If you do, you should understand that the private sector company that

markets your program might not be located in one of the countries you are promoting your program to. The firm might need to establish itself in the new market, making their cost of fetching clients higher than it is where they are already established. You will therefore need to compensate them in relation to the reality of market supply.

**PROCESSING TIME**

Many attributes related to your program can affect the overall value of your product, and nothing more so than the processing time. Always keep in mind the cliché "time is money". Long processing times are the biggest deterrent for UHNWI. Canada and the US have lost many quality applicants because their processing times have been the longest. Keeping a competitive processing time is key to maintaining the value of your product. A 6-8 month application processing time is the average standard that needs to be respected. Longer processing times will, bit by bit, erode the value of your product and deter the wealthiest. If the wealthier is better, then your program is self-sabotaging if you maintain high processing times. As previously stated, application processing fees can be increased to a certain extent with minimal effect on the demand. If your government is charging 10 000USD to process an application, you should really be able to process an application in the required timeframe. If not, either your government is diverting the funds to other expenses or there is a serious efficiency problem in your administration.

There are 2 different models that go beyond the average effect of processing time.



Event-based discrimination: It's basically adapting your supply to an event, causing demand to soar.

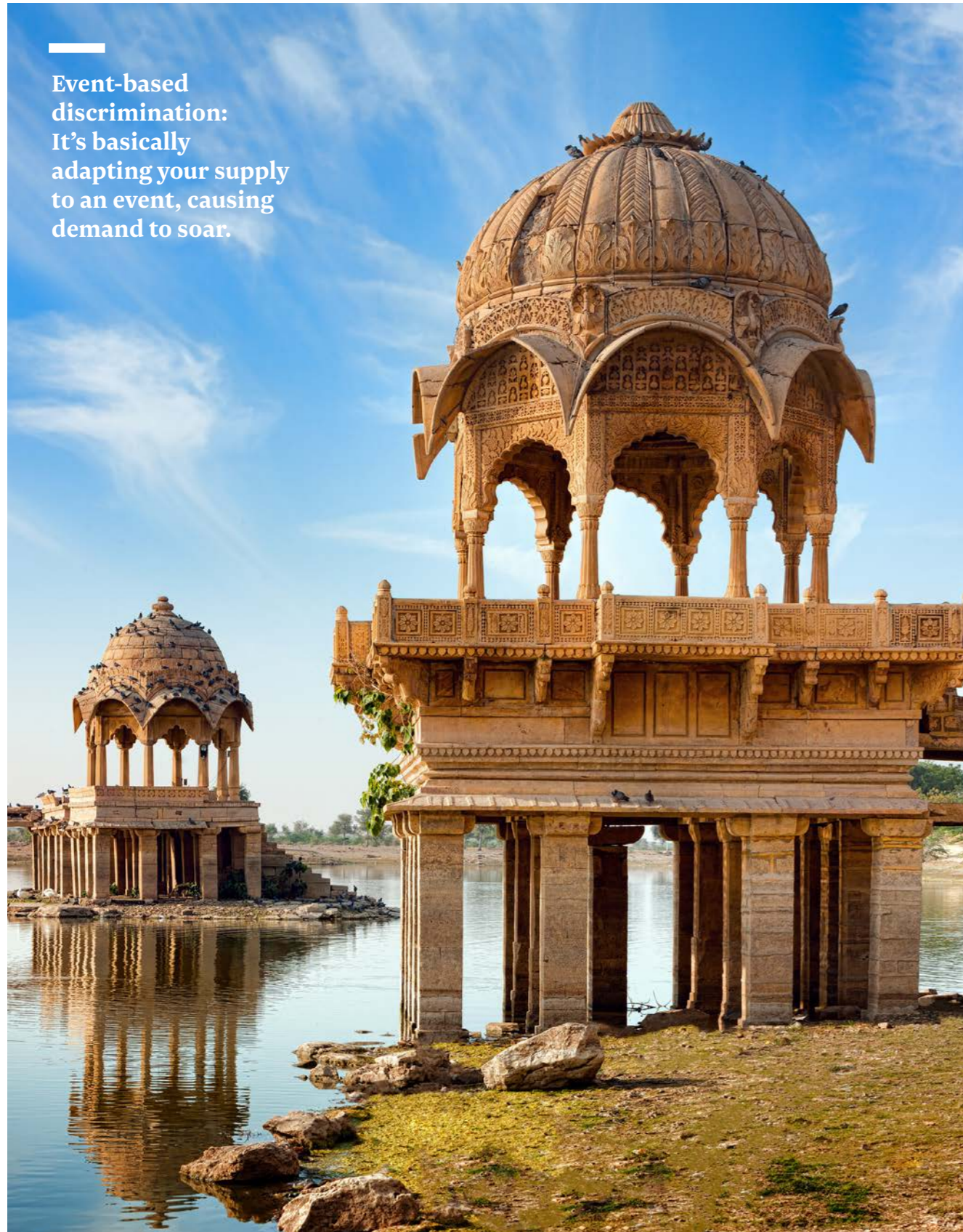





Figure 9 Fictional application processing time

	CANADA PROGRAM	US PROGRAM
 China	10 months	2 years
 India	2 years	1 years
 Russia	5 months	2 years

#### Country-based discrimination

The rationale for the processing times in that example is that HNWI will usually go for the shortest time versus the longest one if all other variables remain equal. In other terms, it would mean that the demand would be higher for the faster processing time. Therefore, we can predict that Indians will favor the US, whereas the Russian and the Chinese will favor Canada. In conclusion, a shorter time will increase the demand from a certain country, and a longer time will reduce the demand from another.

Basically, you can discriminate among the country of origin of applicants by increasing or reducing the processing time. If your government believes that you are receiving too many applications from "country X", then increasing the processing time can have the desired effect. The opposite is also true if you are interested in developing new markets. If you're interested in receiving applications from "country Y", you will invest in reducing processing time and offering guaranteed seats to that country. The private sector will pick this up, smell the opportunity and adjust accordingly.

When you reach the point where most of the benefits earned from your program come from post-landing, diversifying the countries of origin of your applicants becomes an important component of economic growth. Think of each business migrant as a potential business link to his country of origin. That link can channel capital, goods, services and influence. It's better to link with many countries than a few if you can profit from it.

#### Event-based discrimination

The event-based discrimination of processing time is key into running an efficient scheme. It's basically adapting your supply to an event, causing demand to soar. A destabilizing factor can cause a surge in demand from those who risk losing a great deal, whether it's because of a political coup, war, separation/independence or a financial crises. It's important that your administration pick these up and relay it your marketing partners. You will need to be pre-emptive and not wait for the situation to blow up before acting.

In simple words, it means that you should start lowering the processing time as soon as news of unrest emerges. Situations in events regarding personal safety vs financial safety can be differ, but in both cases those nationals need to be able to apply and land before it's too late. You should take into consideration that banks and transport might shut down, and you should have contingency plans for those situations. The faster the processing time, the more likely you are to satisfy the demand. Anything longer than 2 months in the case of a possible war is too long; in the other cases, when instability hits, the faster one gets out, the safer he feels.

