# Investment Migration Programs 2022

The Definitive Comparison of the Leading Residence and Citizenship Programs

Henley & Partners

# Investment Migration Programs 2022

## The Definitive Comparison of the Leading Residence and Citizenship Programs

IDEOS

New York • London • Zurich • Hong Kong

Published by Ideos Publications Ltd. in Zurich/Switzerland.

This report can in no way substitute legal or other professional advice. While the publisher and authors have undertaken great care in preparing this report, they obviously cannot guarantee its correctness and completeness, and the explanations and strategies contained herein may not be suitable for your situation.

Any comments and suggestions, praise and criticism will be gratefully received. If you feel that a particular topic or country should be added to this report, please let us know via the Contact page on *ideospublications.com*



For general information on our other products and services, please visit *ideospublications.com*

All Ideos publications are also available as e-books.

The CIP Catalog record for this book is available from the British Library.

ISBN (softback): 978-3-907226-05-6

ISBN (e-book): 978-3-907226-06-3

# Investment Migration Programs 2022

Incorporating

The Global Residence Program Index
The Global Citizenship Program Index

Produced by Henley & Partners in collaboration with an independent panel of experts

**Prof. Dr. Diego Acosta**, Professor of European and Migration Law, University of Bristol, Bristol/UK

**Nadine Goldfoot**, Partner, Fragomen LLP, London/UK

**Dr. Robert W. Kuipers**, Former Partner, Reward/Human Resource Services; and
**Stuart Jones**, Senior Manager, PwC, Zurich/Switzerland

**Damien Martinez**, Chief Executive Officer, Facepoint, Paris/France

**Irene Mia**, Global Editorial Director, Economist Group, Economist Intelligence Unit, London/UK

**Marnin J. Michaels**, Partner, Baker McKenzie, Zurich/Switzerland

**Daniel J. Mitchell,** Chairman of the Center for Freedom and Prosperity, Alexandria/USA

**Kamal Rahman**, Partner, Mishcon de Reya Solicitors, London/UK

**Dr. Marcel Widrig,** Senior Vice President, Freemont International SA, former PwC Partner and Global Private Wealth Leader, Zurich/Switzerland

Special contributions by

**Prof. Dr. Diego Acosta**, Professor of European and Migration Law, University of Bristol, Bristol/UK

**Dr. José Caballero**, Senior Economist, IMD World Competitiveness Center, Lausanne/Switzerland

**Prof. Dr. Yossi Harpaz**, Assistant Professor of Sociology, Tel Aviv University, Tel Aviv/Israel

**Prof. Dr. Christian Joppke**, Director, Institute of Sociology; Professor of General Sociology University of Bern, Bern/Switzerland

**Dr. Christian H. Kaelin**, Chairman, Henley & Partners

**Robert Maciejewski**, Member of the Board, SIP Medical Family Office, Zurich/Switzerland

**Damien Martinez**, Chief Executive Officer, Facepoint, Paris/France

**Daniel J. Mitchell**, Chairman, Center for Freedom and Prosperity, Alexandria/USA

**Dr. Juerg Steffen,** Chief Executive Officer, Henley & Partners

**Madeleine Sumption**, Director, Migration Observatory, University of Oxford, Oxford/UK

**Dominic Volek,** Member of the Executive Committee — Group Head of Private Clients Henley & Partners

**Dr. Marcel Widrig,** Senior Vice President, Freemont International SA, former PwC Partner and Global Private Wealth Leader, Zurich/Switzerland

# Contents


6 About This Publication

9 About Henley & Partners

11 Corporate Social Responsibility

12 Introduction

## Expert Commentary

16 Facilitated Naturalization and Citizenship by Investment
Dr. Christian H. Kaelin

26 The Rise of Instrumental Citizenship
Prof. Dr. Christian Joppke

30 Compensatory Citizenship: Dual Citizenship as a Response to Global Inequality
Prof. Dr. Yossi Harpaz

34 How Precision Medicine Initiatives May Affect Migration Choices in Future
Robert Maciejewski

38 Wealth Distribution in the Covid-19 Era
Dr. Juerg Steffen

46 The Growing Market for Citizenship and Residence: A Policy Perspective
Madeleine Sumption

48 The Global Movement of Billionaires
Dr. Marcel Widrig

52 The Pro-Growth Benefits of Investment Migration Programs
Daniel J. Mitchell

56 Domicile Diversification via Investment Migration: Essential in a Volatile World
Dominic Volek

60 The Increasing Importance of Regional Free Movement Agreements for Global Mobility
Prof. Dr. Diego Acosta

62 Due Diligence in the Context of Investment Migration Programs
Damien Martinez

66 Country Competitiveness, Talent Acquisition, and Residence Programs
Dr. José Caballero

70 Sovereign Equity instead of Sovereign Debt: A Paradigm Shift in Public Finance and Foreign Direct Investment
Dr. Christian H. Kaelin

## The Global Residence Program Index

78 The Global Residence Program Index 2022

84 Portugal

86 Austria

88 Italy

90 Switzerland

92 Greece

94 Malta

96 Jersey

98 Singapore

100 Australia

102 New Zealand

104 Spain

106 United Kingdom

108 Canada

110 Cyprus

112 Ireland

114 Dubai (UAE)

116 Latvia

118 United States of America

120 Monaco

122 Hong Kong

124 South Korea

126 Thailand

128 Panama

130 Mauritius

132 Bulgaria

134 Malaysia

## The Global Citizenship Program Index


138 The Global Citizenship Program Index 2022
144 Malta
146 Austria
148 Montenegro
150 North Macedonia
152 St. Kitts and Nevis
154 St. Lucia
156 Antigua and Barbuda
158 Grenada
160 Dominica
162 Turkey
164 Jordan
166 Egypt
168 Vanuatu
170 Cambodia


## Methodology


174 Developing an Index
175 Reputation
176 Quality of Life
177 Visa-free or Visa-on-arrival Access
178 Processing Time and Quality of Processing
178 Compliance
179 Investment Requirements
180 Tax
181 Total Costs
182 Time to Citizenship
182 Citizenship Requirements
183 Residence Requirements
183 Relocation Flexibility
184 Physical Visit Requirements
184 Transparency


## Global Presence


188 Henley & Partners Group Offices
190 Useful Websites

# About This Publication

The *Investment Migration Programs 2022* report is a comprehensive, systematic analysis and benchmarking of the world's most important investment migration programs.

The publication features two indexes — namely, the Global Residence Program Index and the Global Citizenship Program Index. Revised every year by leading academic researchers, country risk specialists, economists, independent expert immigration and citizenship lawyers, and other industry specialists, the Global Residence Program Index and the Global Citizenship Program Index reflect, respectively, the relative worth of reputable residence and citizenship programs around the world. The indexes are complemented by insightful expert analysis of engaging topics such as wealth distribution in the Covid era, domicile diversification and other global investment migration trends, sovereign equity and the pro-growth benefits of economic migration, and facilitated naturalization, as well as pertinent prevailing issues such as due diligence and compliance, risk management, and program transparency.

*Investment Migration Programs 2022* is an indispensable tool for all those interested in keeping up to date with industry developments or considering investment migration as an option for opening doors to new opportunities, be they private clients and their advisors, industry professionals, or policy makers looking to manage investment migration programs in order to achieve fiscal autonomy and stimulate economic growth and recovery.

