

# THE ENTREPRENEUR'S GUIDE TO BUSINESS IMMIGRATION TO CANADA



Make an Informed Decision: Choose the Right Canadian Business Immigration Program

## Why was this guide created?

Choosing the right Canadian business immigration is not an easy task. Therefore, we have decided to provide you with this guide to help you better understand the different options available to you.

This guide provides a brief overview of the different business immigration programs for Canadian immigration. Ultimately, it will help you decide which program is best for you and your family.



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## CATEGORY #1: THE FEDERAL START-UP VISA PROGRAM (SUV PROGRAM)

This program is designed for entrepreneurs who have a business idea that is innovative, that can create jobs in Canada, and that can compete globally or who are interested in creating or participating in innovative business projects in Canada and gaining Canadian Permanent Residency at the same time.

To be eligible, applicants must have a commitment from a designated Canadian venture capital fund, angel investor group, or business incubator. This is a direct pathway to Canadian permanent residency. What is unique about this program is the possibility of remaining in your home country until your permanent residency is issued. There is no need to enter Canada with a work permit unless you are interested in an early work permit option.

Introduced in 2013 as a pilot program geared towards encouraging entrepreneurial professionals choose Canada for their business imperative needs, the Federal Start-up Visa Program has become a very prevalent business immigration option. The SUV Program initiative was created to help entrepreneurial-minded individuals launch businesses in Canada under federal guidelines that are less restrictive than the country's conventional immigration protocols.

At this time, the SUV Program is still the only business immigration program that allows candidates the freedom to start and run their company anywhere in Canada (except Quebec), and is an enviable choice for applicants who meet the required criteria. Due to its large economic growth intended by the program, it did not take long for the Canadian government to recognize the SUV Program's short and long-term benefits.

Deemed an official form of business immigration in 2017, the federal Startup Visa Program is now widely renowned to actively partake in steady economic prosperity in various, competitive markets, on a global/international scale. Since its inception, hundreds of business professionals have seized this once-in-alifetime opportunity – that SUV Program offered them – to innovate through successful, competitive, Canadian-based companies in several fields.



### THE IDEAL CANADIAN START-UP VISA APPLICANT: CANDIDATE PROFILE AND CRITERIA

Who was the SUV Program created for, and how does the Canadian government distinguish these individuals from traditional business owners? What requirements must applicants meet to qualify for a federal Start-up Visa Program?

This section will briefly explore and discuss which individuals are best for the SUV Program, and specifically the criteria they must meet to apply for the said program.

### FAVORABLE ATTRIBUTES OF SUV PROGRAM APPLICANTS

The Canada Start-up Visa is considered a unique model of business immigration in the country. Not only is the SUV Program one of the government's most recent immigration initiatives, but it also caters to a particular type of business professional, one with both a creative idea and the entrepreneurial drive to turn that idea into an actual enterprise.

With the SUV Program, the Canadian Government is interested in applicants looking to start a business that is innovative, competitive, and has high growth potential. These individuals will be connected with a Venture Capital Fund, Angel Investor, or Business Incubator to propel their business forward anywhere in Canada (except for Quebec). Applicants are expected to leverage the funding and resources provided by these local partners to grow their business as efficiently as possible.

## SUV PROGRAM PRIMARY REQUIREMENTS

The following is a list of primary criteria the Canadian government requires from individuals to qualify for the SUV Program. These guidelines are lenient in comparison to other traditional business immigration programs, and are straightforward not enough to warrant confusion.

- Must own the rights of an innovative, sustainable and competitive idea, or be in partnership with that owner, that can create local jobs, compete globally in a high growth potential industry.
- Must gain support from a Canadian Designated Organization (e.g., Venture Capital Fund, Angel Investor, or Business Incubator). Designated organizations should consider your idea worth being supported.
- Must be able to obtain at least a CLB (Canadian Language Benchmark) 5 in language proficiency in English or French.
  - Must not be inadmissible to Canada from medical and security points: pass a medical exam and submit a criminal record check.

#### BESIDE THE PRECEDING GOVERNMENT REQUIREMENTS:

Invest a minimum of CAN\$80 000 in the business in order to get at least 10% shareholding in the Canadian company that will be incorporated in Canada to carry on this Innovative idea (name the "Qualifying business").

Another differentiating factor regarding the SUV Program is that there are no age restrictions, and no minimum assets required to be proven, except a minimum amount of money to support yourself and your dependents after you arrive in Canada which is on average 50K.





## CATEGORY #2: IMMIGRATION PROJECT FOR BUSINESSPEOPLE

There are immigration projects for business people allowing them to convert from work permit to immigration and subsequently use permanent residency options for skilled workers. These are possible scenarios:

- 1. Intra-company transferees (ICT) work permit and subsequent application for Canadian Permanent Residency within the Federal skilled worker program.
- 2. **C-11** category work permit and subsequent application for Canadian Permanent Residency within the Federal skilled worker program.