There are many risks associated with event-based discrimination, and you will need to assess them and provide guidelines. Thorough due diligence might be difficult in a country on the verge of collapse, and the risk of charges being brought against an individual after the event can seriously damage a program's reputation. You are not in the business of helping



questionable characters to escape justice, but you know the physical risk that wealthy individuals face and the lawlessness that results when a government collapses. The event-based adaptation of your processing time should take those factors into consideration to maintain its integrity. And don't forget that you may save lives in the process.

Adapting to world events and placing your country in the front line of exit destinations can reap many rewards. Revolution causes great wealth and brains to exit, and there is no shame in opening your arms to them. There are short-term and long-term benefits to this. The short-term is the capital and brains that land in your country, looking to work. The long-term is when their country of origin stabilizes again and trade is again possible. Those individuals can provide key access to the country's economy and facilitate access for your private sector.

**APPLICATION COST VS INVESTMENT**

It is my belief that the application cost can total up to 5% on average of the cash value of the investment before the applicant starts taking it into much consideration. Consider it a psychological barrier from where costs above that start weighing in the decision. I must be clear that this number is not backed by any hard facts, only by personal observation. Risk can weigh in as well, if there's a significant chance of the application being refused.

Cash value for an investment that requires a donation is easy to calculate, and in practice both application fees and a donation amount can intermix if paid directly to the government. For a simple example, let's take the Quebec IIP that finances at CAD250K. The cash value is CAD250K for the investor. The application should average CAD12.5K

The average applies to a couple + 1 child (the Chinese Standard). Total application fees can vary, depending on the number of dependents. If those amounts stay on average around the 5% barrier, they are unlikely to affect the applicant's decision.

Usually a government will charge an application

fee in concordance to its cost. Five percent might represent 10K, but your cost to process the application is only \$2000. How do you justify coming up with another \$8000 in expenses? Simple: by offering more services to the applicant and increasing oversight of the program. You can hire more staff to improve the service, add post-landing services, have better oversight of the program by compiling and tracking its results. Many additions can greatly improve the results of your program and experience of the newcomer.

The application fee can include

- ✓ Due diligence fees
- ✓ Application processing fees
- ✓ Post-landing settlement fees
- ✓ Program results tracking

**SERVICE & CONDITIONS**

In today's world, when you buy a product like a car, there are many services it comes with either pre-sale or after-sale. Things like warranty and customer support affect the value of the product.

A few main things will affect the value of your product. The quality of the product itself, the service both pre and after-sale, and the marketing.

In this section, Service & Conditions are defined by all the attributes that can influence the value of your product. Your product can be Temporary Residence, Permanent Residence or Citizenship in your country. Services & Conditions are the other factors that can either increase or decrease the average commercial value of your product. . (Fig 10-14)

All these – some more than others – can influence the value of your product, since they affect the demand. By being intelligent in your program-building you can, by modifying any of those variables, increase the value of your product, or, by not being smart, reduce its value. You need to work on a simplified model, and this can be obtained by having a wider range of models catering to more specific sets of client profiles.

**POINT-BASED SYSTEM**

When establishing minimum requirement that your applicant should have in order to qualify, you might want to create a point based-system. It could enable

**Figure 10 Application Process**

INCREASE VALUE	DECREASE VALUE
Possibility of faster application processing time	Long processing time
Fast and simplified process	Complicated process
Extended family (older child and parents)	Non-adult dependent only
No interview process	Interview process needing change of country
Low application fees	High application fees
Open to all nationalities	Restriction on countries of origin

**Figure 11 Requirements**

INCREASE VALUE	DECREASE VALUE
No age restriction	Age restriction
No language requirement	Language requirement
No test required	Language & Medical test requiring travel
No net worth requirements	High Net worth requirements
No proof of experience or CV	Strict business experience and ownership
	Proof of accommodation prior to application
	Provide a Business plan that need approval

**Figure 12 Residence Status**

INCREASE	DECREASE
Permanent	Temporary with annual renewal
Benefits of status (health care, free education...)	Lack of benefits
No objective to satisfy	Objectives to satisfy for renewal
No Physical presence requirements	Strict physical presence requirements
Choice of Tax residence	Forced tax residence
Special Tax benefits	Cost of renewal
	Difficulty to qualify to permanent status



<b>Figure 13 Investment</b>	
<b>INCREASE</b>	<b>DECREASE</b>
No risk	High risk
High return	No return
Usable investment (real estate, living expenses...)	Unusable investment (donation, bonds...)
Flexible timeframe of investment	Rigid timeframe of investment
Short investment length	Long investment length
No post investment requirements	Post investment requirements (create jobs ..)
Financing available	No financing allowed

<b>Figure 14 Citizenship</b>	
<b>INCREASE</b>	<b>DECREASE</b>
Short residency period requirements	Long residency period requirements
Short annual residence requirements	Long annual residency requirements
Short processing time	Long processing time
Affordable application costs	Expensive application costs
Facilitate naturalization for investors	
Facilitate naturalization for children	
No test or easy requirements to satisfy	Strict test on language and history
	References from locals or assembly vote

certain applicants to compensate for certain shortcomings by increasing their contribution somewhere else. It will be useful to determine your dynamic pricing strategy and the estimated value of the applicant in relation to those you value more. Before this, you will need to determine the most valuable attributes an applicant can have and weight them with points. Many developed countries already use a point-based system (like the UK and Canada), and you will need to do the same with your own assessment based on your social,

economic and demographic needs. Don't forget to adjust your point-based system with country-based discrimination, event-based discrimination and, especially, bases on the region of settlement.

For better results, you can also offer the applicant the opportunity to increase his points over time before his landing – for example, by bettering his language skills between the time he applies to the time he lands.

**TEMPORARY RESIDENCE VS PERMANENT RESIDENCE**

Temporary or permanent' lower risk or increased risk' lower consumer gain or increased consumer gain. There are many ways to look at it, but at first glance temporary residence benefits the country, and permanent residence benefits the immigrant. Countries that openly offer permanent residence to first-time residents are usually known as "traditional immigration countries" and are most likely located in the Americas. European countries are unlikely to offer permanent residence to first-time residents; if you are one of those countries, your ability to amend the current immigration laws of your country will have an important effect on your freedom to make the wanted changes. Working within the current legal structure might limit the scope of your new programs. Nevertheless, the product you offer is a package of numerous services. You can compensate the temporary residents with other favorable services to make a competitive package. For example, towards the end of the now-defunct Canadian Immigrant Investor program (for permanent residence), it would take you roughly 8 years to get from application to citizenship – versus roughly 7 years for the UK Tier 1 investor (temporary residence) – because of the extremely long processing times that plagued the Canadian Citizenship & Immigration department.