The report is updated each year, and the indexes analyze the following, respectively:

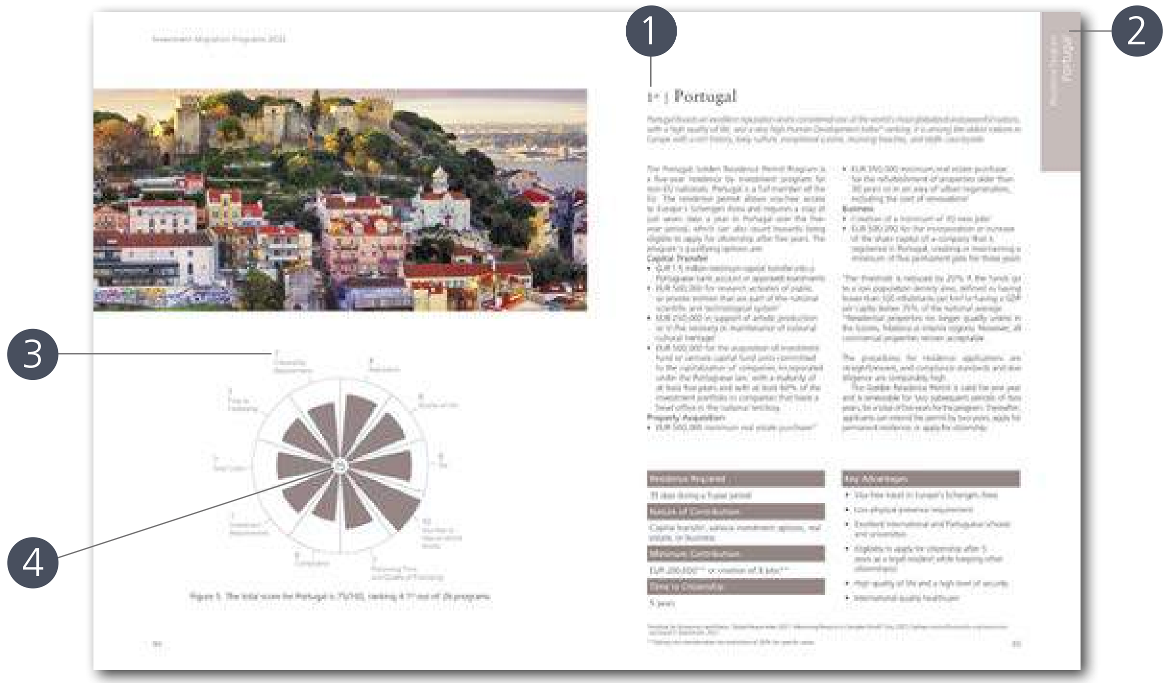
Global Residence Program Index

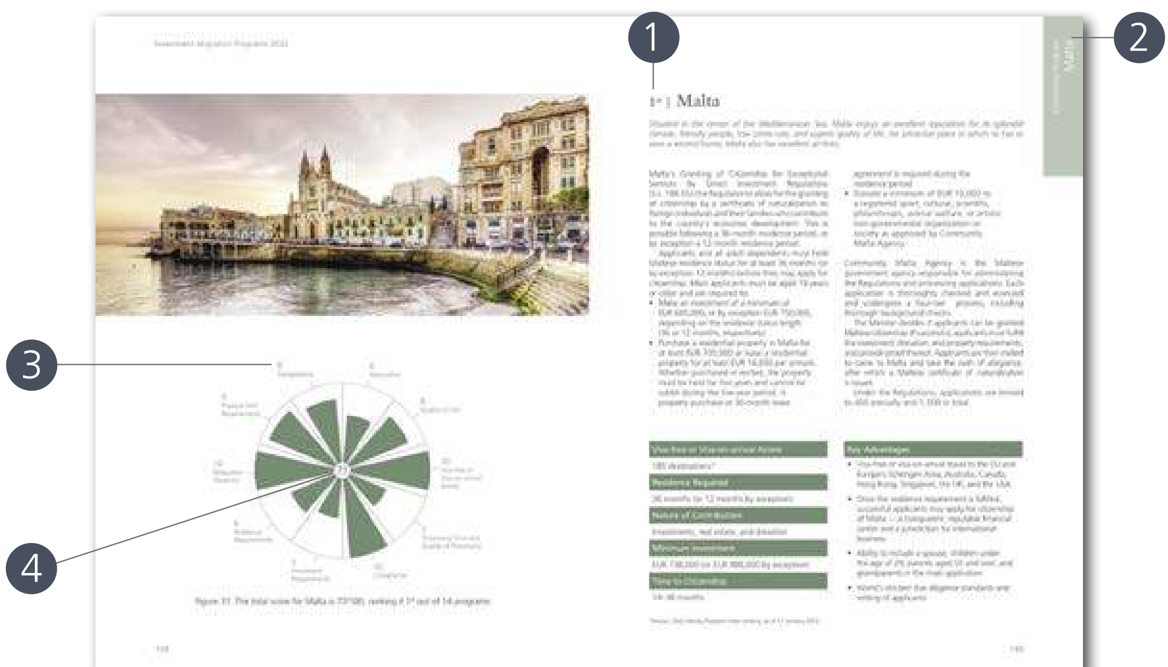
- Reputation
- Quality of Life
- Tax
- Visa-free or Visa-on-arrival Access
- Processing Time and Quality of Processing
- Compliance
- Investment Requirements
- Total Costs
- Time to Citizenship
- Citizenship Requirements

Global Citizenship Program Index

- Reputation
- Quality of Life
- Visa-free or Visa-on-arrival Access
- Processing Time and Quality of Processing
- Compliance
- Investment Requirements
- Residence Requirements
- Relocation Flexibility
- Physical Visit Requirements
- Transparency

The indexes are also available in an interactive, digital format, to assist investors in making strategic program choices by selecting the factors that matter most to them and their families. Please visit *henleyglobal.com/publications/global-residence-program-index-2022* and *henleyglobal.com/publications/global-citizenship-program-index-2022*




Key

1. Country Rank within Global Residence Program Index or Global Citizenship Program Index
2. Global Residence Program Index or Global Citizenship Program Index
3. Individual Factor Scores
4. Total Score


OCEAN
PARRY
McClure Str.

# About Henley & Partners

Henley & Partners is the global leader in residence and citizenship by investment. Each year, hundreds of wealthy individuals and their advisors rely on our expertise and experience in this area. The firm's highly qualified professionals work together as one team in over 35 offices worldwide.

The concept of residence and citizenship planning was created by Henley & Partners in the 1990s. As globalization has expanded, residence and citizenship have become topics of significant interest among the increasing number of internationally mobile entrepreneurs and investors whom we serve proudly every day.

Trusted by governments, the firm also runs a leading government advisory practice that has raised more than USD 10 billion in foreign direct investment. Henley & Partners has been involved in strategic consulting and the design, set-up, and operation of the world's most successful residence and citizenship programs.

While its origins date back more than 45 years, Henley & Partners as it is today was formed in 1997 through the combination of a private client immigration consultancy and a fiduciary company. Today the firm's global operations focus exclusively on residence and citizenship planning.

The companies of the group and most of its individual partners, directors, and senior officers are regulated, where applicable, by the respective authorities of the countries in which they operate. They are also members of various professional associations such as the Investment Migration Council, the Society of Trust and Estate Practitioners, the International Tax Planning Association, the International Fiscal Association, Fédération Internationale des Administrateurs de Biens Conseils et Agents Immobiliers, and others.

In addition to advising clients on their options for acquiring resident status and residence and/or citizenship by investment, Henley & Partners' Residence and Citizenship Practice Group advises on reacquiring citizenship based on ancestry and advises private clients on residence planning with a view to acquiring citizenship post-immigration. Residence planning for private clients involves finding solutions for individuals and families who move internationally and those who own property in different countries, who may have complex international circumstances and/or exceptional personal requirements.

Alongside our highly successful, international, private client practice, Henley & Partners' thriving government advisory practice advises countries on economic development strategy and assists with implementation in the areas of residence and citizenship programs.

