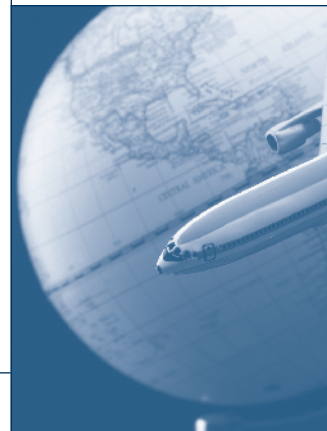


Visas and Foreign Direct Investment Supporting U.S. Competitiveness by Facilitating International Travel



“A free and open international investment regime is vital for a stable and growing economy, both here at home and throughout the world...While my Administration will continue to take every necessary step to protect national security, my Administration recognizes that our prosperity and security are founded on our country’s openness.”

— President George W. Bush, May 10, 2007

Introduction

The U.S. Department of Commerce has long recognized the importance of the availability of visas for U.S. business. It is part of the Commerce Department’s goal of facilitating the creation of U.S. jobs and making it easier for all U.S. businesses, including those owned by international corporations, to attract the best and brightest minds from around the world.

Many have identified the problem—finding the right balance between security and commerce—and the Commerce Department continues to be committed to finding a solution. It is important that any such solution be one that reinforces the process of legal immigration and maintains control of the nation’s borders.

An important aspect of visa and travel facilitation is the effect on jobs created from foreign direct investment (FDI). This FDI dimension of business travel and mobility emerged in connection with President Bush’s recent Open Economies Statement, which noted the fundamental importance of international investment to the U.S. economy. The timely availability of visas is, in fact, a topic always front and center wherever the issues surrounding FDI are discussed.

November 2007

- Introduction 1
- Importance of FDI to the United States 2
- Effect of Business Travel Facilitation on FDI 2
- The Challenge 3
- Visa Categories Relevant to Foreign Investment 4
- The Visa Process 5
- Ongoing Efforts to Improve the Process 5
- Examples of Innovation and Improvement 7
- Areas Where Additional Attention Is Needed 8
- Appendix 11



Foreign firms employ more than 5 million U.S. workers through their U.S. affiliates and have created more than 4.5 million indirect jobs.

Importance of FDI to the United States

Foreign direct investment plays a major role in the U.S. economy, both as a key driver of the economy and as an important source of innovation, exports, and jobs.¹ Because the U.S. share of global FDI inflows has declined since the late 1990s and the competition to attract FDI has grown more intense, the United States must strive to maintain its ability to attract FDI. One of the more important issues facing those interested in investing in the United States is the timely availability of business-related visas.

The United States is the world's largest recipient of FDI (\$175.4 billion in 2006, almost double that of 10 years earlier). At \$1.789 trillion, the total stock of FDI in the United States in 2006 was equivalent to 13.5 percent of the U.S. gross domestic product. Foreign firms employ more than 5 million U.S. workers through their U.S. affiliates and have created more than 4.5 million indirect jobs. In addition, foreign firms account for 10 percent of U.S. capital investment, 15 percent of annual research and development in the United States, and almost 20 percent of U.S. exports. Additionally, although less than 10 percent of the U.S. overall workforce is employed in manufacturing, 30 percent of the jobs created by foreign firms in the United States are in that sector. Furthermore, in 2005 the average compensation at foreign-owned firms in the United States was more than 30 percent higher

than that at private sector firms in the remainder of the U.S. economy.

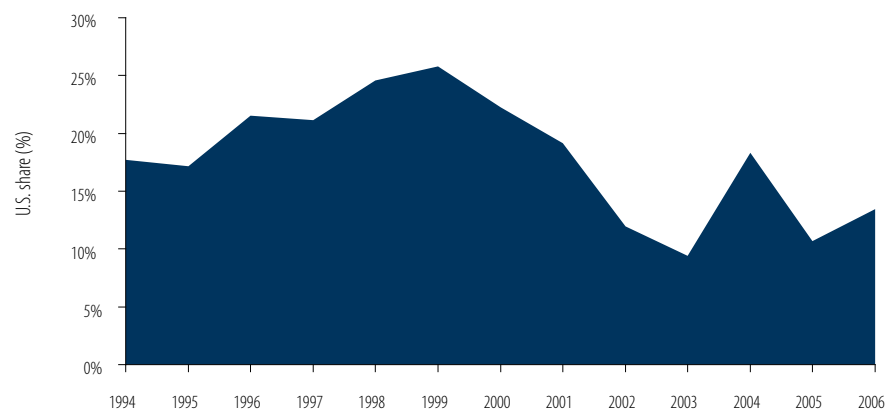
However, the U.S. share of global FDI inflows has fallen since 1999 (Figure 1). This trend reinforces the need for the United States to renew its commitment to open investment and to policies that make the United States attractive to FDI.