In general terms, temporary residence is used as a safety net when the applicant must comply with certain conditions after his landing. If most of the conditions are met before landing, then permanent residence is a less-risky proposition.

1. If he fails to create certain number of jobs and/or a successful business
2. If he fails to settle in a specific region and moves to another one
3. If he loses his wealth and falls into poverty
4. If he fails to hold on to his required investment, or for the specific time

These risks are some of the reasons you would want to have temporary residence versus a permanent one. To offer a concrete example, if your program required an active investment in a specific region for a specific period of time, then temporary residence would be the logical way to go. You could offer a permanent

residence with a "lien" on it, allowing you to take it away for failure to satisfy the conditions, but it would amount to the same thing in the mind of the applicant. The risk would be his.

A permanent residence would preferably be offered for a passive investment, specifically where: The investment is significant

1. The investment is significant
2. The investor is at a low risk of being a financial burden to society
3. The investor doesn't require further conditions, or those conditions are not in his hands

In this scenario, the risk is on the hosting country, but the risks can be reduced to the point where they are insignificant. We don't discuss crime and health risks, as they are not specific to business migrants, and close to all countries evaluate those risks during the application process.

Furthermore, post-landing programs can go a long way to reduce the risks and returns of your programs, especially when it comes to helping the immigrant avoid falling into poverty.

**REDUCING REFUSALS**

Reducing refusals is the purpose of making the applicant process more efficient. It usually requires time, continuity and experience to improve a process to make it more efficient. It's therefore important to track refusal rates and their weight on the program. The refusal rate can have – or might not have – a negligible impact on overall results. It's nevertheless always unpleasant for the client base. A high refusal rate can lead to distrust in the application process, and some will discard your program as too risky relative to the cost and time they need to apply. But refusals will mainly indicate that your requirements are not well defined or communicated. There can be a significant opportunity cost associated with this – if, for example, you accept only 1000 applications a year, only to find at the end of the process that half of them have failed. You are 50% below expected return.

Communication with industry specialists (lawyers, consultants...) is important to improve and facilitate the application process.

# Marketing

The Marketing part of a program encompasses all promotional materials and your relationship with sellers (industry professionals).

## OFFICIAL WEBSITE

You would be surprised to know how many government websites are either constantly down or so badly run that they might as well be. We have rated the official immigration websites of nearly a hundred countries based on a few criteria. If you launch a new competitive set of HNWI Immigration programs, it's important that they are well advertised on your website. You can even decide to give it the programs their own separate website if your

immigration or government website is too outdated and or will require too many resources to bring back up to today's standards. Here is a table of all the government websites we have reviewed. The mark is out of 5; they were reviewed in early summer 2016. (Fig 15)

The website should have a back-office for the industry professionals to submit and track applications. A dashboard with analytics providing information (like country of origin of applicant, status of applications, status of commissions and revenue generated) would greatly improve your data tracking as well

## PROMOTIONAL MATERIAL

Providing information is key. Whether it's through pamphlets or videos, you need to explain why the immigrant should choose your product. It must not be only country-oriented, because cities are the actual product. Informing the applicant about where he is going to relocate is important, so provide information about higher education, climate, etc. You will probably be inclined to trumpet all your great qualities and be silent about your flaws – but be careful not to deceive the client. If you do, your promotional materials will likely end up in the garbage of the immigration lawyers. You also need to have a simple stationary, or/and video describing the application process for your programs. All these need to be loaded on your website and easily accessible.

business community. They represent your economy, and a big part of your work is to make them prosper. Talk to them about how HNWI Immigration could help them and harm them. Ask them what they would prefer: better access to capital, cash injections into their business, export facilitators, lobbyist or trade agents? You will need also to communicate with specialists in different fields to correctly evaluate all the negative impacts of different timeframes relative to the expected or unexpected success of the program. The most visible is the impact on the property market, but overall inflation must also be critically assessed. There can be political ramifications, and social and cultural impacts. These need to be assessed to a certain extent if you want your program to work the proper way.










## PARTNERSHIP WITH THE PRIVATE SECTOR

When you are building your programs, it's important to communicate with those potentially responsible for selling your program: the main players in the Global Residence & Citizenship industry. They will push their interests on you, but you will still need to keep your ears open in order to collect valuable information from them. They will hint at the competitiveness of your product, if they are interested in it, and offer tips on how to make it more interesting. They will tell you if you're asking for too much paperwork and how to hasten the process. Let them help you evaluate the potential loopholes in your scheme. Other communication should happen with your

## COMMISSIONING YOUR SELLER

Most successful programs have sellers. Sellers can range from immigration lawyers to large financial institutions. The main tool for promoting your programs is intermediaries like these. There is a cost to marketing your program to the right clientele, and it is not feasible to do it yourself. The vast majority of immigration programs catering to HNWI that don't commission referrals pull in very small numbers. The more money you offer in commissions for referrals, the greater the numbers of applicants you can expect. The industry standard for the referral of a HNWI is roughly 40 000 USD, but this can change depending on the type of program and what your competitor pays. This is the amount in play when the HNWI either makes

**Figure 15** Grading of official immigration websites.

COUNTRY	VISUAL	FACILITY TO NAVIGATE	INFORMATION AVAILABLE	PROCESSING TIME	STATISTICS	EMAIL CONTACTS	ENGLISH WEBSITE
 Andorra	3	5	4	Y	Y	Y	n
 Anguilla	3	3	3	n	n	y	y
 Antigua and Barbuda	4	4	4	n	n	y	y
 Argentina	4	4	3	n	yes	yes	limited
 Australia	4	3	5	y	y	y	y
 Austria	3	4	2	n	n	n	y
 Norway	39	19	21	1.9	3.3	7.7	
 Switzerland	42	15	23	1.5	4.1	6.8	
 USA	37	20	19	2.1	8.9	7.5	



## UNLOCKING THE WEALTH

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a donation or a passive investment. Certain Real Estate investments can require a commission when under the control of a single promotor. But in other type of investments, it's unlikely that the intermediary will be commissioned – not that it's impossible, but current models do not enable it. For example, Entrepreneur programs are unlikely to commission for referral, as the investment stays in the hands of the applicant. Instead, the intermediary, usually an immigration lawyer, will charge him a fee of a few thousand dollars. The ones that are problematic in that sense are the Living Expenses type programs. These can increase their application fees. But the commission amount is not the only variable in play:

- ? Who pays the commission, the client or the government? This can make a significant difference in how fast the intermediary gets paid. The client is pretty fast, but the government can take some time. The risk of fraud increases as well when the intermediary collects from the client. Government commissions permit the intermediary to lower the fee and the client's risk, making it safer for him to show intent.
- ? The commission amount: How much from the

industry standard rate you are willing to deviate is up to your supply. A larger amount can guarantee more demand, whereas a lower one might put you lower in the queue.