Business applicants may create their own employment in Canada by opening subsidiaries of their overseas companies or opening / investing in companies in Canada. Newly established businesses may be used to secure work permits, accumulate Canadian experience and subsequently apply for Canadian permanent residency using the federal skilled worker program for skilled workers.

#### **STAGE 1**

Creating a business in Canada and securing a work permit based on employment offer from newly established Canadian business.

#### STAGE 2

Accumulating Canadian employment experience by building an employeremployee relationship with Canadian business.

## STAGE 3

Applying for Canadian Permanent residency within the federal express entry program



#### THE FEDERAL EXPRESS ENTRY PROGRAM

# The Federal Express Entry program may be used after you accumulate at least 12 months of employment in Canada with a Work permit issues under the Intra-Company Transferees (ICT) or the C-11 program;



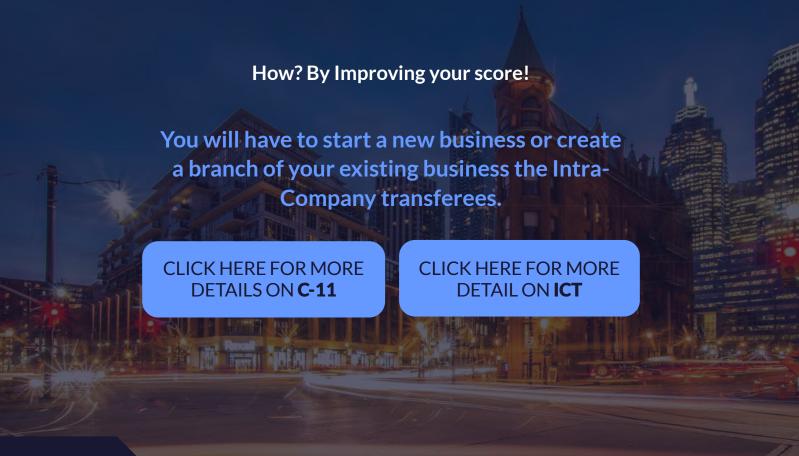


In less than 10 minutes, you can check your score on the Canadian Government web site:



You need to get a score of at least 440 in order to be qualified to apply under this program.

If you are still considering the Express Entry visa - route and if your score was under 440, and if you meet the minimum language level in English or French of **CLB 7**, we recommend that you to add some consolidation to your profile by using the Experience Class Category:





Those programs will allow you to come to Canada with a Working permit for a period of 12 months.

## THIS WILL HAVE 2 INTENDED OUTCOMES:

- 1. You will gain 12 months of work experience in Canada (which is a sizeable additional points on the Comprehensive Ranking System(CRS).
- 2. Your own Company in Canada may play the role of your Canadian employer, who would issue a Job offer to your benefit (again, highly rewarded in terms of points).

Then, after 12 months, we will reassess your points using the same **Comprehensive Ranking System (CRS)**,

#### A SECOND TIME AROUND:

- Up to 250 additional points can be obtained, which could make all the difference in your application!
- With a score exceeding 440 points, you will then be eligible and thus we will be ready to file your Permanent Residency application under the Express Entry.





# CATEGORY #3: PROVINCIAL NOMINEE PROGRAMS FOR BUSINESS:

These programs are offered by various provinces in Canada, and are designed to attract business owners and entrepreneurs who are interested in investing in a specific province and . Each province has its own criteria and selection process for this program.

Qualified candidates would need to enter Canada with province facilitated work permits which would be replaced by the nomination certificates and subsequent permanent residency. This is also a direct pathway to Canadian Permanent residency. However it is a multistage process consisting of work permit stage, provincial nominations and federal approval. Please keep in mind that as a provincial nominee you need to be prepared to reside in the province that nominates you until your permanent residency is issued (2 to 4 years on average).