Effect of Business Travel Facilitation on FDI

Foreign investors view the ease with which they can travel to the United States as a key indicator of how easy it will be to make or administer an investment. Under the Visa Waiver Program (VWP), nationals of many countries with the largest current FDI inflows into the United States do not require visas for simple business visits of fewer than 90 days. Potential investors who are not from VWP countries must obtain a visa before they travel to the United States for business discussions, site selection, due diligence, and other activities needed to properly assess an investment. Timing of trips can be critical. Visas are required for relocation to the United States for the purpose of managing an investment after it has been made.

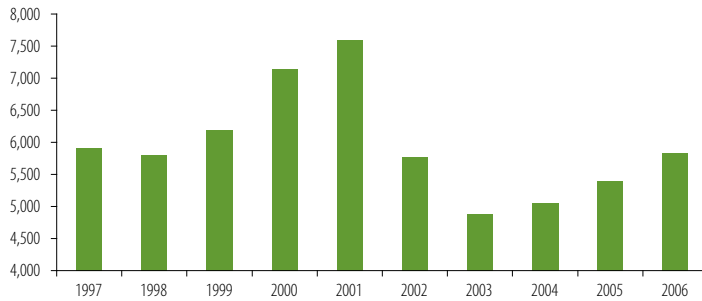
The total number of non-immigrant visas issued dropped significantly after September 11, 2001 (Figure 2). Although visa growth resumed

Figure 1. U.S. Share of Global FDI Inflows, 1994–2006



Source: United Nations Conference on Trade and Development, World Investment Report. Analysis of data provided in UNCTAD Foreign Direct Investment data base, November 2007. www.unctad.org/Template/Page.asp?intItemID=1923&lang=1.

Figure 2. Nonimmigrant Visas Issued, 1997–2006
(In Thousands)



Source: U.S. Department of State Visa Statistics
Non-immigrant visa issuances by visa class and by nationality
http://travel.state.gov/visa/frvi/statistics/statistics_1476.html

between 2003 and 2006, it has not reached pre-2001 levels.² In 2006, the total number of non-immigrant visas issued increased nearly 20 percent from the prior year, reaching 5.8 million issued. A similar trend can be observed in visa-free travel under VWP as well, indicating that visa application-related issues are not a single factor in these trends.

Although it is not the proximate cause of the declining share of FDI flows since 1999, the timely availability of business visas is a significant concern.³ It is viewed as a critical business issue—and not just for the FDI community. In the aftermath of September 11, 2001, the United States adopted a variety of new statutory and regulatory requirements for those foreign nationals seeking visas for entry into the United States, including the general requirement that people applying for visas be individually interviewed in person at a U.S. embassy or consulate and that foreign visitors be fingerprinted in connection with their visit.⁴

The first concern of the United States is the safety and security of Americans. The nation must ensure that appropriate mechanisms are in place to facilitate legitimate visits, including those by potential investors.

The Department of State has implemented many tangible measures to work with the business community, including the creation of the Business Visa Center and a public-private working group on busi-

ness facilitation. The State Department has a robust process of supervisor review and a public inquiry center within the Bureau of Consular Affairs.

The Challenge

As noted, the presence or perception of delays in obtaining the necessary visas can give an international investor the impression that it may be difficult to finalize or oversee an investment in the United States. It is important to have in place the people and facilities needed to efficiently handle the demand for visas. Myths and misperceptions regarding the difficulty of the visa process must also be promptly debunked so as to prevent an inaccurate assessment of the U.S. system. For example, residents of countries such as Brazil, China, and India perceive that it is extremely difficult to obtain a visa to the United States, yet the substantial majority of visa applicants in those countries do receive visas. More than 1.1 million non-immigrant visas were issued in 2006 for these three countries alone—almost 19 percent of all non-immigrant visas issued worldwide last year.

Security concerns are paramount, but the United States must regularly reexamine the business-related visa process to identify new opportunities to make it more efficient, user-friendly, and timely. The challenge is to maintain a visa process with the following characteristics:

- **Efficient.** Employing new technology, real-locating resources, and improving the flow of

The ease with which business travelers can come and go is a factor in attracting FDI.

information have increased the efficiency of the process and will continue to do so. In addition, bottlenecks, backlogs, and process gaps should continue to be identified and robust mechanisms should continue to be developed to address those issues.

- **User-friendly.** Regular surveys can measure and track the entry experience and can identify ways to make the process more welcoming while drawing attention to any significant problems. Ways to increase point-of-service using Web-based processes and facilities outside of the current embassy and consulate structure are being actively explored.

- **Transparent.** Efforts should continue to increase procedural transparency and predictability, building on the Web site and public information structure already established. Appropriate mechanisms for handling public inquiries should continue to be enhanced.

- **Prioritized.** By building on business facilitation procedures already in place at consular posts, priority visa processing for appropriate countries, individuals, and organizations helps facilitate inbound investment. Similarly, continued efforts to standardize processes will minimize disparities in service among countries.

- **Accountable.** Work should continue to establish clear and meaningful measures of productivity for immigration, visa, and admission processes.

Capital, including human capital, goes and stays where it is well treated. The ease with which business travelers can come and go is a factor in attracting FDI.