- ? Delays in commission payments can have a strong impact on the program. In a new program, if an immigrant consultant must wait 2 years before he gets paid, he has time to declare bankruptcy. It's important to keep in mind that the intermediary is providing a service that has expenses. Those expenses are paid monthly, and waiting for a long time before getting paid for the service will therefore impose a barrier to entry where only those with significant cash flow will be able to afford to work with your program. The little guy will be priced out.
- ? Additional products: This refers to the ability for intermediaries to make additional revenue by selling products to the clients (e.g., financing of investment). This can help you lower your commission amount, as the intermediaries can profit by selling additional products. There are many ways for the industry to reap additional benefits from their clients, and your program needs to enable it to do so in certain cases.

Obviously, the overall pull of your program and country are key factors. But, no matter what type of program you have, you need to make a competitive pay package for your sellers if you're thinking about creating a competitive program with significant demand. We have seen programs without commissions not register a single application.

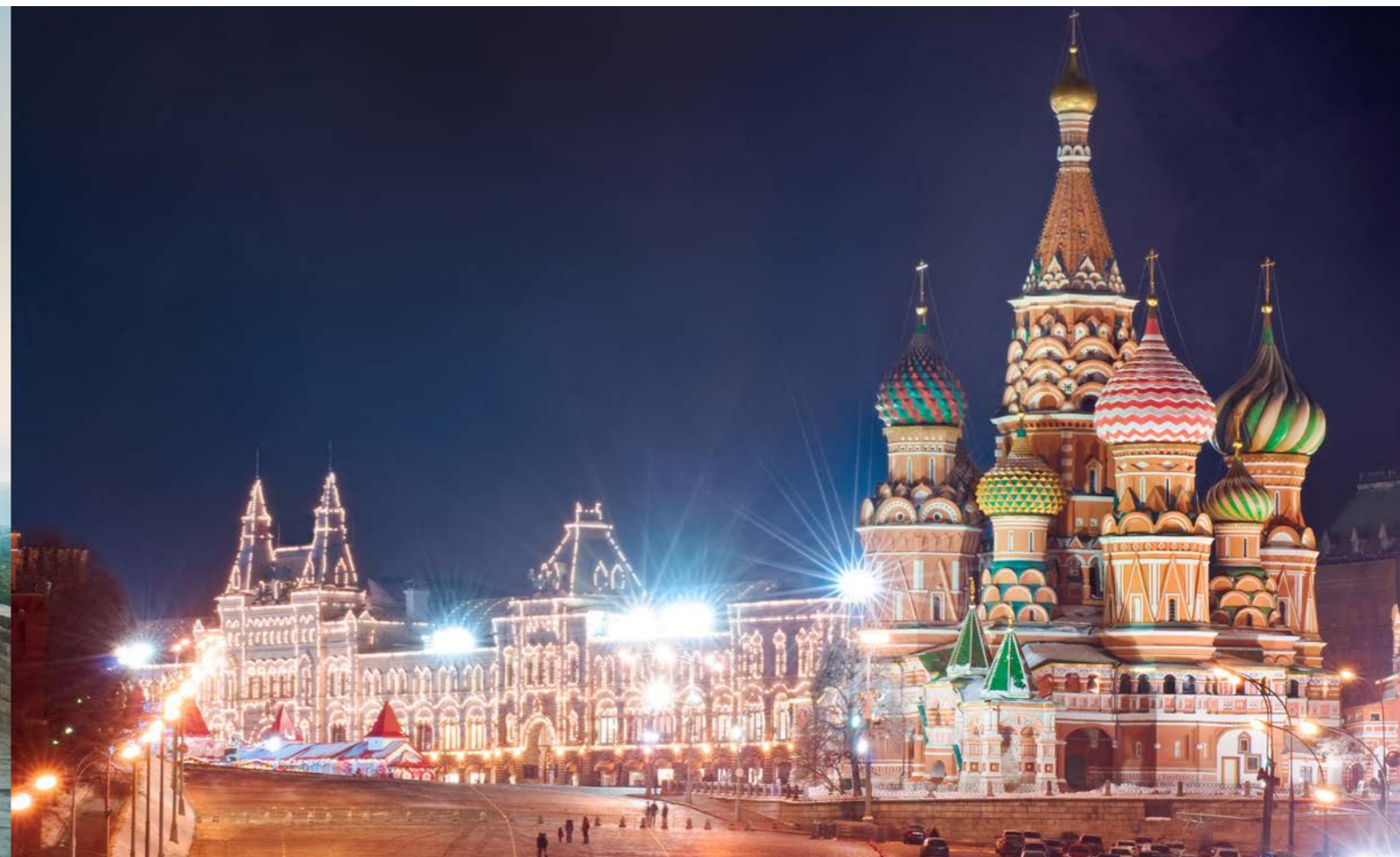
#### HOW TO START WITH A BANG

Now that you have done most of the work, it's time to put in place a marketing strategy that will give you a successful start. If you have worked in the private sector before, you will have a certain idea of all the strategies you need to have in place for a successful launch. We spoke about the website and posting relevant information about your product (program and country/cities). We know that in the current market, the value for referencing an HNWI to an "investor" program is \$40 000. For example, you can overpay the commission for the first year in order to be more competitive, or lower the investment amount below an expected value. You could also offer express payouts to your immigration consultants. Basically, you will need to understand that if you don't want to wait for years for your program to

jump-start, you will need to INCREASE CONSUMER GAIN and reduce yours until you establish yourself. Once you are established, you can decide to reduce consumer gain and increase yours to maintain balance. But don't forget to never break the flow with abrupt changes. You cannot change your product price from \$1M to \$2M from one year to another unless you're looking to make wholesale changes. You need smooth, phased-in changes.

#### TRACKING RESULTS

You cannot be efficient in your policies if you cannot track results or if the results are significantly delayed. At best, the results should enable you to make pre-emptive changes. Would you make an investment if you can't track the returns? In such a highly competitive environment, efficiency is key. The world changes every moment, and what brought great results last year can diminish this year. You need to be able to track those changes and analyse results constantly. Before you can efficiently analyse your result, you need something to compare it with. Your Ministry of Economic Development should, prior to you making any changes or creating the program, put forward its economic





development plan with a knowledge and understanding of what HNWI Immigration can potentially bring to the economy. They would, for example, say: "We need to strengthen our property market", or "We would like to have 1000 new buyers of luxury properties in the next 2 years". Your program has to deliver and track results. The importance of this will be seen after the first year. That's when you should know whether you're way off course and serious changes are needed, quickly, in order to satisfy those demands.

What we call results are the following:

#### **Bare minimum**

This is the most basic level of annual program results you should be able to track. Whether or not your country decides to publish the result to the public is a different issue. This is the bare-minimum information about your program you need to have annually, and early in the year if possible. Roughly 50% of the programmes we annually review do not reach the bare-minimum standard. If a country doesn't have this information, they are basically working blind.

