
Utilizing the “bitter sweet” machine of the Freedom of Information Act (“FOIA”), IIUSA recently expanded its data library with the latest addition of statistics of Form I-526 (Immigrant Petition by Alien Entrepreneur) by investor’s country of chargeability for fiscal year (FY) 2017. This analysis on the latest I-526 data aims to illustrate the newest trends and developments among the top EB-5 investor markets in FY2017, helping IIUSA members to identify new opportunities in the EB-5 marketplace. In addition, it also showed the increasingly significant impact of the EB-5 visa backlog on the number of new EB-5 investors per year, hindering the EB-5 Program’s capacity of raising investment from qualifying foreign entrepreneurs to support economic development in the U.S. With that, here are the key insights from the latest I-526 statistics analysis:

FORM I-526 FILINGS: RANKINGS, NUMBERS, AND GROWTH RATES

We found that the number of I-526 filings from China experienced a 20% decline from FY2016 to approximately 8,770 in FY2017. Although China remained by far the largest EB-5 investor market, the I-526 filings from Chinese investors showed a 20% annual decrease for two consecutive years since the peak in FY2015, illustrated by Table 1.

In contrast, I-526 filings from India and Vietnam continued to grow by over 45% year-over-year to respectively 587 and 523 in FY2017, an all-time high for these two markets. Additionally, based on the total number of I-526 petitions filed, India surpassed Vietnam in FY2017 and became the second largest EB-5 investor market for the first time.

Furthermore, EB-5 investors from South Korea accounted for a total of 215 I-526 filings in FY2017, a 38% growth year-over-year. Approximately 182 I-526 petitions were filed by investors from Taiwan and 136 filed from Brazil in FY2017. In addition, the statistics indicated that the total number of I-526 filings from all other 163 countries of chargeability (“ROW, rest of the world”) declined year-over-year by 5% from FY2016 to a total of 970 petitions in FY2017.

I-526 FILING GLOBAL MARKET SHARES

As illustrated by Figure 1, the number of I-526 petitions filed by investors from China accounted for 77% of I-526 filings worldwide in FY2017. However, China’s market share of I-526 filings was under 80% for the first time since FY2012, declining for a third consecutive year from its peak 89% in FY2014.

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<td>China</td>
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<tr>
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<td>Taiwan</td>
<td>143</td>
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<td>Brazil</td>
<td>136</td>
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<td>Others 163 COCs</td>
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<td>62.9%</td>
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<td>Worldwide Total</td>
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<td>Worldwide Total</td>
<td>13,181</td>
<td>-16.6%</td>
<td>Worldwide Total</td>
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<td>-13.6%</td>
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Data Note: Margin of error: +/- 6.4%.
Data Source: U.S. Citizenship and Immigration Services (IIUSA Obtained via FOIA)
Prepared by: Lee Li, IIUSA

FIGURE 1: Global Market Shares of I-526 Filings in FY2017, Top Countries of Chargeability

Top five (5) EB-5 investor markets (other than China) account for 1,643 or 15% of the total I-526 filings in FY2017.

China, 8,771 (77%)
The market shares of I-526 filings from India and Vietnam both increased to 5% in FY2017. Overall, China, India, Vietnam, South Korea, Taiwan, and Brazil remained as the six largest EB-5 investor markets since FY2015, accounting for more than 90% of the worldwide I-526 filings annually between FY2015 and FY2017.

**EB-5 INVESTMENT WORLDWIDE IN FY2017**

Based on the number of I-526 petitions filed in FY2017, we also estimated the amount of EB-5 capital investment that could be generated to the U.S. economy by investor’s country of birth. As Map 1 visualizes, the majority of EB-5 investment in FY2017 concentrated from South East Asia. In particular, China accounted for $4.4 billion in EB-5 capital in FY2017 based on I-526 filings. Additionally, India accounted for $294 million, Vietnam for $262 million, South Korea for $108 million, and Taiwan for $91 million.

Brazil was the largest EB-5 investor market in Latin America in FY2017 in terms of I-526 filings, generating approximately $68 million in EB-5 investment, while Iran accounted for $35 million in EB-5 capital, the biggest investor market in the Middle East in FY2017. Furthermore, South Africa remained the top EB-5 investor market in Africa, contributing an estimated $23 million in EB-5 investment in FY2017. Moreover, the largest EB-5 investor market in Europe in FY2017 was the United Kingdom thanks to its investors’ $12 million in EB-5 investment.