Over the years, the firm has advised many governments on projects ranging from strategic consulting to the design, implementation, and operation of investment-related residence and citizenship by investment programs. The objective of such programs is to enhance a country's attractiveness to international entrepreneurs and investors and to create more favorable conditions for foreign direct investments.

The firm has acquired a unique track record in this particular field across a number of countries. In Malta, for example, Henley & Partners won a public call for services and was awarded a Public Services Concession for the design, implementation, and international promotion of the Malta Individual Investor Program, which went on to become the most successful and most reputable citizenship by investment program in the world.

Through Henley & Partners, governments have access to the world's most experienced policy advisors, foreign direct investment specialists, and legal experts, who provide in-depth advice and support on all aspects of residence and citizenship by investment programs.

For over a decade, Henley & Partners has hosted the Global Citizenship Conference — the world's largest, most significant conference on investment migration. Historically, the conference was held in a different location each year, but for the past two years we have hosted a virtual webinar series in lieu of an in-person event, and we will do so again in 2022. Please visit *henleyglobal.com/events/upcoming-events* to access detailed information regarding our upcoming events and webinars.


True luxury is being able to help others
Over 70 million people are forcibly displaced, and soon several hundred million – new models of support are needed.
Join Andan Foundation with innovative projects that increase refugee self-reliance through education, employment, and entrepreneurship.
Donate today at andan.org
ANDAN
The Global Citizens Alliance
©UNHCR/Roger Arnold

# Corporate Social Responsibility

At Henley & Partners, our corporate social responsibility is expressed through the ethics and integrity of our business practice, actively engaged staff, and a long tradition of discreet and generous philanthropy. We are proud of supporting many worthy causes over the years, including social, educational, and humanitarian projects.

Our firm serves clients who enjoy the privilege of choosing where they want to reside in the world and even which citizenship to hold. This is why we have committed to provide support to those who do not have such choices, in particular those who are forced to flee their homes and restart their lives in another country.

Today, the support of refugees is the main focus of Henley & Partners' social investment and of our contribution to a more just global society. Much of this work is done through the Andan Foundation, a Swiss public benefit, humanitarian foundation established with the support of Henley & Partners.

## The Andan Foundation

The foundation aims to facilitate the private sector's involvement in this area, channeling its creative power, resources, and entrepreneurial abilities towards public and private initiatives that create true solutions for refugees.

The Andan Foundation prioritizes innovative and sustainable projects that expand refugees' economic, financial, and social opportunities, thereby reinforcing their self-reliance.

The collective ingenuity and creativity of entrepreneurs and investors driving the private sector, coupled with the expertise and principles of the humanitarian sector, will dramatically contribute to meeting one of the most pressing global challenges of our time.

## The Global Citizen Award®

Created in 2014, the Global Citizen Award® is a unique international tribute that honors outstanding individuals working locally to address a global challenge affecting humanity today. The laureate is selected through a majority decision by the award committee, an independent body of eminent individuals who share a global vision and a personal commitment to contribute to a more just, peaceful, and tolerant world. The award itself consists of a unique sculptural medal, an award certificate, and a monetary prize to support the recipient's humanitarian efforts. In the year following the award, Henley & Partners works closely with the award recipient, raising awareness about their work and supporting their selected project.

## Share our vision

We envision a world that provides all people with the opportunity to live in dignity, security, and harmony in their country of birth or in their country of choice. A world where social and business communities, international organizations, and states work together with hosting communities to empower families forced to leave their homes, and build new, mutually beneficial ways of living.

The survival and safety of our society depends on how well we can address global issues together. As the leading global residence and citizenship advisory firm, we are committed to playing our part in creating a powerful nexus, raising awareness, mobilizing support, and gathering resources for innovative solutions and groundbreaking projects. Together with our staff, our clients, and friends of the firm, we are making a difference. If you would like to work with us and have resources, passion, talents, or ideas to share, please contact us at *philanthropy@henleyglobal.com*

# Introduction

Dr. Juerg Steffen
Chief Executive Officer
Henley & Partners

As the world learns to live with the havoc wreaked by the pandemic and grapples with successive climate disasters, the demand for greater global mobility is steadily growing. The tumultuous start to the decade has resulted in people from all walks of life taking stock and ensuring they are better prepared for the next global disruption. Relentless volatility in terms of both wealth and lifestyle has led to a significant shift in how alternative residence and citizenship are perceived by high-net-worth investors. Across the world, affluent families are opting for investment migration to gain access to business, career, educational, and lifestyle opportunities on a global scale, enhancing their travel freedom and transcending the constraints imposed on them by their countries of origin.

Having options is an essential part of any family's insurance policy for the 21st century, particularly in times of uncertainty, and acquiring one or more alternative residences or citizenships enables greater flexibility and access to the leading economies of the world. This was the case before Covid-19 and it is even more so now. The more jurisdictions a family has access to, the more diversified its assets and the lower its exposure will be to country-specific, regional, and global volatility.

## The rise of investment migration

When the first modern investment migration programs were developed in the late 1980s and early 1990s, the industry was largely unformed, and unregulated. Today, by contrast, residence and citizenship by investment are part of every astute wealth manager's vocabulary. The number of programs is increasing steadily as governments tap into their potential to boost capital and talent inflows. Nineteen of the G20 nations offer some form of mechanism to encourage inward investment in exchange for residence rights. The 20th member of the G20 is the EU, and 60% of EU member states offer investment migration options. The demand for investment migration products has risen even further in the wake of Covid-19 as more sovereign states are exploring their unique ability to endow themselves with a source of sustainable revenue without increasing debt, which can burden future generations. The investment migration industry is now an established and fast-growing feature of the global economic landscape, endorsed by large players such as the UK and the USA.

## Residence versus citizenship by investment programs

Residence by investment programs provide high-net-worth individuals and families with the option of physically relocating, and the right to live, work, study, and receive healthcare in their new countries of residence.

Citizenship by investment programs provide the privilege of acquiring alternative citizenship, which in turn enables greater travel freedom and the right to settle in another country.

More than 100 countries have some form of investment migration legislation in place. Of these, about 40 programs are running successfully, many of which were designed and set up by Henley & Partners. More than ever before, wealthy individuals are pursuing residence and citizenship by investment options as the most effective way to access previously unimagined opportunities.

## Trusted rankings for residence and citizenship by investment programs

While the number of attractive investment migration programs is on the rise and there is no shortage of rankings, reliable professional comparative analyses of such programs are rare. Governments generally benefit from ample resources when designing residence and citizenship by investment programs, but individual investors do not always enjoy the same degree of empowerment. The two indexes presented in this report — the Global Residence Program Index and the Global Citizenship Program Index — have been designed with the high-net-worth investor in mind and provide clear, current, and trustworthy advice. They are now available in interactive, digital format on our website to assist investors in making strategic program choices.

### Investment migration generates sovereign equity

Offering residence or citizenship in return for investment is advantageous for successful applicants and their destination countries alike. Investors 'buy into' a country, bringing valuable debt-free capital that can be used to create monetary and fiscal autonomy or be invested in vital infrastructure, or both. Moreover, investors bring international skill sets and experience, which can diversify the economies of host countries, thereby creating positive options for all members of society. At Henley & Partners, we call this mutually beneficial dynamic 'sovereign equity'.

Inflows of funds from investment migration programs can be considerable, with extensive macro-economic implications. Foreign direct investment increases the value of the receiving state, bringing capital to the public sector in the form of donations to the government, tax payments, or treasury bond investments, and to the private sector as investments in businesses, start-ups, or real estate. The economic benefits are cumulative. Host countries may experience growth in their real estate sectors, construction industries, and local businesses; increased liquidity in their commercial banking systems; employment growth; the creation of new revenue streams through duties and taxes on imported goods; increased hotel-room supply, greater air traffic, a rise in tourism, and associated tax and spending benefits.