Visa Categories Relevant to Foreign Investment

A variety of visas are relevant to the FDI process in the United States (see Appendix, Table 1). Non-U.S. citizens, or aliens, seeking to enter and remain in the United States temporarily are known as non-immigrants. Such persons are admitted for a temporary period of time and an expressed purpose. There are

24 major non-immigrant categories and 70 specific types of non-immigrant visas. Only a few of these non-immigrant visa categories are relevant to international businesses and investors as follows (a more detailed description of these visas is provided in the Appendix, Table 1):

- **B-1 Business Visa and Combined B-1/B-2 Business and Visitor's Visa.** Issued for short stays for business or pleasure, these visas accounted for 52.3 percent of the total visas issued in 2006. Visitors in these classes of admission are generally granted stays of 90 days (VWP) or up to 1 year.

- **H-1B Specialty Occupation Visa and H-2B Non-agricultural Temporary Workers Visa.** These visas are frequently used by established U.S.-based businesses to hire temporary skilled and non-agricultural unskilled workers.

- **L-1 Managerial/Executive Visa.** This visa is granted to managers, executives, or employees with specialized knowledge who come to the United States to work for the same employer, subsidiary, or affiliate overseas. Although there is no general non-immigrant visa category for non-immigrant investors,⁵ there are special visa categories authorized under bilateral treaties between the United States and specific foreign countries.⁶

- **E-1 Treaty Trader Visa.** This visa focuses primarily on facilitating trade with the United States, but is also relevant to foreign companies with significant U.S. trade that are also looking to make a U.S.-based investment. To qualify, among other elements, the international trade associated with the firm must be "*substantial*" in the sense that there is a sizable and continuing volume of trade and the trade must be principally between the United States and the treaty country.

- **E-2 Treaty Investor Visa.** This visa is aimed at entities looking to make an investment in the United States. Several specific investment-related requirements apply, including a requirement that the investment be substantial and sufficient to ensure the successful operation of the enterprise.

The E-1 Treaty Trader Visa and E-2 Treaty Investor Visa are available to citizens of 80 countries (see Appendix, Table 2). The E-1 and the E-2 visas do not require a specific minimum capital investment, although the level of investment is relevant to the E-2 visa. Interestingly, the existence of these special treaty-based visas has not been widely publicized, although they are clearly described on the Department of State Web site.⁷ In 2006, more than 8,000 E-1 visas were issued (including principal, spouse, and dependents), as well as more than 29,000 E-2 visas (also including principal, spouse, and dependents) (see Appendix, Table 3).⁸

In addition, the Visa Waiver Program (VWP) allows citizens of 27 countries to enter the United States without a visa as a visitor for business or pleasure for visits not to exceed 90 days (see Appendix, Table 4).⁹ The program is designed to facilitate international travel and commerce and ease consular office workloads for those countries that have low visa refusal rates and that meet other security requirements designed to ensure that aliens traveling to the United States under VWP are not a threat to the United States. Although VWP makes it considerably easier for an investor to make short-term visits to the United States during the initiation or management of an investment, investors from VWP countries must apply for longer-term visas if they wish to work in the United States.

The Visa Process

The process of applying for a visa involves multiple steps and can be time consuming. Following the terrorist attacks of September 11, 2001, visa and entry policies and procedures were revised by regulation and legislation to increase the security of the country. Understandably, these safeguards require additional resources and time. Typical visa application steps can be found online at www.unitedstatesvisas.gov.¹⁰

Delays can arise at the various stages of visa processing. Appointment availability generally does not keep up with peak demand during the summer months, and delays can often be expected. Although security screening requirements can slow down individual cases, such

security screening is necessary because visa fraud is recognized as a serious matter and is unacceptable. The United States is committed to doing what is needed to ensure that only legitimate visa applicants are granted visas. Visa processing time also varies by individual and by country, depending on demand, clearance requirements, and available resources, because all adjudications are on a case-by-case basis and require the applicant to demonstrate eligibility. The Department of State has reallocated resources to alleviate severe backlogs in some locations, as described later in this report. The Department of State has also posted appointment wait times on the Internet for all visa processing posts so as to increase the transparency of the system and facilitate travel planning (see Appendix, Table 5).

Ongoing Efforts to Improve the Process

The U.S. government has recognized the importance of visa issues to business and the economy and addresses these issues.