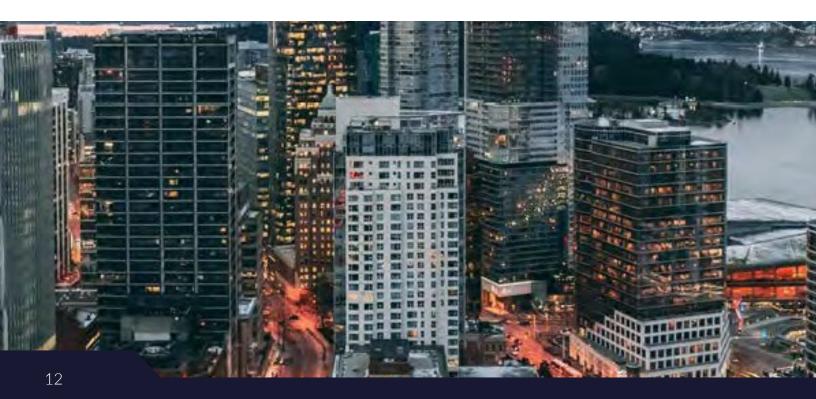
A hallmark of Canada's business immigration policies, the Provincial Nominee Programs (PNPs) refer to business immigration programs whose legislation is written and enforced by each province. PNPs have been in effect for much longer than the SUV Program (the first program was launched in 1999). They are still a widespread common form of business immigration options in Canada.

Prior to the establishment of the PNPs an overwhelming number of Canada's immigrant workforce was concentrated in a small number of the country's major metropolitan areas. Toronto, Montreal, and Vancouver comprised the bulk of migrant labor, which was viewed as an issue by both the federal and provincial governments.

A steady influx of business immigration applicants in these areas was undoubtedly beneficial for economic growth. Still, growing concerns of an excessive migrant population and its potential toll on local infrastructures essentially led to the birth of the modern-day PNP system. PNP became a viable business immigration plan for Canada's provinces.

The PNP system continues to be successful, and has recently witnessed a surge of growth in regions such as Ontario and British Columbia. However, in contrast to the SUV Program, PNPs require you to apply for a work permit first. Also, they are controlled by the respective Provincial Governments, and hence set specific regulations and guidelines for individuals wanting to live in their borders.

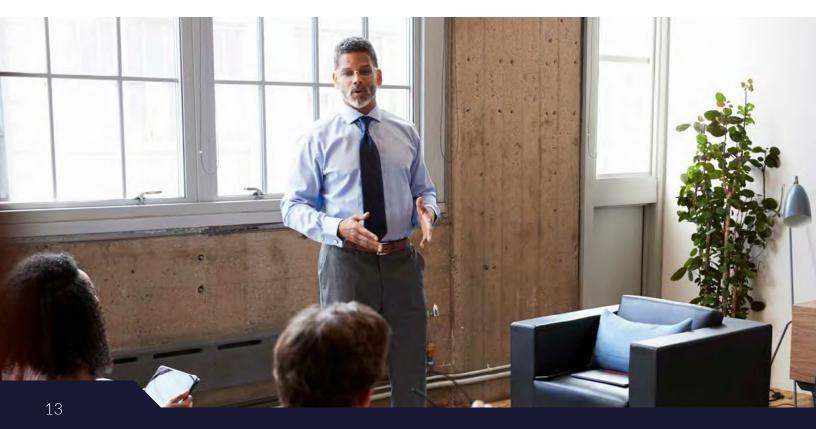
Due to the large number of PNPs existing in Canada today and the personalized policy requirements of each, it goes beyond this guide's scope to tackle discuss them all. The next section will highlight 4 of the more prominent PNPs, and provide details of each program's specific criteria.





## HOW TO SELECT BETWEEN THE FEDERAL START-UP VISA OR A PROVINCIAL NOMINEE PROGRAM? QUESTIONS TO CONSIDER.

The most effective way to simplify your choice between an SUV or PNP-based Canada entrepreneur visa is by answering a few questions about your particular business immigration needs. This is an efficient first step that will help you make the most of your time and minimize the stress often associated with the business immigration process.





## 1. IS PR PROCESSING TIME IMPORTANT TO YOU?

Acquiring permanent residency (PR) in Canada is a big milestone for businesspeople. This is because permanent residents have practically the same benefits as Citizens of Canada, such as access to social benefits including free education and universal medical care. Also, obtaining your PR is one step closer to becoming a citizen and getting the Canadian passport which is the top reason PR is invaluable for most applicants.

The time it takes to obtain PR varies greatly between Canada's SUV and PNP Programs. This is because you apply for direct permanent residency through Federal immigration authorities with the SUV. There is no need to apply for a work permit or Temporary Resident Visa first. How much faster can you obtain PR via SUV vs. PNP? The average processing time is 31 months, compared to 28-36 months.

While federal immigration programs are assessed by federal authorities only, provincial programs are double staged: the first stage is to submit an application to the provincial authorities and secure provincial nomination. Once the nomination is received, the applicant has to apply for Canadian Permanent residency via the federal immigration authorities. Subsequently processing times under Provincial nominee categories are much longer.





#### 2. DO YOU WANT SUPPORT IN YOUR BUSINESS IN CANADA?

Even the most experienced of entrepreneurs need help running their business at times. This is doubly important for individuals starting a company in a foreign country, and even more so for newcomers in a competitive industry. Much-needed assistance can come in many forms, be it funding, administrative support, access to technical resources, or simply help with navigating provincial regulations. Attaining the help of a dedicated, local partner can be crucial in making sure your business plan follows the proper channels and stands the best chance of being approved.