### Looking ahead

The transformation of residence and citizenship is continuing unabated. The rise of the investment migration industry exemplifies the increasingly practical nature of residence and citizenship in today's world. We are in a period of flux. Even before the current pandemic, thousands of people were applying for citizenship and residence each year, and the past two years have seen a surge in interest in investment migration products. Supply is also on the rise, as evident in the growing list of programs ranked in this report each year — in 2022, we feature 40 programs. There are many more countries for which it makes sense to start new programs, and the industry continues to thrive as global demand for alternative residence and citizenship solutions increases.

The benefit and potential of this report extend further than a ranking of residence and citizenship by investment programs alone, however; the content also signifies the changing nature of the ties that previously bound individuals inextricably to states — changes that have been accelerated by Covid-19 — and it illustrates the concomitant freedom of choice, which is priceless.

Dr. Juerg Steffen
Chief Executive Officer
Henley & Partners


November
September
March
January
0
500
1000
1500
2000
2500
2000
1500
1000
500
0

# Expert Commentary


16 Facilitated Naturalization and Citizenship by Investment
Dr. Christian H. Kaelin

26 The Rise of Instrumental Citizenship
Prof. Dr. Christian Joppke

30 Compensatory Citizenship: Dual Citizenship as a Response to Global Inequality
Prof. Dr. Yossi Harpaz

34 How Precision Medicine Initiatives May Affect Migration Choices in Future
Robert Maciejewski

38 Wealth Distribution in the Covid-19 Era
Dr. Juerg Steffen

46 The Growing Market for Citizenship and Residence: A Policy Perspective
Madeleine Sumption

48 The Global Movement of Billionaires
Dr. Marcel Widrig

52 The Pro-Growth Benefits of Investment Migration Programs
Daniel J. Mitchell

56 Domicile Diversification via Investment Migration: Essential in a Volatile World
Dominic Volek

60 The Increasing Importance of Regional Free Movement Agreements for Global Mobility
Prof. Dr. Diego Acosta

62 Due Diligence in the Context of Investment Migration Programs
Damien Martinez

66 Country Competitiveness, Talent Acquisition, and Residence Programs
Dr. José Caballero

70 Sovereign Equity instead of Sovereign Debt:
A Paradigm Shift in Public Finance and Foreign Direct Investment
Dr. Christian H. Kaelin

# Facilitated Naturalization and Citizenship by Investment

Dr. Christian H. Kaelin
Chairman
Henley & Partners

From rewarding soldiers to attracting talent and investors, sovereign states have, since ancient times, capitalized on the fact that their citizenship is a 'good' that is in demand. Ethnic considerations, close historical and linguistic ties, and special merit or achievement frequently drive policies in immigration and citizenship law, and often constitute the grounds for facilitated naturalization.

Consider just a few of the numerous examples testifying to the ethnic ideology behind many states' provision of facilitated naturalization: Germany's policy of granting immediate citizenship to repatriates; the Spanish laws granting citizenship to descendants of those who fled during the Franco regime and to descendants of Sephardic Jews who were expelled during the 15th-century Inquisition; the Israeli 'Law of Return', which encourages Jews to immigrate to Israel and gives them citizenship upon their 'return' to Israel, regardless of their ages, skillsets, or economic statuses; the preferential treatment of Macedonians in Bulgaria for the purpose of citizenship; and the provision of Hungarian passports to hundreds of thousands of Serbians and Romanians. In Croatia, a country with a large diaspora both in Europe and overseas (predominantly in America, but also in Australia and New Zealand), it is possible for someone to regain citizenship immediately if they can demonstrate they are of Croatian descent. Relative to its size, Ireland has experienced one of the largest mass emigrations in history, and the country now has a very generous principle of descent in place, one of the most liberal in the world, which allows anyone with at least one grandparent born in Ireland to regain Irish citizenship.

Much like ethnicity and descent, military service frequently gives access to privileged naturalization. This is the case with the recruitment of foreign military personnel, for example, where citizenship is provided in return for soldiers' commitment. This practice has occurred throughout history, and it occurs to the present day, in France with the French Foreign Legion, and in the USA with the US Army. Qualified members of the US Armed Forces can be exempt from certain naturalization requirements, including the requirement of residence and physical presence in the country, under Sections 328 and 329 of the Immigration and Nationality Act. This extraordinary naturalization option serves as an incentive and a reward for performing military service and risking one's life.

Another example of facilitated naturalization is the recruitment of elite foreign athletes for national teams in the Olympic Games or in other world sporting championships. These foreign athletes gain not only the privilege of competing in international games for a given state but also actual citizenship rights in that state in return for their efforts. Famously named by Ayelet Shachar, this "Olympic citizenship"[1] is focused on the "spread of the talent-for-citizenship exchange",[2] be it in sports, culture, science, or other fields. As an illustration of this widespread practice, the French sports paper *L'Équipe* gave the following account of the quarter-final of the European Table Tennis Championships in October 2013: "In the women's singles, two-time European champion Li Jiao of the Netherlands (2007 and 2011), lost to Portugal's Fu Yu. In the semi-finals, Fu Yu will meet Sweden's Li Fen." All the competitors appear to have been naturalized, although they represent three different European nations.

Top foreign athletes who are of special interest to Germany are preferred for naturalization based

1 A. Shachar, 'Picking winners: Olympic citizenship and the global race for talent', (2011) The Yale Law Journal (20)8 *jstor.org/stable/41149587* accessed 11 August 2021

2 Ibid.


PORT
VISA

Table 1. Acquisitions of citizenship by previous citizenship group in the EU-27 and EFTA (2019)

| | *Total number of recipients* | *of which:* | | | | | | *Unknown* | |
|---|---|---|---|---|---|---|---|---|---|
| | | *Citizens of another EU member state* | | *Citizens of a non-EU country* | | *Stateless* | | | |
| | *(1,000)* | *(1,000)* | *(%)* | *(1,000)* | *(%)* | *(1,000)* | *(%)* | *(1,000)* | *(%)* |
| EU-27 | 706.4 | 91.1 | 12.9 | 598.5 | 84.7 | 9.6 | 1.4 | 6.6 | 0.9 |
| Austria | 10.5 | 1.8 | 17.1 | 8.6 | 82.1 | 0.1 | 0.8 | 0.0 | 0.1 |
| Belgium | 40.6 | 10.8 | 26.6 | 28.6 | 70.4 | 0.1 | 0.3 | 1.1 | 2.6 |
| Bulgaria | 0.7 | 0.0 | 0.7 | 0.7 | 97.7 | 0.0 | 0.0 | 0.0 | 1.6 |
| Croatia | 1.1 | 0.1 | 10.0 | 1.0 | 89.7 | 0.0 | 0.3 | 0.0 | 0.1 |
| Cyprus | 2.9 | 0.5 | 18.2 | 2.3 | 81.5 | 0.0 | 0.0 | 0.0 | 0.3 |
| Czech Republic | 2.9 | 0.6 | 21.0 | 2.3 | 78.4 | 0.0 | 0.0 | 0.0 | 0.6 |
| Denmark | 1.8 | 0.5 | 29.1 | 1.2 | 70.0 | 0.0 | 0.8 | 0.0 | 0.1 |
| Estonia | 0.8 | 0.0 | 0.5 | 0.8 | 99.5 | 0.0 | 0.0 | 0.0 | 0.0 |
| Finland | 9.6 | 1.6 | 16.6 | 7.9 | 81.7 | 0.0 | 0.5 | 0.1 | 1.2 |
| France | 109.8 | 7.8 | 7.1 | 99.9 | 90.9 | 0.0 | 0.0 | 2.1 | 1.9 |
| Germany* | 132.0 | 31.1 | 23.6 | 99.1 | 75.1 | 0.7 | 0.6 | 0.5 | 0.4 |
| Greece | 16.3 | 0.5 | 3.0 | 15.8 | 97.0 | 0.0 | 0.1 | 0.0 | 0.0 |
| Hungary | 3.3 | 2.2 | 69.0 | 1.0 | 31.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Ireland | 5.8 | 2.1 | 37.0 | 3.6 | 63.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Italy | 127.0 | 12.6 | 9.9 | 114.4 | 90.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Latvia | 1.7 | 0.1 | 6.1 | 1.5 | 93.0 | 0.0 | 0.9 | 0.0 | 0.0 |
| Lithuania | 0.1 | 0.0 | 0.9 | 0.1 | 70.1 | 0.0 | 29.1 | 0.0 | 0.0 |
| Luxembourg | 5.7 | 3.3 | 58.2 | 2.4 | 41.6 | 0.0 | 0.1 | 0.0 | 0.0 |
| Malta | 0.8 | 0.1 | 18.1 | 0.6 | 81.9 | 0.0 | 0.0 | 0.0 | 0.0 |
| Netherlands | 34.2 | 2.1 | 6.3 | 25.6 | 74.9 | 5.3 | 15.4 | 1.2 | 3.5 |
| Poland* ** | 6.4 | 0.2 | 3.0 | 6.2 | 96.7 | 0.0 | 0.2 | 0.0 | 0.1 |
| Portugal | 21.1 | 0.7 | 3.4 | 20.4 | 96.6 | 0.0 | 0.0 | 0.0 | 0.0 |
| Romania** | 5.7 | 0.0 | 0.3 | 5.4 | 94.6 | 0.0 | 0.1 | 0.3 | 4.9 |
| Slovakia | 0.6 | 0.2 | 30.0 | 0.4 | 70.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Slovenia | 1.9 | 0.1 | 4.3 | 1.8 | 95.7 | 0.0 | 0.0 | 0.0 | 0.0 |