In January 2006, the Secretary of State and Secretary of Homeland Security created the Rice-Chertoff Joint Vision: Secure Borders and Open Doors in the Information Age initiative as a commitment to striking the correct balance between facilitating the travel of legitimate international visitors to the United States and vigilantly protecting U.S. border security. This initiative aims to improve the following:

- The efficiency, predictability, and transparency of the visa process
- The security of U.S. passports and other travel documents
- The U.S. government's ability to screen visa applicants and travelers who arrive at U.S. borders

During the past year, the Department of State and Department of Homeland Security have made progress in advancing these objectives. Visa processing delays have been reduced substantially through improvements such as mandated use of

**In February 2007,
State established
a worldwide
customer service
goal by which every
U.S. business visa is
to be scheduled for
an appointment in
15 days or less.**

an electronic visa application form at consulates worldwide in November 2006 and introduction of an Internet-based visa appointment system. Other initiatives have been launched by the private sector and by the government, with notable success, as follows:

• **The Department of State.** The Department of State manages the visa process as a central part of its consular operations. Authority for visa policy is vested in the Department of Homeland Security and is implemented by the Department of State through its 218 visa-issuing posts around the world.¹¹ The Department of State is opening new consulates in key countries while transferring consular positions to understaffed posts. Since 2001, 570 new consular positions were created to meet growing global demand. Furthermore, the department has automated the interagency information-sharing process, and all posts have established procedures to expedite visa appointments for business travelers. In February 2007, State established a worldwide customer service goal by which every U.S. business visa is to be scheduled for an appointment in 15 days or less. Members of business facilitation programs at most U.S. missions abroad receive expedited visa appointments. The State Department also opened the Business Visa Center to assist U.S.-based businesses seeking visas for their foreign employees, clients, and partners who want to travel to the United States. In 2006, the center fielded more than 5,000 inquiries from U.S. firms and assisted more than 311,000 business travelers.

• **The Department of Homeland Security.** The Department of Homeland Security (DHS) manages the immigration and customs processes at each port of entry to the United States, at offices and stations throughout the United States, and in select U.S. embassies. Although DHS draws from across the department, this work is performed primarily by personnel from the U.S. Citizenship and Immigration Service (USCIS), Customs and Border Protection, and Immigration and Customs Enforcement at each port of entry to the United States. The department's Unique Identity Initiative will provide the capability to improve identity establishment and

verification with the deployment of 10-Print scanners to U.S. ports of entry and with the Department of State's implementation of this capability at visa-issuing posts. Furthermore, this initiative improves the interoperability between DHS's Automated Biometric Identification System and the Federal Bureau of Investigation's Integrated Automated Fingerprint Identification System. In addition, DHS proposes to transform and improve USCIS business processes and to replace outdated information technology systems, which will automate USCIS operations, improve processing times, increase security and fraud detection, and improve customer service.¹²

• **The Department of Labor.** The Department of Labor's Office of Foreign Labor Certification plays a key role in the adjudication of several business-related visas, including H-1B and H-2B visas. As a part of the application process, the office must certify that, with respect to H-2B visas, there are insufficient U.S. workers who are qualified and willing to fill a position at a specified company, and with respect to both visa categories, non-immigrant employees must be paid at least the prevailing wage and provided working conditions comparable to those for similarly employed U.S. workers. The purpose of this provision is to ensure that job opportunities and wages of U.S. workers are not adversely affected by the admission of foreign workers.

• **The Department of Commerce.** The Department of Commerce works closely with the Department of State's Bureau of Consular Affairs' Visa Office, both in Washington and through its Foreign Commercial Service in embassies around the world, to find ways to improve the application and approval process for visas. The Secretary of Commerce has stressed the importance of visa facilitation, particularly for business visas, as a top U.S. business priority. Furthermore, in recognition of the importance of FDI, the Department of Commerce launched "Invest in America" to promote FDI in the United States. In addition to its investment promotion activities, the initiative works within the Commerce Department and with other U.S. government agencies to identify and address federal issues that may impede investment.

Examples of Innovation and Improvement

A number of innovative programs have been designed to address the visa challenge. At least two programs are worthy of duplication: (a) The U.S. embassy in India program targeting the visa application backlog and (b) the business visa programs being implemented by the Bureau of Consular Affairs, U.S. embassies, and the American Chambers of Commerce in various countries around the world.

Case Study: India

“Nothing is more important for the future of our two countries than the strong and growing bond of business and people-to-people contact. Strengthening these connections is the future of U.S.-Indian relations, and we have begun this today.”

— U.S. Ambassador to India David Mulford, New Delhi, October 5, 2006

Visas for travel from India to the United States were delayed by an increasingly high demand that generated backlogs. Ambassador David Mulford identified the issue as a main priority and pledged to “reduce the waiting time for a visa appointment with the goal of eliminating this waiting period altogether.”¹³ Ambassador Mulford committed all available U.S. embassy resources to processing applications for non-immigrant visas, and the Department of State assigned additional consular officers and temporary duty officers to India from other parts of the world.

According to Peter Kaestner, Minister Counselor for Consular Affairs at the U.S. embassy in New Delhi, these efforts initially resulted in a 52 percent increase in visa production. Press reports state that “[v]isa applicants, who typically waited for months on end for an appointment, are now greeted on the Embassy’s Website with the surprising greeting: ‘Visa appointments are now available in all categories.’”¹⁴

The U.S. embassy has reiterated its commitment to stabilize this level of performance and to

continue making the process more efficient and customer friendly.¹⁵

Case Study: American Chamber of Commerce China Business Visa Program

The American Chamber of Commerce (AmCham) in China and the U.S. Mission there have had a business visa program in place for five years. Designed in cooperation with the U.S. embassy, the program allows qualified AmCham member companies in China to apply quickly and conveniently for U.S. visas for their Chinese staff members and business associates. Although participation in the program does not guarantee that an applicant will be granted a visa, it tends to speed up the application process.