- ✓ Average processing time of applications and until landing
- ✓ Country of origin of applicant
- ✓ # of applications approved, refused and landed

#### **The Standard**

The Standard is what the base information should be. It's not totally efficient, but it will enable you to be competitive in the present environment. Currently, only the best programmes are anywhere near the Standard. Surprisingly, the UK, Australia or the US do not know exactly what percentage of their business immigrants ultimately qualify for permanent status from the pool of conditional business visas. Country of origin of applicants by programs

- ✓ Country of origin of applicants by program
- ✓ Total \$ of annual contribution from the programs (direct contributions)
- ✓ Demographic information about the applicants (age, sex, # of dependents)
- ✓ Detailed processing times for each step until landing.
- ✓ # of application approved, refused and landed for each option of the program

- ✓ Tracking of retention, how many of conditional visas translate into permanent ones.

#### **Efficient Operation**

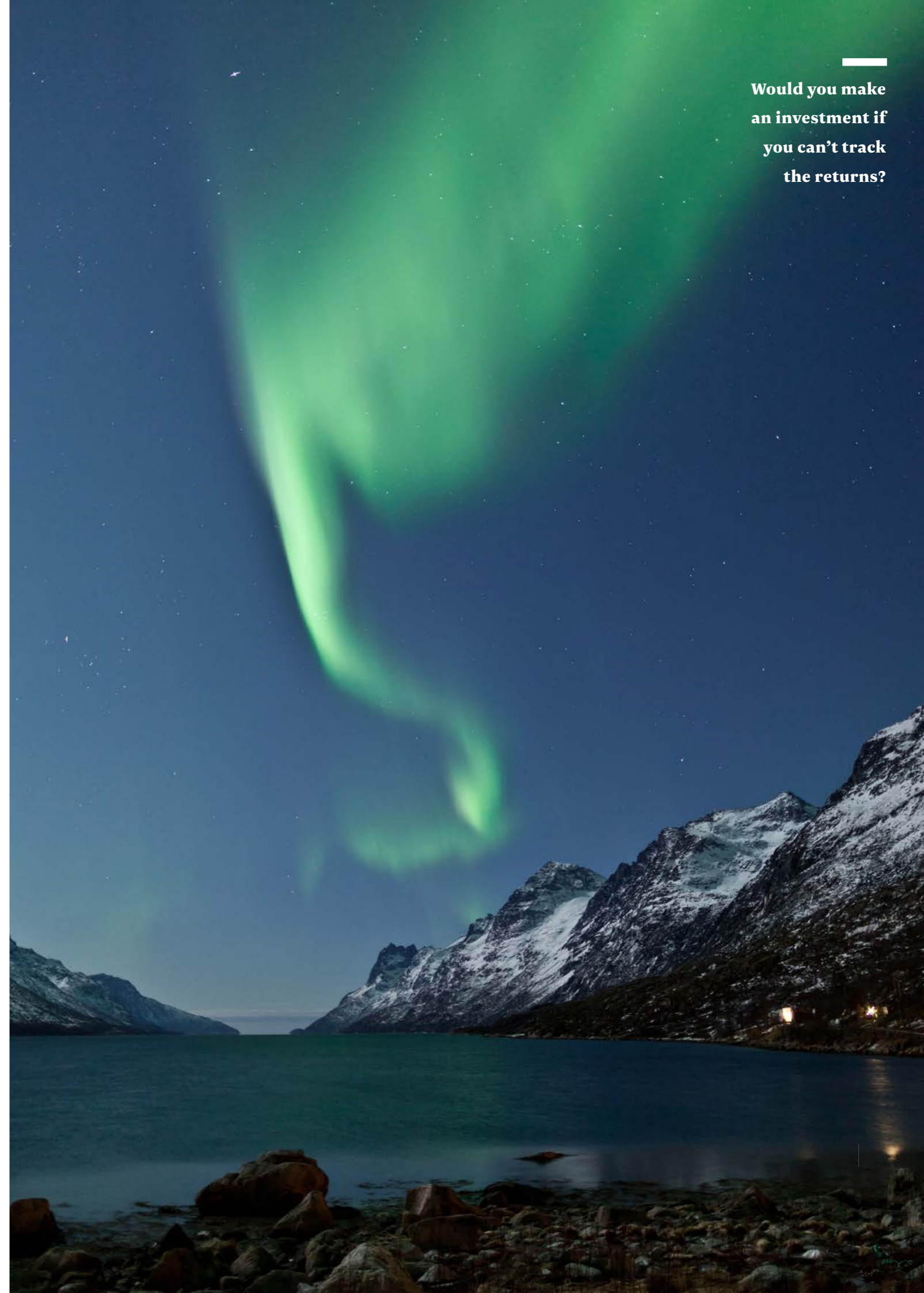
Efficient operation starts with the instructions from your government's economic development ministry, which gives you objectives. From then on, you need to track every bit of information relevant to your situation and what you need to keep you competitive globally. This requires intense tracking and surveying of your HNWI Immigrants.

- ✓ Annual assessment of other countries and their programs
- ✓ Track the results of competitors and make comparisons
- ✓ Direct contributions to distinct industry sectors and regions
- ✓ Indirect contributions to different sectors and regions
- ✓ Retention, from landing to a few years after citizenship
- ✓ Annual survey of HNWI Immigrants
- ✓ Annual surveys of industry professionals involved in the program

Much of this information can be tracked by the post-landing settlement program. You should include the budget for all of that in the program's application cost.

Your Ministry responsible for economic development must, prior to the start of the program, put in place its economic strategy and bring forward a plan for the immigration department. It should be a 3-year plan with an annual evaluation. After 3 years, the programs can be revamped if need be; even an annual evaluation can lead to a complete reform of the program. As I said before, your programmes need to be flexible to change and not undermine the foundations that your partners in the private sectors have laid. We usually speak of soft changes – meaning if you were looking for 1000 investors this year, you can't shut down the next; you must phase out over at least 3 years. If you have been tracking your results correctly, you will never be in a situation where you need to shut down abruptly. In practice, you will have 3 to 5 types of investment options catering to different economic needs, which you will inflate or deflate over that 3-year period.

