

Citizenship and Immigration Canada Announces Start-Up Visa Program

by Henry J. Chang

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On January 24, 2013, Citizenship, Immigration and Multiculturalism Minister Citizen Jason Kenney (the "Immigration Minister") announced that Citizenship and Immigration Canada ("CIC") would launch a Start-Up Visa Program to recruit innovative immigrant entrepreneurs who will create new jobs and spur economic growth. A formal announcement relating to this program had been expected for some time; I previously reported in [Blaneys on Immigration](#) that the Immigration Minister announced consultations on the possible creation of such a program back in April 2012.

Although I have yet to be recognized for playing any role in the creation of the Start-Up Visa Program, I first raised the idea of a start-up visa directly with the Immigration Minister near the end of 2011, during a fundraiser for a local Conservative party candidate. At the time, Congress was considering the *Start-Up Visa Act of 2011*, which proposed a similar program for the United States. I explained that the *Start-Up Visa Act of 2011* was unlikely to pass in Congress, but this gave Canada a unique opportunity to attract entrepreneurs who might otherwise be destined for the United States.

Although the Immigration Minister initially thought that a start-up visa program would simply be a variation of the existing Entrepreneur Class (which is currently on hold), I explained that a "start-up" visa program would differ from existing investor and entrepreneur options to the extent that the entrepreneur would not need to be the source of investment capital. Such a program would enable entrepreneurs who establish start-up businesses using capital contributed by third parties, such as venture capital firms or angel investors, to seek permanent residence in Canada. By the end of our discussion, he warmed up to the idea and, in April 2012, the Immigration Minister formally announced consultations in connection with such a program.

The Start-Up Visa Program is a pilot program that will commence on April 1, 2013, and will run for five years. Although the most recent announcement does not mention whether there will be an annual cap, the April 2012 announcement indicated that these types of pilot programs would be limited to 2750 applications per year. If the Start-Up Visa Program proves successful during the five-year trial period, CIC may formally introduce it as a new economic class in the *Immigration and Refugee Protection Regulations*.

Foreign entrepreneurs seeking permanent residence under the Start-Up Visa Program will require the support of a Canadian angel investor group, venture capital fund or a business incubator before they can apply. Pursuant to agreements signed with CIC, these organizations will recommend which of their members should be designated as eligible to participate in the Start-Up Visa Program, establish expert peer review panels to assist CIC officers in case determinations, and provide assurance that industry standards of due diligence were followed.

Initially, [Canada's Venture Capital & Private Equity Association](#) and the [National Angel Capital Organization](#) will be active partners in the Start-Up Visa Program. CIC also intends to include the [Canadian Association of Business Incubation](#) as a partner in the program at some point in the near future. The process of designating which Canadian angel investor groups and venture capital funds will be eligible to participate in the Start-Up Visa Program will begin early this year. The process of designating which Canadian business incubators will be eligible to participate in the Start-Up Visa Program will begin at a later date.

Foreign entrepreneurs will also have to meet certain criteria regarding language proficiency and educational qualifications. The full set of criteria will be published in the spring of 2013. ■