Startup companies are the reason most venture capital funding, business incubators, and angel investors exist. Their primary purpose is to help entrepreneurial professionals turn their visions into fully functional, profitable enterprises. A crucial difference between Canada's SUV and PNP business immigration programs is that SUV provides applicants for the opportunity to partner with a designated organization.



Other than direct PR, the fundamental difference between Canada's SUV and PNP business immigration programs is the ability to start your business anywhere in Canada (except for Quebec). Where you start your business is where you will move your family.

SUV and PNP have both achieved notable success with respect to their intended goals, but it is the restrictive nature of provincial programs that can hinder entrepreneurial success and personal goals. SUV applicants are not required to live or work in any specific province. Once approved, the candidates can start their company anywhere they want (except for Quebec).

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Since qualified SUV applicants are free to start their business in any province (except for Quebec), this tends to be more financially beneficial for them than if they apply with a PNP. For example, if you are approved for the SUV and decide to live and work in Ontario, your required investment is only CAN\$140 000 (with no personal asset requirement).



# 4. DO YOU HAVE AN ENTREPRENEURIAL START-UP MINDSET?

Many business owners tend to think of themselves as entrepreneurs, but the type of individuals that qualify for PNP and SUV business immigration visas are very different. The Federal Start-Up Visa Program is intended for entrepreneurial individuals who have an innovative idea for a product or service that can compete in a globally, competitive market. The idea must be new or currently unavailable in the market where it will be marketed.

Innovative ideas in the fields of biotechnology, healthcare, IT, or communications (all popular fields among entrepreneurial professionals who qualify for the SUV), differ greatly from traditional businesses (e.g., restaurants, hair salons, clothing stores), as do the individuals who own and operate them.

People who possess an entrepreneurial mindset are creative and resilient in their goal to transform their business visions into reality. These individuals are accustomed to failure, but they harness it to succeed. Thinking like an entrepreneur means overcoming challenges, being decisive in one's actions, and taking responsibility for these decisions regardless of the outcome. You don't have to be the next Steve Jobs, Mark Zuckerberg, or Jeff Bezos to qualify for a SUV Canada startup visa, but you do need the same mindset shared by these famous entrepreneurs. Therefore, the SUV is ideal for innovative professionals with a strong desire to create a startup in a competitive field, and be active in the development of that business on a dayto-day basis.



## **Final Thoughts:**

#### Start-Up Visa, ICT/C-11 or Provincial Nominee Program for Business?

Far from an in-depth look at every form of business immigration offered in Canada; this guide was created to help you better understand and hopefully determine what Canada startup visa program is best for you and your family. Here is a brief summary of the SUV, the Express Entry and PNP programs, and which business immigration applicants they suit best.

The Federal Start-Up Visa program is suggested for innovative entrepreneurs passionate about creating a new business in a globally competitive field with support from a Designated Organization (e.g. Venture Capital Firm, Angel Investor, or Business Incubator). These business owners desire the freedom to choose where they want to live in Canada, and do so quickly without restriction. Expedited PR is very important to these individuals, and is one of the top benefits offered by the SUV program (PR is attained in 12 to 16 months on average).

The Express Entry, for those who do not have the minimum points required, would either apply for the Intra-Company Transferee (ICT) or C-11 program to work 12 months in Canada in order to get up to 250 additional points.

Provincial Nominee Programs for Business are a great choice for traditional business owners who are interested in living and starting an uncreative business in a specific region of Canada. The requirements for these programs are individualized, rigorous, and known for having longer, PR waiting periods (28-36 months).

#### BASED ON EVERYTHING WE HAVE MENTIONED, WE BELIEVE THAT THE START-UP VISA IS THE BEST OPTION FOR BUSINESS PEOPLE BECAUSE IT PROVIDES:

- Direct Permanent Residency
- Fastest Processing time (31 months vs 28 to 36 months) PNP processing times become much longer due to the mandatory period of staying in Canada with a work permit prior to getting a provincial nomination.
- Flexibility to move anywhere in Canada (except Quebec)
- Support from a Canadian designated organization (venture capital firms, angel investors or incubators)



The DESJARDINS LAWYERS firm is committed to helping you with the answers to these questions, and any others you may have about your business immigration plans. Our team will make sure you choose the right business immigration program for you and your family.





# Need help Immigrating to Canada?

The Desjardins Lawyers team is ready to help you select and process the right business immigration program for you and your family. Let's start by checking your eligibility.

#### **CHECK MY ELIGIBILITY**

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