**Would you make  
an investment if  
you can't track  
the returns?**





# Annex

Figure 16 Demographic Table

COUNTRY	MEDIAN AGE	%UNDER 15	%OVER 60	FERTILITY RATE	UNEMPLOYMENT RATE	FOREIGN BORN UNEMPLOYMENT	POP DENSITY /KM2	NET MIGRATION RATE/ 1000	MIGRATION STOCK %
Algeria	27	27	7	2.8	9.8		16.8	-0.93	0.65
Andorra		15	22	1.4	2.9		166	0	71.7
Angola	17	46	4	5.3	6.8		16	0.49	0.3
Anguilla					7.8		151	12.43	
Antigua and Barbuda		23	10	2.1	11		204	2.26	23.6
Argentina	31	25	15	2.2	7.2		15	0	3.6
Australia	37	19	19	2	5.1	5.2	3	5.83	21.4
Austria	42	15	23	1.4	5.7	8.2	102	1.78	15.6
Azerbaijan	30	21	9	2.2	5.4		111	0	2.9
Bahamas	31	22	11	1.9	13.7		35	0	9.7
Bahrain	31	20	4	2.5	1.1		1741	14.13	25
Bangladesh	25	31	7	2.2	5		1156	-0.52	0.7
Barbados	38	17	17	1.6	11.2		637	-0.3	10.3
Belgium	41	17	24	1.8	8.5	15.1	364	1.22	8.9
Bermuda					8		1294	1.99	31
Bolivia	22	36	7	3.3	3.4		9	-0.76	1.5
Brazil	30	25	11	1.8	8.3		23	-0.17	0.4
British Virgin Islands							156	18.11	
Bulgaria	42	14	25	1.5	8.5		68	-2.86	1.4
Canada	40	16	20	1.7	7.4	8.9	4	5.65	21.1
Cayman Islands					4		236	15.04	63.5
Chile	32	22	13	1.8	7.1		23	0.35	1.9
China	35	19	13	1.6	4.1		144	-0.33	0.1
Colombia	27	28	9	2.3	11.6		42	-0.66	0.2
Comoros	19	42	5	4.7	6.5		404	-2.58	1.98
Costa Rica	29	24	10	1.8	7.7		93	0.85	10.5

COUNTRY	MEDIAN AGE	%UNDER 15	%OVER 60	FERTILITY RATE	UNEMPLOYMENT RATE	FOREIGN BORN UNEMPLOYMENT	POP DENSITY /KM2	NET MIGRATION RATE/ 1000	MIGRATION STOCK %
Croatia	43	15	25	1.5	16.3		75.7	1.43	15.84
Cyprus	35	18	17	1.5	14.1		121	10.31	1.4
Czech Republic	40	14	22	1.5	5.1	8	136	0.98	4.3
Denmark	41	18	24	1.9	6.2	14.5	131	2.3	8.7
Dominica		23	10	2.1	2.3		90	-5.4	8.1
Dominican republic	25	31	9	2.5	12.4		208	-1.96	4.4
Ecuador	26	30	9	2.4	4.2		59	-0.25	2.7
Egypt	25	31	8	2.7	9		83	-0.2	0.3
El Salvador	24	31	10	2.2	7		301	-8.61	0.7
Ethiopia	19	41	5	4	5.7		85	-0.23	0.7
Fiji	27	29	8	2.6	8.1		48	-6.99	2.2
Finland	42	16	25	1.9	9.4	15.2	18	0.62	4.2
France	40	18	23	2	10.4	15.1	119	1.1	10.3
Georgia	38	17	19	1.5	15.1		78	-3.86	3.8
Germany	45	13	26	1.4	4.6	9.5	235	0.89	13.2
Greece	43	15	26	1.5	24.9	33.7	85	2.32	10.16
Grenada	26	27	10	2.2	24.5		312	-3.24	12.3
Guatemala	19	41	6	3.9	4.1		138	-2.04	0.4
Honduras	21	36	6	3.1	4.8		69	-1.2	0.3
Hong Kong					3.4		6787	3.75	38.8
Hungary	40	15	23	3.1	6.8	9.5	110	1.36	3.7
Iceland	35	21	17	2.1	4	11	3	0.53	11.7
India	25	30	8	2.6	3.5		418	-0.05	0.4
Indonesia	28	27	8	2.1	6.6		134	-1.19	0.1
Iran	28	23	8	1.6	10.5		46	-0.1	2.9
Iraq	18	43	5	4.6	16		76	0	0.3

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COUNTRY	MEDIAN AGE	%UNDER 15	%OVER 60	FERTILITY RATE	UNEMPLOYMENT RATE	FOREIGN BORN UNEMPLOYMENT	POP DENSITY /KM2	NET MIGRATION RATE/ 1000	MIGRATION STOCK %
Ireland	35	21	17	2.1	9.4	17.3	66	2.51	20.1
Isle of Man					2.4		146	7.11	53
Italy	44	14	27	1.4	8.4	11.7	206	4.47	7.4
Japan	45	13	31	1.4	3.4		351	0	1.7
Jersey					2.7		844	4.39	48.8
Jordan	21	37	6	3	12.9		70	-22.02	49.2
Kazakhstan	29	25	10	2.5	5.4		6	0.42	18.9
Kenya	19	42	4	4.7	9.2		73	-0.23	2
Kuwait	29	27	4	2.3	3.1		158	-0.59	76.6
Laos	22	34	6	2.7	1.4		27	-1.12	0.3
Latvia	40	14	23	1.5	9.9		33	-2.36	15
Lebanon	30	24	11	1.8	9		416	-8.48	17.9
Libya	26	31	7	2.5	19.6		4	33.32	10.7
Liechtenstein	44	15.5		1.6	2.5		227	4.35	33.3
Luxembourg	39	18	19	1.7	6.4	6.3	200	8.6	34.2
Macau					2.6		19848	3.43	55.1
Malaysia	26	30	8	2.6	3.4		88	-0.35	8.3
Malta	40	15	22	1.3	5.4		1299	1.99	3.7
Mauritius	33	21	11	1.6	7.9		634	0	3.4
Mexico	27	29	9	2.3	5.3		59	-2.99	0.6
Monaco		18	23	1.5	2		17714	1.93	66.6
Mongolia	26	28	6	2.5	4.9		2	0	0.4
Morocco	27	28	8	2.7	9.2		75	-3.47	0.16
Netherlands	41	17	22	1.8	4.4	9.2	495	1.99	10.5
New Zealand	37	20	19	2.2	6.5	6.2	17	2.24	22
Nicaragua	22	34	6	2.6	8		49	-3.26	0.7
Nigeria	18	43	5	5.5	7.5		178	-0.22	0.7
Norway	39	19	21	1.9	4.4	7.7	16	1.68	9.9
Oman	26	27	4	2.2	7.9		9	-0.47	29.7
Pakistan	22	35	6	3.3	5		229	-1.84	2.4
Panama	28	29	10	2.5	4.5		48	-0.35	3.4
Paraguay	23	33	8	2.9	5.6		17	-0.08	2.5