The program offers the following services: (a) a voluntary visa tracking program that documents a company’s record of compliance with the requirement that staff members and associates return to their home country; (b) the Visa Help program, which assists a company with the various aspects of the U.S. visa application process; (c) the Executive Referral Service, which assists major customers of U.S.-owned companies with the visa interview process; and (d) a trusted traveler–trade show verification program, which is available to member associations with delegations or exhibitors registering through aggregators.

The Executive Referral Service in Shanghai has been particularly successful. Under the program, direct-hire employees of participating companies who are traveling on legitimate company business are eligible for expedited interviews at a time reserved for AmCham Corporate Visa Program participants. Although the program was initially limited to U.S.-owned AmCham members, eligibility was recently expanded to include non-U.S. firms that have been AmCham corporate members for at least six months and that maintain a significant business presence in the United States. This latter aspect is particularly relevant to the concerns of the FDI community.

The program has been so successful that the Department of State recently sent a cable to all diplomatic and consular posts on “Establishing an Effective Business Referral Program,” which is

available on the Internet.¹⁶ Similar programs are now being implemented by other U.S. embassies and AmChams around the world, including those in Brazil, the Czech Republic, Russia, and Ukraine.

Areas Where Additional Attention Is Needed

The U.S. government has recognized the importance of visa issues to business and the economy and continues to work to address these issues. Although the initiatives described earlier have had notable success, additional attention is needed in several areas:

- **International investment focus.** Traditionally, government efforts to improve the visa process have been focused on the needs of U.S.-owned businesses. Existing and potential international investors face many of the same issues as U.S.-owned businesses. Such investors are important to U.S. economic growth and job creation. Thus, efforts to address specific visa-related concerns associated with FDI need to be encouraged. In that regard, the international investment community has indicated that it would support developing a non-immigrant investor visa within the E category that is available to international investors outside the bilateral treaty process. This approach should be explored. It is worth noting that investor visas generally are associated with creating jobs in the United States and thus would not be subject to the criticisms sometimes leveled at visas authorizing temporary workers.

- **Registered business traveler facilitation programs.** The U.S. embassies should continue to promote business visa facilitation programs and draw actively from the models of successful efforts such as the Business Visa Facilitation Program implemented by the U.S. embassy Beijing and AmCham China. Such programs should be reasonably transparent and accessible at all posts and should allow U.S. and foreign businesses, including established international investment entities, access to expedited appointments when required for time-sensitive business needs.

- **Further strengthening of public information efforts.** The primary need is to correct misperceptions about both visas and U.S. openness to FDI. It is important to target business travelers through consular officers who meet with travelers and speak at business events to dispel myths and to encourage early visa applications that allow sufficient processing time. Similarly, the Department of Commerce—and in particular the Foreign Commercial Service—must, through outreach and direct engagement abroad, continue to foster awareness that the United States is open to international investment.

- **Expanded range and points of service with new technology.** The Department of State and DHS have made significant strides in evaluating and using new technologies to streamline the visa application process. The use of Internet-based and other new technologies should be expanded where appropriate. Internet-based programs will continue to move toward a comprehensive e-commerce model that allows appointment scheduling, applications, and payments to be made online. New technology for secure offsite collection of biometrics is currently under consideration and should be explored. Experimentation with technology that could distribute points of service outside the current embassy and consulate network should continue.

- **Performance standards.** It will be important to establish clear and meaningful productivity measures for immigration, visa, and admission processes. These standards can then provide numbers against which the system can be measured and performance improvements sought. As appropriate, these standards could form the basis for public service-level agreements and internal management review. It is important to note, however, that visa eligibility and issuance and admissibility to the United States are determined on a case-by-case basis. Therefore, it would be inappropriate simply to link performance of the Department of State and DHS to the number of visas issued or number of persons admitted. Each case is evaluated on its merits. If an applicant is ineligible for a visa or is inadmissible to the

United States, the Department of State and DHS do not have discretion to grant a visa or admission contrary to statute.

Notes

¹ The U.S. Bureau of Economic Analysis defines FDI as “an investment in which a resident of one country obtains a lasting interest in, and a degree of influence over the management of, a business enterprise in another country.” U.S. Department of Commerce, Bureau of Economic Analysis, “Foreign direct investment in the United States (FDIUS)” (November 2007), glossary entry, at www.bea.gov/glossary/glossary.cfm?key_word=FDIUS&letter=F#FDIUS.

² There was a surge in visas issued in 2000 and 2001 because of the replacement of the Mexican Border Crossing Cards with actual visas. The number of nonimmigrants admitted (as opposed to number of nonimmigrant visas issued) in 2006 slightly exceeded the pre-9/11 total. See “Temporary Admissions of Nonimmigrants to the United States: 2006,” DHS Office of Immigration Statistics, Figure 1, www.dhs.gov/xlibrary/assets/statistics/publications/NI_FR_2006_508_final.pdf.