| | Total number of recipients | of which: | | | | | | Unknown | |
|---|---|---|---|---|---|---|---|---|---|
| | | Citizens of another EU member state | | Citizens of a non-EU country | | Stateless | | | |
| | (1,000) | (1,000) | (%) | (1,000) | (%) | (1,000) | (%) | (1,000) | (%) |
| Spain | 99.0 | 3.6 | 3.6 | 95.3 | 96.3 | 0.0 | 0.0 | 0.0 | 0.0 |
| Sweden | 64.2 | 8.2 | 12.8 | 51.4 | 80.1 | 3.2 | 5.0 | 1.3 | 2.1 |
| Iceland | 0.4 | 0.2 | 51.3 | 0.2 | 48.1 | 0.0 | 0.5 | 0.0 | 0.2 |
| Liechtenstein | 0.1 | 0.0 | 34.8 | 0.1 | 65.2 | 0.0 | 0.0 | 0.0 | 0.0 |
| Norway | 13.2 | 0.9 | 6.6 | 11.6 | 88.1 | 0.7 | 5.2 | 0.0 | 0.1 |
| Switzerland | 41.1 | 21.9 | 53.1 | 19.2 | 46.8 | 0.0 | 0.1 | 0.0 | 0.0 |

Note: The individual values do not add up to the total because of rounding. Data are rounded to the nearest multiple of 5 for Germany on a provisional basis.

*Provisional

**Estimated

Source: Eurostat, *ec.europa.eu/eurostat/statistics-explained/index.php? title=File:Acquisitions_of_citizenship_by_group_of_previous_citizenship,_2019.png* accessed 11 August 2021

on an administrative directive, although in recent times a maximum of only 10 top athletes per year have been admitted. Other countries are more lenient: at the World Athletics Championships in 2005, for instance, Qatar was represented by almost a dozen elite athletes born in Kenya and naturalized in Qatar. The USA, more than any other country in the world, has gone out of its way to perfect the technique of attracting accomplished athletes by offering them citizenship in return for their pursuit of Olympic medals. Shortly before the 2006 Winter Olympics, President Bush signed a Bill that granted citizenship to foreigners with extraordinary ability, allowing, among others, Russian ice dancer Maxim Zavozin to represent the USA. Zavozin thereafter became a Hungarian citizen just in time to represent Hungary at the Winter Olympics in 2010. Iceland naturalized the former world chess champion Bobby Fischer in 2005, helping him escape custody and possible extradition in Japan after authorities in the USA revoked the American passport that he was using to travel from Japan back to Iceland.

Other talents, statuses, and sources of fame also can form the basis for facilitated naturalization. In Denmark — a country that has one of the most restrictive naturalization regimes in place today and that, as of 2000, naturalizes only those who speak Danish and know the history and values of Denmark — the Australian wife of Crown Prince Frederik, Mary Donaldson, received Danish citizenship by an Act of Parliament on their marriage in 2004. More recently, in 2020, Tom Hanks and his wife Rita Wilson were granted Greek citizenship for their role in wildfire aid, and a young Malian migrant Mamoudou Gassama, who rescued a child dangling from a balcony, was granted French citizenship in 2018. Also in 2018, three stateless boys from a soccer team and their coach, who were rescued from a flooded cave in northern Thailand, were granted Thai citizenship. The story captured the attention of the world and highlighted the plight of thousands of other stateless people from Thailand and neighboring countries, living in Thailand, who were born in areas where borders have changed, leaving their nationalities uncertain. Ralph Fiennes received a Serbian passport in 2017 for filming in the country, and young Afghan refugee Farhad Nouri was offered Serbian citizenship because of his skillful drawings — a privilege not extended to the many other refugees living in the country. The list of grounds and examples cannot be exhaustive since the discretion of states in the field of citizenship law is virtually absolute, with an extreme example being Saudi Arabia conferring citizenship on a robot in late 2017.

In line with these exemplars of facilitated naturalization, citizenship can also assist in recruiting overseas investors, who are granted citizenship

in exchange for their significant foreign direct investment in (or other economic contribution to) a country. Investors are often given an easier path to citizenship than other candidates for naturalization. Applicants who pay do not have to wait for years to be granted citizenship, although, crucially, they do have to be suitably qualified and undergo strict due diligence checks. 'First come, first served' is effectively displaced by the ethics of the market: 'You get what you pay for'. *Ius doni*, the acquisition of citizenship by investment, is essentially, then, a fast-track procedure for gaining citizenship, a form of facilitated naturalization that is based on the ability and willingness to contribute economically.

### Citizenship by investment and other forms of naturalization

Acquiring citizenship by investment should not be seen as different from, or treated differently to, other forms of facilitated naturalization. Indeed, there can be no logical qualitative difference between citizenship allocated on the basis of natural-talent assets and citizenship allocated on the basis of financial assets. Both are in the national interest. As Arthur M. Okun puts it, "When people differ in capabilities, interests, and preferences, identical treatment is not equitable treatment."[3]

Yet it is no secret that certain people are sensitive when it comes to money matters, feeling strongly about the trade of what they deem to be non-tradable goods. For this group, such goods acquire a kind of 'sacrosanct' status that must not be questioned. Critiques along these lines see investors not as talented entrepreneurs who contribute to a state's prosperity in much the same way as talented athletes or people who are able and willing to serve in a military force, but rather only as individuals who jump the queue and are spared the requirements of regular naturalization. Shachar, for instance, makes the following observation: "Rapid processes of market expansionism have now reached what for many is the most sacrosanct non-market good: membership in a political community. More puzzling is the willingness of governments — our public trustees and legal guardians of citizenship — to engage in processes that come very close to, and in some cases cannot be described as anything but, the sale and barter of, membership goods in exchange for a hefty bank wire transfer."[4] Some commentators, then, are of the opinion that citizenship by investment should be distinguished clearly from Olympic citizenship and other non-monetary forms of facilitated naturalization so as to distinguish citizenship recipients who are given special treatment on the basis of their human capital from those who gain citizenship on the basis of their commitment of financial capital.