COUNTRY	MEDIAN AGE	%UNDER 15	%OVER 60	FERTILITY RATE	UNEMPLOYMENT RATE	FOREIGN BORN UNEMPLOYMENT	POP DENSITY /KM2	NET MIGRATION RATE/ 1000	MIGRATION STOCK %
Peru	26	30	9	2.5	7.8		23	-2.86	0.1
Phillippines	22	35	6	3.1	7		318	-1.25	0.5
Portugal	41	15	24	1.3	12.6	16.9	115	2.82	8.6
Qatar	32	14	2	2.2	0.6		161	33.31	74.2
Russia	38	15	18	1.5	6.6		9	1.69	8.6
Saint Kitts and Nevis		23	10	1.8	5.1		204	1.23	9.6
Saudi Arabia	26	30	5	2.7	5.4		13	-0.62	26.6
Seychelles		23	11	1.9	5.5		187	1.01	12.5
Singapore	38	17	15	1.3	2.9		7405	15.08	38.7
Slovakia	37	15	18	1.3	11.5	15.3	112	0.29	2.4
South Africa	25	30	8	2.4	24.7	16.6	42	-6.24	3.7
South Korea	38	16	16	1.4	3.4		513	0	1.1
Spain	40	15	22	1.5	22.1	31.5	93	6.14	13.8
Sri Lanka	31	25	13	2.3	4.9		333	-1.74	1.6
Sweden	41	17	25	1.9	7.4	16	23	1.64	13.9
Switzerland	42	15	23	1.5	3.4	6.8	198	6.14	22.5
Syria	21	36	6	2.9	8.4		113	-17.89	10.8
Taiwan					3.8		644	0.91	
Tanzania	17	45	5	5.5	4.3		52	-0.6	1.5
Thailand	35	20	13	1.6	0.7		136	0	1.7
Tunisia	29	23	10	2	13		69	-1.76	0.3
Turkey	29	26	9	2.1	10.3	9.1	96	0.48	1.9
Turks and Caicos Isl.					5.4		33	14.66	30
UAE	31	17	1	1.7	3.8		94	15.04	43.8
UK	40	17	23	1.9	5.3	9.4	259	2.57	10.4
Ukraine	39	14	21	1.5	7.9		79	-0.07	11.5
Uruguay	34	22	18	2.1	6.5		19	-1.26	2.7
US Virgin Islands					12.3		313	-8.01	56.3
USA	37	20	19	2.1	5.5	7.5	34	3.64	13.8
Uzbekistan	25	29	6	2.3	10.7		69	-2.55	4.1
Venezuela	26	29	9	2.4	8.3		33	0	3.5
Vietnam	29	23	9	1.8	2		283	-0.33	0.1



**Figure 17** The Global Competitiveness Index Historical Dataset © 2005-2015 World Economic Forum, Venture Capital Availability

COUNTRY	VENTURE CAPITAL INDEX
Qatar	5.079046412
Malaysia	4.810754853
Singapore	4.559583919
Israel	4.543151908
United States	4.498048351
Finland	4.462933377
United Arab Emirates	4.352251498
Luxembourg	4.321729993
Hong Kong SAR	4.263033005
Norway	4.203902447
New Zealand	4.06349374
Taiwan, China	4.05594038
India	3.969173622
United Kingdom	3.920619951
Sweden	3.848306108
China	3.794861211
Indonesia	3.755346929
Switzerland	3.727336646
Jordan	3.699698307
Canada	3.676170056
Japan	3.617258707
Panama	3.585174858
Bahrain	3.556846772
Netherlands	3.529615585
Germany	3.520784394
Estonia	3.473719091

COUNTRY	VENTURE CAPITAL INDEX
Saudi Arabia	3.470645732
Belgium	3.452060479
France	3.433897697
Rwanda	3.377700463
High income: OECD	3.347183695
Czech Republic	3.313006742
Chile	3.301209052
High income: nonOECD	3.280653382
Thailand	3.274940738
Guyana	3.262738919
Tajikistan	3.259719721
Oman	3.252463407
Ireland	3.235110848
Iceland	3.145020083
Philippines	3.133729134
Australia	3.133308478
Bolivia	3.122354364
ASEAN	3.120611427
Lebanon	3.104587288
Middle East, North Africa, and Pakistan	3.078048453
Peru	3.076404163
Côte d'Ivoire	3.020192737
Emerging and Developing Asia	2.9768492
Liberia	2.974999905
Vietnam	2.968302548
South Africa	2.962898113

COUNTRY	VENTURE CAPITAL INDEX
Lithuania	2.951470399
Macedonia, FYR	2.949774559
Transition from 2 to 3	2.948396144
Senegal	2.94724607
Kuwait	2.927385133
Latvia	2.915690484
Honduras	2.910248553
Kenya	2.902929593
Malta	2.900825028
Guatemala	2.885254441
Puerto Rico	2.87384565
Slovak Republic	2.867932764
Austria	2.863947772
Kazakhstan	2.856477356
Average GCR	2.84862356
Sri Lanka	2.833961306
Portugal	2.828106204
Bulgaria	2.809611649
Mauritius	2.782716065
Montenegro	2.775626417
Mexico	2.772947482
Russian Federation	2.743059371
Seychelles	2.738252022
Morocco	2.721132444
Spain	2.7198603
Colombia	2.716589105

COUNTRY	VENTURE CAPITAL INDEX
Azerbaijan	2.715082923
Denmark	2.705536295
Uruguay	2.704821549
Cambodia	2.702090125
Upper middle income	2.701855806
Stage 2	2.692194318
Cape Verde	2.682823268
Ethiopia	2.681985784
Mali	2.646814704
Pakistan	2.643815545
Algeria	2.641321134
Botswana	2.637374725
Lower middle income	2.636317297
Ghana	2.631724891
Timor-Leste	2.628977246
Latin America and the Caribbean	2.617772255
Transition from 1 to 2	2.614597392
Namibia	2.613763199
Bhutan	2.598713733
Commonwealth of Independent States	2.595963368
Kyrgyz Republic	2.595641614
Madagascar	2.588249458
Korea, Rep.	2.573499954
Lao PDR	2.568290736
Nepal	2.56375009
El Salvador	2.559031682

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COUNTRY	VENTURE CAPITAL INDEX
Armenia	2.537145353
Egypt	2.513010822
Brazil	2.510983548
Turkey	2.503521951
Paraguay	2.488257623
Emerging and Developing Europe	2.473711734
Dominican Republic	2.469632693
Poland	2.469394145
Sub-Saharan Africa	2.448080617
Stage 1	2.446180599
Gambia, The	2.430816572
Lesotho	2.414895119
Tanzania	2.39568646
Uganda	2.393679748
Hungary	2.39337264
Ukraine	2.393041682
Romania	2.372989712
Low income	2.357953456
Slovenia	2.355135779
Angola	2.348169909
Ecuador	2.333333254
Barbados	2.327783507
Bosnia and Herzegovina	2.323232412
Cyprus	2.318888925
Cameroon	2.298581141
Croatia	2.292337795
Venezuela	2.279122072
Tunisia	2.26938507
Costa Rica	2.257330431
Swaziland	2.248387122