³ Some people in the domestic and international business communities have expressed concern that many legitimate international visitors may now avoid travel to the United States because they feel the United States is not a welcoming destination. Jeff Bliss and John Hugues, “World’s ‘Worst’ Visa System Scares Business away from the U.S.,” Bloomberg.com, December 26, 2006. See also Andrew Glass, “Have Money, Won’t Travel,” *Politico*, October 2, 2007, www.politico.com/news/stories/1007/6127.html. For the importance of visa availability internationally, see U.S.–Japan Partnership for Growth, *United States–Japan Investment Initiative 2007 Report* (Washington, DC: U.S. Department of State, June 2007), www.state.gov/documents/organization/86189.pdf. See also the Office of the United States Trade Representative, *U.S.–Japan Regulatory Reform Report* (Washington, DC: U.S. Department of State, 2007).

⁴ Not all foreign visitors are fingerprinted. In general, Canadians and other foreign nationals with waivers such as A, G, and NATO category visas are not fingerprinted. In addition, A, G, and NATO foreign nationals are not normally interviewed.

⁵ There is a visa issued specifically for immigrant foreign investors, the EB-5 visa, although it is generally viewed as being underused. In contrast with the previously described visas, this visa is intended for foreign investors who plan to reside permanently in the United States.

⁶ For more on the special visa categories, visit www.travel.state.gov/visa/temp/types/types_1273.html.

⁷ For more on the special treaty-based visas, visit www.travel.state.gov/visa/temp/types/types_1273.html.

⁸ Additions to the previously mentioned options have recently been authorized in specific bilateral agreements: (a) E-3 Australian Treaty Aliens in Specialty Occupations Visa is issued to Australian nationals who perform work in a specialty occupation, allowing them to work temporarily in the United States; (b) H-1B1 Chile and Singapore Free Trade Agreement Professional Visa is issued to Singaporean or Chilean nationals who are engaged in a specialty occupation and hold at least a postsecondary degree. A U.S. employer must furnish a job letter, but no petition is required. Additionally, a TN Canada and Mexico (North American Free Trade Agreement) Visa provides for a temporary stay to engage in business activities at a professional level as provided for in Section D of Annex 1603 of the agreement.

⁹ A list of the 27 countries subject to the VWP appears in Table 4 of the Appendix. Canada and

a few island nations, such as Bermuda, have visa waivers as well under different authority than VWP.

¹⁰ For more on visa applications, visit www.united-statesvisas.gov/pdfs/gettingavisa.02.03.pdf. Some visas, such as the H-1B visa, require the applicant to obtain an approved petition from the U.S. Citizenship and Immigration Services before filing the visa application with the Department of State.

¹¹ For more on visa policy, see the Memorandum of Understanding between the Secretaries of State and Homeland Security Concerning Implementation of Section 428 of the Homeland Security Act of 2002, Washington, DC, September 28, 2003.

¹² In 2006, DHS formally recognized the Asia-Pacific Economic Cooperation Business Travel Card program and implemented dedicated entry lanes at all international airports to facilitate and speed the entry into the United States of foreign business professionals who are members of the program.

¹³ Allison Hanken, "Visa Dawn," *Little India Magazine*, December 12, 2006, www.littleindia.com/news/160/ARTICLE/1415/2006-12-12.html.

¹⁴ Ibid.

¹⁵ Ibid.

¹⁶ For the cable and more, visit http://travel.state.gov/visa/laws/telegrams/telegrams_3033.html.

Appendix

Table 1. Visa Categories Affecting U.S. Business

Visa category	Description	Percentage of total non-immigrant visas issued, 2006 (number issued)
Combined B-1/B-2 Business and Visitor's Visa	Length of visa will vary depending on reciprocal treatment of U.S. travelers, but maximum validity is 10 years. Initial admittance is generally for 6 months. Extensions of temporary stay are given in increments of not more than 6 months.	52.3 (3,053,656) B-1 0.96 (56,432)
E-1 Treaty Trader Visa (including principal, spouse, and dependents)	The applicant must be a national of a treaty member. The trading firm for which the applicant is coming to the United States must have the nationality of the treaty member. Trade must be substantial in the sense that there is a sizable and continuing volume of trade. Trade must be principally between the United States and the treaty member. The applicant must be employed in a supervisory or executive capacity or must possess highly specialized skills essential to the efficient operation of the firm.	0.14 (8,015)
E-2 Treaty Investor Visa (including principal, spouse, and dependents)	The investor, either a real or corporate person, must be a national of a country with a treaty with the United States. The investment must be substantial and must be sufficient to ensure the successful operation of the enterprise. The investment must be a real operating enterprise; speculative or idle investment does not qualify. The investment may not be marginal; it must generate significantly more income than to provide only a living to the investor and family. The investor must have control of the funds, and the investment must be at risk in the commercial sense. The investor must be coming to the United States to develop and direct the enterprise. If the applicant is not the principal investor, he or she must be employed in a supervisory, executive, or highly specialized skill capacity.	0.50 (29,453)
E-3 Australian Treaty Aliens in Specialty Occupations Visa	The visa, which came into effect in September 2005, is only for Australian nationals and is issued for the performance of services in a specialty occupation. The annual limit is 10,500 visas. A spouse may work in the United States. Department of Labor certification is required. There is no residence abroad requirement, but the visa holder must plan to depart the United States on termination of status.	0.03 (1,918)
EB-5 Foreign Investor Immigrant Visa	Minimum of 9,940 per year. Requires investment of at least \$1 million that will create 10 new jobs in the United States. If invested into a "targeted employment area," the investment may be as little as \$500,000. The investment must come from individual funds and be invested into a business established after 1990.	Immigrant visa
F-1 Student Visa	Visa are issued to bona fide students qualified to pursue a full course of study. Temporary admittance is granted solely for the purpose of pursuing a course of study at an established college, university, seminary, academic high school, elementary school, or other academic institution or language training program.	4.69 (273,870)

