

INVESTMENT VISA



Visa to Establish or Join In a Business

**(Resident Starting a New/Joining
Existing Business)**

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A Current Resident & Starting a New or Joining in an Existing Business in Hong Kong?

When considering applying for a business investment visa as an entrepreneur in Hong Kong, be prepared to face one of the most challenging visa application processes. However, with careful planning, persistence, and guidance, you can navigate this complex procedure successfully.

If you already have a successful, well-established business overseas you are at a significant advantage in the application process. When applying via the application forms ID999A and ID999B, follow these steps to improve your chances of obtaining the visa:

(1) Understand the requirements: Familiarize yourself with the general requirements for a business investment visa and apply them to your entrepreneurial circumstances. Be aware of common misconceptions, such as the need to pay a certain amount of tax or invest a specific sum of money. Focus on demonstrating your ability to make a substantial contribution to Hong Kong's economy, as this is the most critical aspect of the application.

The approvability test of substantial contribution to the economy of Hong Kong entails several factors, including the creation of local jobs, the introduction of new skills, technology, or knowledge, having a properly set up office in Hong Kong and having sufficient funds to materialize your business plan. The generation of revenues to be able to show sustainability and/or other economic benefits to Hong Kong will all also be required. To satisfy this test, you'll need to present a well-prepared business plan that clearly outlines your business's objectives, market analysis, financial projections, and operational strategies.

(2) Show the Immigration Department that you have big plans for your business in Hong Kong. Be prepared to back up your claims with evidence and documentation, as this will be crucial in demonstrating your commitment and potential for success. This may include a track record of entrepreneurship, financial forecasts for the new Hong Kong business, and any relevant qualifications, experience, or industry connections that demonstrate your ability to make a substantial contribution to the Hong Kong economy.

(3) Seek professional assistance: The business investment visa application process is lengthy and challenging. If it's within your means, consider seeking the help of professionals to guide you through the entire procedure. Their expertise can help you avoid common pitfalls and improve your chances of approval. Professional assistance can be particularly helpful in preparing a strong business plan and compiling the necessary documentation to support your application.

(4) Secure a strong sponsor: Engage a sponsor who is a bonafide Hong Kong resident, preferably a permanent Hong Kong identity card holder. If possible, find a business or commerce-related party who can demonstrate their willingness to support and sponsor your business endeavours. Their involvement will send a strong message to the Immigration Department and contribute to a more favourable consideration of your application. A reputable sponsor can also provide invaluable connections, resources, and industry knowledge that can enhance your business's potential for success in Hong Kong.

(5) Be mindful of the Catch-22: As a current visitor in Hong Kong, be aware of the need to submit your application as soon as your intentions to join or start the business have crystallized. Failing to do so may leave you vulnerable to prosecution for breach of conditions of stay. This Catch-22 highlights the importance of getting your application in as soon as possible, so the Immigration Department is aware of your intentions and can consider your circumstances accordingly.

(6) Choose the appropriate business structure: Before applying for a business investment visa, set up a limited liability company to demonstrate your commitment to the business as a limited liability company structure offers more credibility, protection, and stability, which can enhance your application's chances of approval.

(7) Be patient and persistent: The business investment visa application process takes four to six months to finalize and can be emotionally and time-consuming. Stay committed to your goals, seek professional assistance when needed, and maintain a positive outlook throughout the process. Don't be disheartened if your application encounters setbacks or delays; continue refining your business plan, gathering supporting documentation, and working towards your objectives.

(8) Prepare a comprehensive business plan: A well-prepared business plan is crucial to demonstrating your potential for making a substantial contribution to the Hong Kong economy. Your business plan should include a detailed market analysis, marketing and sales strategies, competitive analysis, operational plans,

and financial projections for at least three years. Ensure that the plan is realistic, feasible, and aligned with the current market conditions and industry trends in Hong Kong.

(9) Provide detailed financial projections: As part of your business plan, prepare financial projections that demonstrate your business's potential for generating substantial revenue or other economic benefits for Hong Kong. This may include profit and loss statements, cash flow forecasts, and balance sheets. Be prepared to explain the assumptions and calculations behind these projections, as the Immigration Department may scrutinize them closely.

(10) Highlight your relevant skills, experience, and qualifications: Showcase your skills, experience, and qualifications that are relevant to your proposed business in Hong Kong. This may include your educational background, professional experience, industry certifications, and any previous entrepreneurial endeavours. Demonstrating your expertise and ability to manage and grow a successful business can significantly strengthen your application.

(11) Provide evidence of sufficient funding: The Immigration Department will want to see evidence that you have enough financial resources to support your business and yourself during the initial stages of operation. This may include bank statements, investment portfolios, and other financial documents. Ensure that the funds are readily available and can be transferred to Hong Kong as needed. By following these steps, you can maximize your chances of obtaining a business investment visa as an entrepreneur in Hong Kong.

The Hong Kong Immigration Department has a special visa arrangement called the Start-up Visa to attract entrepreneurs, especially those with innovative ideas and businesses supported by a government-accredited program. Under the Start-up Visa, if your start-up is supported by a recognized Hong Kong government-backed program, your chances of obtaining a visa under the General Employment Policy (GEP) may be significantly improved.