COUNTRY	VENTURE CAPITAL INDEX
Benin	2.227272749
Zambia	2.22528699
Mozambique	2.217539853
Gabon	2.214363466
Trinidad and Tobago	2.202104679
Georgia	2.171626116
Nicaragua	2.134535615
Jamaica	2.120316414
Bangladesh	2.113348157
Moldova	2.091876173
Italy	2.081228709
Iran, Islamic Rep.	2.04810788
Suriname	2.027642242
Argentina	2.009052196
Chad	1.978948948
Nigeria	1.967036703
Sierra Leone	1.956060543
Serbia	1.944585198
Burundi	1.940519422
Guinea	1.939420289
Albania	1.898623928
Mauritania	1.891029351
Haiti	1.889546922
Greece	1.87736888
Mongolia	1.814038461
Malawi	1.755363631
Myanmar	1.751436352
Yemen	1.69252774
Libya	1.603024491
Zimbabwe	1.545049988
Burkina Faso	956.55.00



**Figure 16** Estimated market price of Permanent Residence & Citizenship

	PERMANENT RESIDENCE	CITIZENSHIP
Antigua and Barbuda	100000	300000
Argentina	175000	600000
Australia	500000	2000000
Austria	400000	1500000
Bahamas, The	350000	2000000
Bahrain	200000	300000
Barbados	125000	350000
Belarus	175000	100000
Belgium	400000	1750000
Brazil	150000	350000
Brunei	150000	1500000
Bulgaria	250000	1000000
Canada	500000	2000000
Chile	200000	1000000
China	100000	200000
Costa Rica	150000	350000
Croatia	275000	1000000
Cyprus	350000	1000000

	PERMANENT RESIDENCE	CITIZENSHIP
Czech Republic	350000	1000000
Denmark	350000	1750000
Dominica	100000	275000
Estonia	200000	600000
Fiji	150000	250000
Finland	350000	1750000
France	450000	1750000
Germany	425000	1750000
Greece	250000	750000
Grenada	100000	300000
Hong Kong	450000	750000
Hungary	350000	1500000
Iceland	200000	1250000
Indonesia	125000	250000
Ireland	350000	1750000
Italy	400000	1750000
Japan	400000	1750000
Kuwait	150000	300000

	PERMANENT RESIDENCE	CITIZENSHIP
Latvia	275000	1000000
Lithuania	200000	750000
Luxembourg	350000	1750000
Malaysia	150000	500000
Malta	350000	1000000
Mauritania	100000	350000
Mauritius	100000	325000
Netherlands	400000	1500000
New Zealand	400000	1750000
Norway	350000	1500000
Oman	200000	275000
Panama	150000	300000
Poland	250000	750000
Portugal	350000	1500000
Qatar	200000	300000
Romania	250000	1000000
Russia	200000	300000

	PERMANENT RESIDENCE	CITIZENSHIP
Saint Kitts and Nevis	150000	325000
Saint Lucia	150000	325000
Saudi Arabia	150000	300000
Seychelles	125000	600000
Singapore	375000	1250000
Slovakia	300000	750000
Slovenia	250000	500000
South Africa	200000	250000
South Korea	375000	1750000
Spain	400000	1750000
Sweden	350000	1750000
Switzerland	550000	2000000
Taiwan	250000	500000
United Arab Emirates	350000	500000
United Kingdom	550000	2000000
United States	300000	1250000
Uruguay	150000	500000

**Figure 17** Official Immigration Website review

COUNTRY	VISUAL	FACILITY TO NAVIGATE	INFORMATION AVAILABLE	PROCESSING TIME	STATISTICS	EMAIL CONTACTS	ENGLISH WEBSITE
Andorra	3	5	4	Y	Y	Y	n
Anguilla	3	3	3	n	n	y	y
Antigua and Barbuda	4	4	4	n	n	y	y
Argentina	4	4	3	n	yes	yes	limited
Australia	4	3	5	y	y	y	y
Austria	3	4	2	n	n	n	y
Bahamas	3	3	3	y	n	y	y
Barbados	2	3	1	n	n	y	y
Belgium	3	2	1	n	n	y	y
Bermuda	3	3	1	N	N	N	y
British Virgin Islands	1	3	1	n	n	y	y
Bulgaria	4	4	3	only investor	n	y	y
Cambodia							637
Canada	3	4	4	y	y	y	y
Canada (Qc)	2	3	4	y	y	y	y
Cayman Islands	4	4	3	n	n	y	y
Chile	4	4	4	y	y	n	N
Comoros	3	4	4	y	n	n	Y
Costa Rica							
Cyprus	4	4	4	y	n	y	y
Czech Republic	3	3	3	y	y	y	y
Denmark	3	4	4	y	y	y	y
Dominica	3	4	4	y	n	y	y
Fiji							
Finland	4	4	4	y	y	y	y
France	4	3	1	n	n	n	y
Germany	4	4	1	n	n	y	y
Greece	4	4	4	y	n	y	y
Grenada	5	4	4	y	n	y	y
Hong Kong	3	4	5	y	y	y	y
Hungary	3	4	4	y	n	y	y
Iceland	5	5	5	y	y	y	y
Indonesia							
Ireland	2	3	4	y	n	y	y
Isle of Man	4	4	5	y	y	n	y
Italy	3	3	3	y	n	y	y

COUNTRY	VISUAL	FACILITY TO NAVIGATE	INFORMATION AVAILABLE	PROCESSING TIME	STATISTICS	EMAIL CONTACTS	ENGLISH WEBSITE
Japan	1	1	1	y	n	y	y
Jersey	5	4	4	y	n	y	y
Latvia							
Liechtenstein	4	4	3	y	n	y	n
Luxembourg	2	4	3	y	n	y	y
Macau							
Malaysia	2	2	2	n		y	y
Malta	5	5	4	y	y	n	y
Morocco							
Mauritius	4	3	3	y	n	y	y
Monaco	4	4	5	y	n	y	y
Netherlands	3	4	4	y	n	y	y
New Zealand	4	4	5	y	y	y	y
Norway	4	5	4	y	y	y	y
Panama	3	2	2	n	y	phone only	n
Peru							
Portugal	3	4	4	y	y	y	y
Romania							
Russia	4	5		y			n
Saint Kitts and Nevis	4	4	4	y	n	y	y
Seychelles							
Singapore							
Slovakia	3	2	2	yes	no	yes	yes
South Korea	1	2	1	n		y	limited
Spain	3	3	2	y		y	limited
St Lucia							
Sweden	4	5	5	y	y	y	y
Switzerland							
Turks and Caicos Isl.	4	4	0	n	n	no email	y
UAE	2	1	1	n	n	y	limited
UK	4	4	5	y	y	n	y
Uruguay	3	2	1	n	not precise	y	
US Virgin Islands	4	5	5	y	y	y	Y
USA	4	5	5	y	y	y	Y
Vanuatu							
Vietnam							



A network diagram background consisting of various sized circles (nodes) connected by thin lines (edges). The nodes are in shades of blue and grey, and the lines are light blue. The diagram is more dense in the top-left and bottom-right corners.

# Unlocking the wealth

A government guide to Immigrant  
Entrepreneur & Investor Programs

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