It has been further argued that citizenship by investment programs link citizenship with social standing and wealth, and that selecting future citizens on the basis of investment or economic contribution is a departure from the "egalitarian thrust that underlies rules of birthright citizenship as well as residence-based naturalization".[5] This line of argument, however, fails to demonstrate why selection on the basis of financial capacity — which very often reflects an individual's overall abilities as an entrepreneur and investor, abilities that are understandably highly valued by societies and states — is any more arbitrary than selection on the basis of where you were born or any less egalitarian than selection on the basis of exceptional talents, such as being able to play table tennis really

3 A.M. Okun, *Equality and Efficiency: The Big Tradeoff* (Brookings Institution Press 1975)

4 A. Shachar, 'Dangerous liaisons: money and citizenship' in *Debating Transformations of National Citizenship* ed. R. Bauböck (Springer, 2018) 7–15. *doi.org/10.1007/978-3-319-92719-0* accessed 11 August 2021

5 R. Bauböck, 'What is wrong with selling citizenship? It corrupts democracy!' in *Debating Transformations of National Citizenship* ed. R. Bauböck (Springer, 2018) 37–41. *doi.org/10.1007/978-3-319-92719-0* accessed 11 August 2021

well and help a national table tennis team excel. Both mechanisms, in fact, bestow global mobility on those with rare, sought-after resources while immobilizing within their national borders those less well-off and less talented.

Indeed, *ius doni* has been particularly criticized on grounds of non-discrimination: specifically, for producing general inequality in citizenship matters. This is despite the fact that citizenship is by its nature and history exclusionary, and that states have total discretion in determining who does and who does not qualify as a citizen. The contradiction inherent in the non-discrimination and equality argument is widespread in the literature.

Which 'equality principle' has been broken, one wonders, if states have no obligation to treat those who want to naturalize equally to existing citizens or to one another, instead discriminating on such markers as birth, bloodline, ethnicity, marriage, and race?

It bears noting that the granting of citizenship because of investment is not substantially different from other citizenship requirements as conditions for naturalization, such as a guaranteed minimum income level or proof of independence from government welfare payments. Such conditions could likewise bring up issues of discrimination and equality, but they generally do not. Why not? For one, they are mainly concerned with promoting the sustainable integration of an applicant into the host country, which corresponds with the idea of the state community as a member-based collective in which everyone owes a certain contribution to the success of the whole. This idea is a corollary of the principle of solidarity, in the sense of a contractually based obligation of mutual care and protection. Citizenship by investment, by ensuring upfront that individual applicants have the means needed and that, in addition, they make a substantial financial contribution to the state, can just as easily be associated with the spirit of solidarity and collectivity as it can be associated with the spirit of discrimination.

## Citizenship by investment and inequality

Inequality among different modes of acquiring citizenship — which has always existed and will continue to exist, with or without the presence of citizenship by investment — is actually less problematic than the global inequality of states themselves. The latter results in a glaring disparity in quality of life across states, as well as in passport quality, which determines the mobility and life opportunities available to citizens outside their home states.

It would be difficult even to conceive of citizenship by investment programs in a world of equal opportunities. That *ius doni* is a result of the inequality among states is evidenced by the relatively small number of intra-EU naturalizations compared to the far higher number of EU naturalizations for non-EU-origin citizens, and it is equally evidenced by the significantly increased number of applications for Irish citizenship after the Brexit vote. The uniform opportunities for movement, travel, and trade available across the EU provide a useful control for measuring the relationship between inequality and the desire for improved citizenship.

There have been many debates about whether the conferral of citizenship based on economic contributions to a state is desirable, or whether it should instead be avoided as an inappropriate commingling of the spheres of money and statehood, or an inappropriate expansion of markets and market values. Many have sought to identify the areas or spheres of human society and its legal systems in which money can play a role versus those areas — or domains of rights — in which it should not. The latter are also referred to as 'blocked exchanges'.

The fundamental issue at stake here, then, centers on the following theoretical questions: Does the acquisition of citizenship by means of investment fall within the area of blocked exchanges? Or rather, should the primary aim of having well-off citizens of the world linked to a state via naturalization, based on their significant economic contributions to that state, be considered as a legitimate function of modern-day citizenship in light of modern citizenship laws, increasing transnational financial and migration flows, and increasing globalization?

The allegation that such liberalism undermines itself by favoring the wealthy or the privileged is not entirely correct. While citizenship by investment does imply that an economic transfer of some kind is made in return for the granting of a status, there is nothing to preclude the transaction being supported by a loan or by future income. Indeed, in the USA, this practice has become relatively common, with private financial institutions offering citizenship loans to cover the costs of the ordinary naturalization process.

The utilitarian argument and the argument of the effective allocation of goods — that is, that market exchanges benefit buyers and sellers alike by improving everyone's collective well-being — also support the case for a market-based allocation of citizenship: markets are not good or bad; they are simply the most effective means of allocating resources and goods. Additional inflows or economic contributions improve common well-being in a country. Everyone benefits from this practice, including, of course, the applicants themselves, who value the citizenship they obtain enough to incur the costs of applying under investment migration programs. The state, for its part, receives additional funding at virtually no cost. This funding comprises investments in its private or public sectors, or direct monetary contributions, depending on how the citizenship by investment program is structured. In return, the state adds wealthy entrepreneurs and investors as new citizens.

In addition to the utilitarian and market-based arguments, the fact remains that the practice of granting citizenship for economic reasons has been in place since antiquity. The questions surrounding this practice are, therefore, strictly ethical: they are no different from asking whether blood, descent, nationalism, military service, or talent in soccer should play a role in access to citizenship.

Money is a medium of societal integration. Undoubtedly, money is also able to buy things that previously were not considered appropriate for buying and selling. The open market for the right to pollute the air;[6] for-profit schools and prisons; naming rights for schools, public parks, and civic spaces; or the system of financing political campaigns that comes close to permitting the buying and selling of elections are but a few examples. Michael Sandel argues that some of the good things in life are corrupted and degraded if they are turned into commodities, and that society has drifted from having a market economy to being a market society: a way of life in which market values seep into every aspect of human experience.

To believe that a good has been corrupted, though, one must value that good above, or in different ways from, others. One must make a value judgment, as Sandel notes: "It hardly makes sense to speak of corrupting an activity — parenthood, say, or citizenship — unless you think that some ways of being a parent, or a citizen, are better than others. Moral judgments such as these lie behind the few limitations on markets we still observe. We don't allow parents to sell their children or citizens to sell their votes. And one of the reasons we don't is, frankly, judgmental: we believe that selling these things values them in the wrong way and cultivates bad attitudes."[7]

According to this reasoning, as Sandel points out, "paying foreign mercenaries to fight our wars might spare the lives of our citizens but may also corrupt the meaning of citizenship".[8] Certainly,

6 The EU, for example, operates the EU Emissions Trading System, which enables companies to buy and sell the right to pollute

7 M.J. Sandel, *What Money Can't Buy: The Moral Limits of Market*s (Farrar, Straus and Giroux 2012)

8 Ibid.

fighting in the wars of other states would 'corrupt' the meaning of citizenship in the same way that acquiring citizenship through investment or through marrying a generous prince or princess supposedly does.

While critics have a point in claiming that the very fact that citizenship has a price tag risks undermining and devaluing it, the opposite can also be said to be true: granting citizenship and a passport to highly successful and esteemed persons can make that same citizenship highly esteemed, too. Moreover, the migration of investors, which is usually assessed as a negative from the perspective of their countries of origin, might be assessed as a positive in the economic sense, as it ultimately contributes to international economic, technological, and cultural exchange and, moreover, to consistent market discipline. In agreement with Dimitry Kochenov, there is no real negative 'brain drain' in the world if properly put into perspective. That said, 'brains' will move anyway, and the same is true of capital. Public policies should therefore support rather than thwart this process.