Table 1. Visa Categories Affecting U.S. Business		
Visa category	Description	Percentage of total non-immigrant visas issued, 2006 (number issued)
H-1B Specialty Occupation Visa	<p>Applicants must have attained a bachelor's degree or higher degree in the specific specialty, or be a fashion model of distinguished merit and ability. This visa is heavily used by the information technology sector. Visa are capped at 65,000 per fiscal year (the number dropped from 195,000 to 65,000 in 2004). An additional 20,000 visas are available for applicants holding advanced degrees from U.S. institutions. Department of Labor certification is required.</p> <p>Visas are issued for up to 3 years with an option to renew.</p>	2.32 (135,421)
H-1B1 Chile and Singapore Free Trade Agreements	<p>Nationals of Chile and Singapore only.</p> <p>Position must be a specialty occupation in a U.S. company.</p> <p>Proposed stay must be temporary. Department of Labor certification is required.</p>	0.01 (440)
H-2B Non-agricultural Temporary Workers Visa	<p>A residence-abroad requirement exists.</p> <p>Temporary workers must provide services unavailable in the United States.</p> <p>Workers must be paid from a U.S. source and must not hold a permanent position.</p> <p>Department of Labor certification is required.</p> <p>The H-2R visa is not counted against the H-2B numerical limit.</p> <p>As of October 1, 2007, this program has not been renewed by Congress for fiscal year 2008.</p>	0.87 (50,854)
J-1 Exchange Visitors Visa	<p>Visas are issues to bona fide students, scholars, trainees, teachers, professors, re-search assistants, specialists, or leaders in a field of specialized knowledge or skill.</p> <p>Applicants must be participants in a program designated by the State Department Bureau of Educational and Cultural Affairs for the purpose of teaching, instructing or lecturing, studying, observing, conducting research, consulting, demonstrating special skills, or receiving training.</p> <p>Graduate medical education or training also meets the requirement.</p>	5.31 (309,951)
L-1 Managerial/Executive Visa	<p>Applicants must be employed continuously for 1 year by a firm or corporation or an affiliate or subsidiary thereof.</p> <p>An applicant must continue to render his or her services to the same employer or subsidiary or affiliate thereof in a capacity that is managerial or executive or involves specialized knowledge.</p> <p>Visas are issued for up to 3 years with an option to renew.</p>	1.24 (72,613)
TN Canada and Mexico (NAFTA) Visa	<p>Applicants are to engage in business activities at a professional level as provided for in Section D of Annex 1603 of the North American Free Trade Agreement.</p> <p>The proposed stay must be temporary.</p>	0.05 (2,972)

Note: The total number of visas issued in all categories was 5,836,718.

Source: U.S. Department of State, <http://travel.state.gov>.

Table 2. Treaty Trader Visa (E-1) and Treaty Investor Visa (E-2) Participating Countries		
Albania ^a	Ethiopia	Netherlands
Argentina	Finland	Norway
Armenia ^a	France	Oman
Australia	Georgia ^a	Pakistan
Austria	Germany	Panama ^a
Azerbaijan ^a	Greece ^b	Paraguay
Bahrain ^a	Grenada ^a	Philippines
Bangladesh ^a	Honduras	Poland ^a
Belgium	Iran	Romania ^a
Bolivia	Ireland	Senegal ^a
Bosnia and Herzegovina	Italy	Singapore
Brunei ^b	Israel ^b	Slovak Republic ^a
Bulgaria ^a	Jamaica ^a	Slovenia
Cameroon ^a	Japan	Spain
Canada	Jordan	Sri Lanka ^a
Chile	Kazakhstan ^a	Suriname
China (Taiwan)	Korea (South)	Sweden
Colombia	Kyrgyzstan	Switzerland
Congo (Brazzaville) ^a	Latvia	Thailand
Congo (Kinshasa) ^a	Liberia	Togo
Costa Rica	Lithuania ^a	Trinidad and Tobago ^a
Croatia	Luxembourg	Tunisia ^a
Czech Republic ^a	Macedonia	Turkey
Denmark ^a	Mexico	Ukraine ^a
Ecuador ^a	Moldova ^a	United Kingdom
Egypt ^a	Mongolia ^a	Yugoslavia
Estonia	Morocco ^a	

Source: U.S. Department of State, "Treaties and Laws Containing Trader and Investor Provisions in Effect between the United States and Other Countries," 9 FAM 41.5, Exhibit I, U.S. Department of State (CT: VISA-791; 01-23-2006)

- a. These countries are eligible for E-2 visas only.
- b. These countries are eligible for E-1 visas only.