Some of these government-backed programs include:

(a) Cyberport Incubation Programme

(b) Design Incubation Programme

(c) Hong Kong Science and Technology Parks Corporation's Incu-App, Incu-Bio, and Incu-Tech programs

(d) Small Entrepreneur Research Assistance Programme (SERAP) by the Innovation and Technology Commission

(e) Film Production Grant Scheme by Create Hong Kong. If your start-up is supported by one of these programs or another government-accredited organization, the Immigration Department will consider your application more favourably. Such endorsement increases your chances of obtaining the visa, as it demonstrates the potential of your business to make a substantial contribution to the Hong Kong economy.

While the Start-up Visa can provide a significant advantage, it is essential to note that you will still need to meet the other requirements of the General Employment Policy. This includes having a good educational background or relevant professional experience, a clear employment contract with terms matching the local market standards, and evidence of your ability to support yourself and your business without relying on public assistance. Consequently, if your start-up is supported by a government-accredited organization, your visa application is likely to be viewed more favourably by the Hong Kong Immigration Department.

However, you must still ensure that you meet the other requirements of the General Employment Policy and provide all necessary supporting documents to maximize your chances of success.

Here is a summary of the required documents and information which you should endeavour to supply if already available:

- application forms ID999A (applicant) and ID999B (sponsor), along with
- a recent photograph,
- a copy of your passport's details page and your current visa if you are in Hong Kong (including for all your accompanying family members seeking dependant visas - legal spouse and children under the age of 18) birth and marriage certificate,
- an up-to-date CV,
- photocopies of graduation certificates and proof of academic qualifications,
- copies of prior employment references and testimonials,
- a letter of engagement or employment contract with your own business entity,
- a copy of your Business Registration Certificate,
- copies of the latest audited financial report and/or management accounts (if available),
- latest profits tax return, and the most recent Annual Return filed with the Registrar of Companies (FORM NAR1)
- company brochures, product and/or services information, promotional materials, general proofs of business,
- office tenancy agreements, and documents relating to any substantial overseas parent company.
- colour printout of your company's website, bank statements for the last six months, a confirmed client list,
- a chart or graph showing projected turnover for the next 24 months, proof of monetary injections into the business,
- three colour photographs of your company's office premises,
- a copy of your current staff list with relevant details,
- copies of Mandatory Provident Fund Certificate, debit note and bank deposit receipt,
- copies of Employees' Compensation Insurance Policy, debit note and receipt, and
- a complete business plan if one has already been written.

A dependent's application may be approved if there's proof of a genuine relationship, no detrimental records, and the sponsor can provide financial support and suitable accommodation. The dependent's length of stay is linked to the sponsor's, and dependents are required to leave Hong Kong when the sponsor leaves. Dependents are allowed to work in Hong Kong under existing policy. High quality scan marriage and birth certificates need to be in English or Chinese or otherwise provided as official certified translations. If children are soon to turn 18 years of age, their eligibility to qualify for the visa will end when they reach majority age (although once issued, such visas can be readily extended after the child reaches 18). Moreover, any such children included in the application must be unmarried and self-evidently still dependant on the sponsoring parent. Step children qualify for visas but the consent of the second biological parent might well be required in writing as part of the visa approval process. Please note that the fact of you being in Hong Kong as a visitor does not in any way enhance or detract from the consideration exercise in the grant of the type of application you will be pursuing (often hybrid employment/business investment visa as an entrepreneur).

In the exercise of establishing your presently existing international business in Hong Kong, you are not permitted to formally engage in any commercial activities as a visitor other than those preparatory to the commence of your business until and unless your visa application has been approved. Moreover, if your family are in Hong Kong with you at this time, children are not permitted to attend school under their visitor permissions.

It normally takes ImmD 4-6 months to finalize a business investment visa application for an entrepreneur and family and the mere fact of you being in Hong Kong while they are processing your application doesn't avail an automatic right to an extension of your present limit of stay as a visitor. You will thus need to arrange a means to extend your visitor permissions if they are going to expire before your approval comes through. Do not be tempted to overstay under any circumstances.

You can apply at the Immigration Department directly for an extension but they generally do not encourage this as it involves a lot of time and resources for them to manually process an extension of stay. Generally, ImmD prefer that you exit and re-enter Hong Kong if you need to stay compliant. You can do this via same-day IN/OUT to Macau or Shenzhen easily enough (assuming you have a visa for China). Be sure to take proof of your substantive visa application reference numbers with you if you undertake the 'Shenzhen Shuttle' in this fashion. The ImmD Officer at the point of arrival back in Hong Kong might want to see this if you tell him the reason for your 'double back' is to secure a defacto extension to your visitor permissions until your main applications have been approved.

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| Useful Resource 1 | Essential Approval Criteria |
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| Useful Resource 4 | The Hong Kong Startup Visa |
| Hong Kong Visa Handbook Contents | |
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