There can certainly be no ethical justification for the allocation of citizenship based exclusively on birth rather than based on natural talent or private contribution, any more than the exclusive allocation of wealth and property on such terms can be justified. The 'selling' of citizenship to investors is only one instance of the wider, systemic unfairness in allocating citizenship. The granting of citizenship according to the circumstances of birth is no less arbitrary, and yet it is the norm worldwide: the overwhelming majority of people are allocated their citizenship at birth, based on nothing more than where and to whom they were born. Much like inherited wealth, these markers constitute the most arbitrary and unjust allocation system, reminiscent of the feudal system of the past. *Ius doni*, then, with its very limited scope of application, and despite how it may appear to some, pales in comparison to many of the other inequities attending the ordinary transmission of citizenship. It is, in fact, a more equitable form of citizenship allocation, and one that also immediately benefits the host community.

*Dr. Christian H. Kaelin, TEP, IMCM, Chairman of Henley & Partners, is considered one of the world's foremost experts in investment migration, a field he pioneered. Holding master's and PhD degrees in law from the University of Zurich, he is a sought-after speaker and advises governments and international organizations. He is the author, co-author, and/or editor of many publications, including standard works such as the* Global Residence and Citizenship Handbook*, the* Kälin – Kochenov Quality of Nationality Index, Ius Doni in International Law and EU Law*, and the* Switzerland Business & Investment Handbook*.*

# The Rise of Instrumental Citizenship

Prof. Dr. Christian Joppke
Director, Institute of Sociology
Professor of General Sociology, University of Bern
Bern/Switzerland

Citizenship by investment is part of a larger trend toward 'instrumental citizenship', in which citizenship loses its nationalist, state-sanctified aura and becomes a tool of strategic individuals around the world, both rich *and* poor, that enables them to pursue their interests. A second example of this trend is 'external citizenship', in which people who no longer live in the state of their ancestry retain or actively acquire the citizenship of their parents or grandparents as a form of insurance in case things go wrong in their country of residence. Many contemporary Israelis are in this category, as are scores of nominal Italians in Argentina, and others. A third example is EU citizenship, a post-national citizenship without duties and loyalties that has 'instrumentalism' written on its forehead in terms of free movement rights. Political theorists and philosophers, accustomed to seeing citizenship through the Greek lenses of virtue and participation, have dreaded this trend, but they conveniently overlook that there has long been a competing tradition of Roman rights-providing citizenship with much thinner connotations of identity.

Why is instrumental citizenship becoming so prominent *now*? At one level, it is a reflection of the divergence between citizenship status and citizenship identity that inevitably follows from the fact of international migration. As almost 97% of the world's population continues to live and die in their countries of birth, instrumental citizenship affects only a tiny minority — those wealthy enough to acquire a citizenship of their choice (if they are born with one that impairs mobility), the (remote) descendants of emigrants, and the few mobile European movers, to mention only three typical cases. This is a mere fraction of the minuscule 3% in the world who, technically, are on the move. Importantly, citizenship is never an issue for the sedentary majority — they live their lives without ever showing a passport, unless they have the means to vacation in exotic places. The

great Austrian lawyer Hans Kelsen once observed that citizenship is "of greater importance in the relations between the States than within a State".[9] This would be as true now as it was in the 1940s, if the fact of migration had not blurred the lines of the foreign–domestic binary. In its formative inter-state context, citizenship is merely a mechanism of attributing people to states, and it lacks the layer of "metaphysical thinking"[10] that it tends to adopt in domestic settings (as another great constitutional lawyer, Alexander Bickel, has said). Realism is the classic paradigm of international relations, and not by accident. By definition, instrumental citizenship is what citizenship *is* in this domain, both for states, which have always used this mechanism to further their interests, and — this is the novelty — increasingly for individuals, too.

Indeed, it is historically new that citizenship appears to us in this denuded form. Certainly, each of the types of instrumental citizenship grows out of a specific context, not to be confused with the others. Yet there are significant commonalities. Citizenship by investment is the state mimicking the market, which has otherwise greatly diminished the state's authority by privatizing almost everything — selling and buying citizenship is surely neoliberalism's biggest imprint on the citizenship construct. By contrast, the instrumentalism connected with external citizenship is the ironic flip-side of the state's (trans)nationalist assertiveness in Eastern Europe and elsewhere, where privileged access to citizenship for putative co-nationals abroad has become a national priority. As for citizenship by investment, external citizenship is enabled by contemporary globalization, yet in a different key and direction. EU citizenship, finally, grows out of a historically unique project of regional integration in a continent ravaged by war twice during its short 20th century, while still participating in a general trend toward the lightening of citizenship in liberal societies.

Accordingly, the increasing internationalization that is called globalization is a significant commonality of all three developments in citizenship. The most important common feature yet is the centrality of the individual and the slighting of the concerns of the community. Citizenship has always combined an individual with a collective element but the innovation is the decided shifting of the balance toward the individual. It may be too strong to depict citizenship as evolving from "contingent" to "sovereign",[11] as the French historian Patrick Weil thinks it is, particularly if one considers an opposite trend toward citizenship stripping in the context of tougher anti-terrorism laws. The latter is a sober reminder that citizenship itself is not a right or a "right to have rights",[12] as the German-American philosopher Hannah Arendt famously argued during the 20th century's darkest hour, nor is it the property of the individual — every passport bears the statement that it is the property of the passport-issuing state, and thus not of the individual who carries it.

Citizenship is, however, still part of a general trend toward legal individualism in liberal societies. Well into the 1960s, a major function of law was the protection of corporate entities such as family, nation, and even God, the latter in the form of blasphemy laws. That this is no longer the case can be seen when looking at laws regulating sex.

9 H. Kelsen, *General Theory of Law and State* (Harvard University Press 1949) 241

10 A.M. Bickel, 'Citizenship in the American Constitution' (1973) Faculty Scholarship Series. Paper 3957 *digitalcommons.law.yale.edu/fss_papers/3957* accessed 15 July 2021

11 P. Weil, 'From conditional to secured and sovereign: The new strategic link between the citizen and the nation-state in a globalized world' (2011) 9(3–4) International Journal of Constitutional Law (ICON) 615–635 *academic.oup.com/icon/article/9/3-4/615/657641* accessed 15 July 2021

12 H. Arendt, '"The Rights of Man": What Are They?' (1949) Modern Review

American sociologist David Frank, who studied their development in no less than 194 countries, detected a general process of individualization, whereby persons become “disembedded from families, nations, and other corporate bodies, and…re-rendered…as autonomous, empowered actors”.[13] The same individualizing process has long been observed in other branches of the law, such as family law, and, of course, there is the endangered species of blasphemy law.

In most countries, treason as a crime that only citizens could commit has disappeared and been replaced by sedition laws that are indifferent to citizen status. This reflects a weakening of the exclusive, loyalty-commanding nexus between citizen and nation-state. A century ago, Emile Durkheim declared the “human person” the subject of a new “religion in which man is at once the worshipper and the god”. In the meantime, the reach of individualism has greatly expanded, though in the direction of undermining the transcendence of state and community that Durkheim did not foresee and would not have condoned. This is the wave (or should we call it a tsunami?) that instrumental citizenship is riding on.

States, to repeat, have *always* been strategists in matters of citizenship. And nationalism is often not the opposite but the very content of these strategies, as in the contemporary forms of state (trans)nationalism that enable external citizenship, but, also, in the utilization of symbolically upgraded citizenship for containing immigrant diversity, which is happening in almost every European country today. The novelty is to see individuals too, and not only states, as citizenship strategists. This should be welcomed as a further step in the demystification of states and the empowerment of individuals.


