

## FDI Myths and Facts

## Fact Sheet



Myth: All foreign investment in the United States is subject to undue scrutiny, especially if the investment originates from certain countries or regions.



Fact: The United States is open to foreign investment and is committed to affording all foreign investors fair, equitable and nondiscriminatory treatment.

**Furthermore:** The United States does not maintain a mandatory investment screening body. The Committee on Foreign Investment in the United States (CFIUS) has the authority under a voluntary review mechanism to review individual FDI transactions to determine their effects, if any, on national security. The overwhelming majority of FDI in the United States does not necessitate a CFIUS review. Where CFIUS reviews have been conducted, risk mitigation assurances are requested for only a few transactions per year, and when these assurances are met the transaction is allowed to proceed.



Myth: The United States heavily restricts foreign travel across our borders. It is both difficult and time-consuming for international investors to get the visas they need to administer an investment in the United States.



Fact: The United States welcomes foreign visitors and is committed to ensuring that the visa process is not an impediment to legitimate business travel, international trade, and tourism.

**Furthermore:** In FY-2007, the Department of State issued over 3.7 million tourist and business visas, surpassing FY-2006 volumes. Although residents of some countries such as China, India, and Brazil may perceive that it is extremely difficult to obtain a visa to the United States, the substantial majority of visa applicants in those countries do receive visas. Over 1.4 million nonimmigrant visas were issued in 2007 for these three countries alone – almost 23 percent of all nonimmigrant visas issued worldwide last year.



Myth: The United States no longer welcomes foreign investment and is gradually moving away from an open investment policy.



Fact: In May 2007, President Bush reaffirmed the unequivocal and long-standing commitment by the United States to maintain open investment policies.

**Furthermore:** The recent launch of *Invest in America* by the U.S. Department of Commerce supports this commitment, as this program is tasked as the primary U.S. Government mechanism to coordinate inward investment promotion. Furthermore, the U.S. Department of the Treasury also launched a key initiative in 2007 to reinforce the U.S. open investment policy titled, "Keeping the U.S. Economy Growing: Open Markets, Investment & Trade."



Myth: The United States does not offer support mechanisms for international investors, making it difficult for many companies to locate in the U.S. market.



Fact: *Invest in America* welcomes all inquiries and can serve as a foreign investor's first point of contact for an investment in the United States.

**Furthermore:** Through its ombudsman role, *Invest in America* also supports potential and current foreign investors with regard to difficulties encountered within the federal bureaucracy. In addition, many individual state governments offer individualized assistance to foreign investors with managing investment transaction details. This decentralized system provides foreign investors the individualized attention they need.