Table 3. Number of Business-Related Visas Issued by the United States, 2002–06					
Type of visa	2002	2003	2004	2005	2006
B-1	75,642	60,892	53,245	52,649	56,432
B-1 / B-2	2,528,103	2,207,303	2,340,795	2,709,468	3,053,656
E-1	7,811	7,590	8,608	8,867	8,015
E-2	25,633	24,506	28,213	28,290	29,453
E-3	0	0	0	4	1,918
H-1B	118,352	107,196	138,965	124,099	135,421
H-1B1	0	0	72	275	440
H-2B	32,591	78,955	76,169	87,492	71,687
H-2R	0	0	0	1,643	50,854
L-1	57,721	57,245	62,700	65,458	72,613
TN	699	423	908	1,902	2,972

Source: U.S. Department of State <http://travel.state.gov>.

Note: The E-1 and E-2 visa totals include dependents, and the H-2B visa totals do not include H-2R issuances. The H-1 B1 visa category began in 2004, and the E-3 visa category began in late 2005.

Table 4. Visa Waiver Program Countries		
Andorra	Iceland	Norway
Australia	Ireland	Portugal
Austria	Italy	San Marino
Belgium	Japan	Singapore
Brunei Darusalaam	Liechtenstein	Slovenia
Denmark	Luxembourg	Spain
Finland	Monaco	Sweden
France	Netherlands	Switzerland
Germany	New Zealand	United Kingdom

Source: U.S. Department of Commerce, International Trade Administration, Office of Travel and Tourism Industries.

Table 5. Sample Visa Interview Wait Times and Processing Times at U.S. Embassies, as of October 9, 2007

U.S. Embassy	Country	Region	Waiting period (days)		
			Visitor visa	Other Nonimmigrant visas ^a	Processing ^b
London	United Kingdom	Europe	27	9	3
Amsterdam	Netherlands	Europe	9	9	3
Berlin	Germany	Europe	2	8	1
Paris	France	Europe	14	8	2
Ottawa	Canada	North America	41	41	2
Panama City	Panama	South and Central America	21	21	1
Caracas	Venezuela	South and Central America	126	7	3
Mexico City	Mexico	South and Central America	9	4	7
Brasília	Brazil	South and Central America	65	65	2
Monrovia	Liberia	Africa	21	21	2
Cape Town	South Africa	Africa	14	14	1
Casablanca ^c	Morocco	Africa	36	36	1
Nouakchott	Mauritania	Africa	Same day	Same day	1
Kuwait City	Kuwait	Middle East	11	11	1
Jerusalem	Israel	Middle East	43	43	1
Riyadh	Saudi Arabia	Middle East	5	5	5
Dubai	United Arab Emirates	Middle East	29	29	2
Tokyo	Japan	Asia and the Pacific	1	1	2
Sydney ^c	Australia	Asia and the Pacific	16	16	2
Seoul	Korea, Republic of	Asia and the Pacific	10	4	3
Taipei	Taiwan (China)	Asia and the Pacific	5	5	2

Note: Wait times are continuously changing. Please visit individual embassy Web sites to view the latest wait times. Appointment wait times are posted on the State Department Bureau of Consular Affairs Web site and are updated on a weekly basis. The top four countries by each region that hold the largest foreign investment position in the United States are listed. *Calendar days* are every day of the week, including days when embassies are closed such as weekends and holidays. *Workdays* are only those days when an embassy is open and do not include weekends and holidays.

a. The wait time for other non-immigrant visas does not include K or V visa applications, which are processed similar to immigrant visas. A and G applications are excluded from these wait times, as they are processed separately.

b. Processing wait time does not include the time required for additional special clearance or administrative processing, procedures that apply to approximately 2.5 percent of applicants. These procedures require additional time. Most special clearances are resolved within 30 days of application. When additional administrative processing is required, the timing will vary depending on the circumstances of each case. Processing wait time also does not include the time required to return the passport to applicants, by either courier services or the local mail system.

c. The capital cities of Rabat and Canberra are not available. Positions of FDI for Israel, Saudi Arabia, and United Arab Emirates are estimated.

Source: U.S. Department of State, Bureau of Consular Affairs, <http://travel.state.gov>.

This paper represents the joint efforts of the following offices and individuals: Aaron Brickman, Charles Schott, and Neil Gibson, Invest in America; Helen Marano, Office of Travel and Tourism Industries; and Vidya Kori, Office of Industry Analysis.



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