

Tuesday, 30 November 2021

Feedback for the immigration policy from Migrant investor & Entrepreneur Association

Dear officer,

I am David Wang, Migrant investor and Co-founder of Migrant Investor & Entrepreneur Association (MIEA)

Below are several issues I would like to provide feedback on after gathering many emails from our current individual migrant investors members (75 individual members) and 26 company members including AANZ, NZTE, Auckland Unlimited and BNZ

1. The challenge for the Migrant Investor's long term commitment for NZ

A. Current Immigration policy for those criteria only attracted those investors who want to pay the lowest risk and cost to exchange the NZ PR. We need to advocate for change because it would not be sustainably supporting the NZ economy and especially most of our early stage companies need longer time to mature to be more engaging and have connections with overseas markets.

B. Compared to Australia or Canada, some competing migrant countries, our most advantage is that after getting the PR, there is no minimum requirement to stay in this country, so many investors just want to get it and then come back to their own country as a safe haven benefit and might not pay attention to continually supporting NZ in the long term and therefore it would not be using the right social capital as the corner stone for our long term economy.

I would encourage to change it to say only eligible for those who could commit long term investment for the equity or early stage companies could be benefit, the similar policy is available from Australia now

Please see below Victoria link

<https://www.invest.vic.gov.au/opportunities/significant-investor-visa>

C. the nomination system, I would recommend to have the process to nominate more eligible investor and entrepreneurs to Immigration New Zealand via AANZ, NZTE, Ventures backed talents or entrepreneurs etc, similar like above process what the Australia is doing to improve the selection system to be more market driven and fundamentally to attract the right investors , talents and entrepreneurs to NZ not just using the current immigration advisors or agents who might only concern the short and middle term not long term as well.

D. More domestic & overseas community & workshop Ventures, early stage related events to be empowered by both organisation and government agencies

2. The QDII policy issues,

In the last 10 years, 60% of migrant investors are from Asia, 80% of Asian migrant investors are from China mainland but those money not directly invested by the investor and forced to invest via QDII which the investment of RMB still in China and those investment in NZ would be liquidated and back to China after 3 or 4 years, and most importantly, since those investment decision was not done

by investor and the financial return is low (Net annual return is only 1-4% after the management fee), it would greatly affect most Chinese investors to be more passive and no motivation to navigate the opportunities in NZ, therefore We are wasting the right time and opportunity to build the right bond with migrant investors who has validated availability for some vertical expertise with our SME and overseas market connections ,

What I observed in the last 7 years, they are mainly still interested in property and bond, I guess it would be around more than 90% portfolio. And unfortunately Most QDII is investing bond not equity which is very limited for the contribution of whole productivity level of NZ in short term and long term as well.

We could like to propose a meeting with our individual members and partner members in Auckland or Wellington next year if necessary

About Migrant investor & Entrepreneur Association.

Launched in 2019 with four migrant investors referred by INZ and supported by immigration New Zealand, NZTE and Auckland Unlimited

Our mission is to empower the journey of the new migrant investors and entrepreneurs and advocate the migrants driven innovation & entrepreneurship