**THE DECLINE IN CHINA VERSUS THE GROWTH IN OTHER COUNTRIES**

As Figure 2 illustrates, I-526 filings by investors from China reached an all-time high in FY2015 with over 13,500 per year and started to decline by more than 2,000 petitions annually ever since, largely due to the increasingly severe visa backlog issue as well as the longer visa waiting time for Chinese applicants. Although the total number of I-526 filings from all countries of chargeability other than China (“OTC countries”) has been increasing since FY2015, the incremental growth of the new EB-5 investors from OTC countries did not offset the significant decline of the EB-5 demand in China that is mostly caused by the visa backlog. In fact, the data shows that I-526 filings from OTC countries increased by only 340 petitions from FY2015 to FY2017; while the decrease of I-526 filings from China was over 4,750 petitions during the same time period. As a result, the total number of new investors who invested in the U.S. through the EB-5 Program declined by more than 15% from FY2015 to FY2017, making it increasingly challenging for the EB-5 industry to raise much needed capital investment to fund economic deployment projects and support job creation in U.S. communities.

**TOP FIVE EB-5 INVESTOR MARKETS OTHER THAN CHINA**

Figure 3 presents the annual I-526 filings in FY2016 and FY2017 from the five largest EB-5 OTC countries in FY2017 (India, Vietnam, South Korea, Taiwan, and Brazil). In addition, over the two-year period, approximately 941 I-526 petitions were filed by Indian investors (not including family derivatives); while this number for Vietnamese investors was 927 during the same period. Additionally, South Korea, Taiwan, and Brazil accounted for respectively 371, 325, and 287 I-526 filings in FY2016 and FY2017. With the per-country caps on the annual EB-5 visa allocation, it is important to note the total number of I-526 filings from OTC countries since it will affect the annual availability of EB-5 visas to Chinese applicants who are already waiting in line for their green cards.

**INVESTOR MARKETS WITH HIGHEST GROWTH IN FY2017**

In addition to the top EB-5 investor markets (such as India, Vietnam, South Korea, and Taiwan), we found that Turkey, Japan, South Africa, and Hong Kong also experienced the highest growth in I-526 filings from FY2016 to FY2017. As Figure 4 shows, the number

What is New and What it Tells Us?

Filings from Turkey increased by over 150% between FY2016 and FY2017, the highest growth among all countries of chargeability. Filings from Japan in FY2017 increased by 82% from the last fiscal year; while filings submitted from Hong Kong grew by 20% year-over-year.

Average Approval Rates of I-526 Petitions by Country of Chargeability

The latest statistics also shed some light on the average approval rates of I-526 petitions in FY2017 by petitioner’s country of chargeability. As visualized by Figure 5, on average, the approval rate of I-526 petitions filed by investors from China, Vietnam, and Taiwan was 92% in FY2017, the same as the worldwide average level. The analysis also indicated that petitioners from South Korea had the highest average approval rate of 97% in FY2017, while Indian investors had an 87% average approval rate, the lowest level among the top six EB-5 investor markets.

Estimated EB-5 Visa Applicants Queue – China

According to the U.S. Department of State, the EB-5 Final Action Dates for Chinese visa applicants on the Visa Bulletin only advanced by two months (from June 15, 2014 to August 15, 2014) in the entire FY2018. The slow movement on the visa waiting time for China could be partially because of the growing demand of EB-5 visas from the OTC countries, causing less EB-5 visas to be available annually to the Chinese applicants. On the other hand, over 9,720 I-526 petitions were filed by Chinese investors in FY2014, a significant growth of 77% (Iran) and 84% (Mexico), all lower than the worldwide average in FY2017.

Looking ahead, using the I-526 filing statistics from China, we can estimate the number of Chinese visa applicants with a priority date between FY2015 and FY2017 in the EB-5 visa applicants queue. In essence, multiplying the number of I-526 filings by the average approval rate of Chinese petitioners (83% in FY2015...
research and quantitative analyses to help our members make educated decisions for their EB-5 business and to inform key industry stakeholders of fact-grounded reports to facilitate meaningful policy discussions.

For questions on EB-5 statistics and research, contact Lee Li at lee.li@iiusa.org.

Not only did the analysis of I-526 statistics for FY2017 generate practical insights of the latest on EB-5 investor markets, but it also illustrates challenges facing the entire EB-5 industry. IIUSA will continue to develop comprehensive research and quantitative analyses to help our members make educated decisions for their EB-5 business and to inform key industry stakeholders of fact-grounded reports to facilitate meaningful policy discussions.

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The result is presented by Figure 6. The analysis indicates that the number of visa applicants from China with a priority date between FY2015 and FY2017 (October 1, 2014 to September 30, 2017) could be approximately 74,513. Furthermore, given the fact that 13,530 I-526 petitions were filed in FY2015 by Chinese investors, it could take an even longer time for the EB-5 Final Action Dates to move from October 1, 2014 to September 30, 2015 for the Chinese applicants. The visa backlog issue could be more severe in the next fiscal year under the status quo.

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