13 D.J. Frank, B.J. Camp, and S.A. Boutcher, ‘Worldwide Trends in the Criminal Regulation of Sex, 1945 to 2005’ (2010) 75(6) American Sociological Review 867–893 *doi.org/10.1177/0003122410388493* accessed 15 July 2021


*Prof. Dr. Christian Joppke holds a chair in sociology at the University of Bern. He has also repeatedly been a Visiting Professor in the Nationalism Studies Program at Central European University in Budapest and an Honorary Professor in the Department of Political Science at Aarhus University. He is a Member of the Expert Council of German Foundations on Integration and Migration (SVR), which advises the German government on migration and integration policy.*

*After obtaining a PhD from the University of California at Berkeley in 1989, he taught at the University of Southern California, European University Institute, University of British Columbia, International University Bremen, and American University of Paris.*

*He is the author of 10 monographs, most recently* The Secular State Under Siege *(2015),* Is Multiculturalism Dead? *(2017), and* Neoliberal Nationalism: Immigration and the Rise of the Populist Right *(2021). He is a leading scholar on immigration, citizenship, religion, and multi-culturalism, with a recent interest in populism and nationalism.*

# Compensatory Citizenship: Dual Citizenship as a Response to Global Inequality

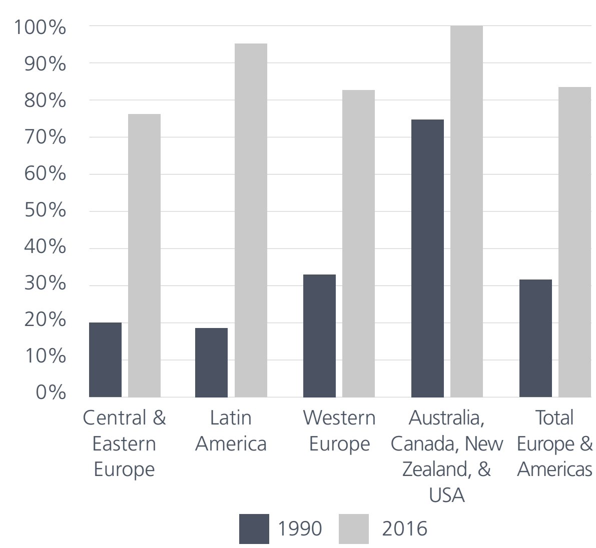
Prof. Dr. Yossi Harpaz
Assistant Professor of Sociology
Tel Aviv University, Tel Aviv/Israel

Citizenship is the key status that determines a person's position in a hierarchical global system. Those who are born with the 'right' citizenship — say, Swedish or Canadian — gain access to a formidable package of opportunities, rights, and security that is nearly unimaginable to persons born with, say, Somali or Syrian citizenship. Only about 15% of the world's population holds citizenship from the EU or other highly developed countries: Australia, Canada, Japan, South Korea, or the USA. Relative to the remaining 85% of humanity, they are a global elite in terms of citizenship rights. The gaps between the highly developed, mostly Western countries and (almost all) of 'the Rest' are vast: the economist Branko Milanović has calculated that the 5% of Americans with the lowest incomes still have an average income that is higher than 60% of the world's population (they are in the 60$^{th}$ percentile of the global income distribution). Meanwhile, the earnings of the lowest-income Danes place them in the 90$^{th}$ percentile of the global distribution of incomes.

The elite status of Western and EU citizenship becomes even more striking when we take into consideration its extraterritorial value — that is, the recognition that these passports receive in countries other than the countries that issued them. This perspective reveals a vast disparity in global travel freedom. For example, Spanish citizenship offers a package that (through EU citizenship) also includes the unrestricted right to reside and work in Germany or Sweden, and visa-free or visa-on-arrival access to the USA and Canada. Travel freedom has become particularly valuable in today's globalized world, where the ability to cross international borders plays a key role in determining individuals' economic opportunities, consumption habits, and social status — sometimes even their personal safety.

We can view citizenship, then, as a sorting system that allocates individuals into different — and starkly unequal — slots within a global matrix of states and citizens. For most of the 20$^{th}$ century, this sorting system did not tolerate overlaps: countries demanded exclusive allegiance from their citizens and typically did not permit multiple citizenship. In 1990, only about a quarter of the countries in Europe and the Americas permitted dual nationality. Soon thereafter, legal norms rapidly began to change. Numerous factors, including a boost in international migration and the end of the Cold War, have combined to make dual citizenship legally and normatively acceptable. By 2016, more than 80% of countries in Europe and the Americas permitted dual citizenship. Today, the acceptance of multiple citizenship has become the norm among developed countries. The few countries that resist this trend — for example, Austria and Japan — are now the exception.

Figure 1. Percentage of countries per region that permitted dual citizenship (1990, 2016)




Note: The bars show the percentage of countries in each region that permitted dual nationality in 1990 (dark bar) and 2016 (light bar).

Source: Reproduced from Y. Harpaz, *Citizenship 2.0: Dual Nationality as a Global Asset* (Princeton University Press 2019)

The acceptance of dual citizenship might appear at first to be a minor, technical change, one that would have consequences only for specific categories of individuals (such as immigrants and the children of parents of different nationalities). In fact, however, waiving the traditional requirement for exclusivity has the potential to change the basic ways that states and individuals approach national membership. As citizenship becomes more flexible, many states now extend citizenship to populations that live outside their territories but are nonetheless desirable for other reasons — because of their ancestry or ethnicity, or even because of their value as potential entrepreneurs and investors.

From the point of view of individuals, the change is even more dramatic. In the 'traditional' system of exclusive national membership, citizenship operated as a strict, rigid status: once assigned (usually at birth), it could be changed only with great difficulty. Acquiring a second citizenship typically entailed giving up the original one. Once it is possible to hold more than one citizenship, all this changes. Citizenship is now flexible and fungible. In sociological terms, citizenship is changing from being an 'ascribed status' — meaning a characteristic that is fixed and imposed from the outside — to an 'achieved status', meaning that it can be changed through individual striving. Persons around the world can strategically plan their citizenship status and seek the national affiliation that they think will provide them with the greatest benefits for the smallest investment. Although only a very small percentage of humanity has done this, the fact that such strategies are now possible leads to changes in the value and meaning of citizenship. Citizenship is being drawn into the capitalist market and is coming to be perceived as a piece of private property — even a commodity.

The new principle of dual citizenship toleration — and the concomitant commodification of citizenship — adds dynamism to the rigid system of citizenship-based global inequality, providing new ways for people to improve their position in the global hierarchy. The clearest expression of this is a phenomenon that I call compensatory citizenship:

individuals from outside the West who obtain a second citizenship from a Western or EU country. The second, premium citizenship is 'compensatory' because it is typically used to complement the primary, resident citizenship rather than replace it. Most individuals who obtain this kind of citizenship do not emigrate; instead, they are interested in securing an 'insurance policy', a premium passport and improved opportunities that their primary, resident citizenship cannot offer them.

Compensatory citizenship is found in countries that are in the middle of the global distribution of citizenship value and that host populations with a history of ancestral, ethnic, or migration ties with European and North American countries. This applies first and foremost to two regions: Latin America and Eastern Europe. When Italy and Spain offered dual citizenship to the descendants of emigrants, almost 1 million Argentinians and Brazilians applied for a second passport. In Eastern Europe, citizens of non-EU countries rush to secure co-ethnic citizenship from the countries that have joined the Union. Thus, hundreds of thousands of Moldovans, Serbians, and Ukrainians have secured citizenship from countries such as Hungary and Romania. In contrast, eligible individuals in Western Europe and the USA showed relatively little interest in converting their roots into a second citizenship. This demonstrates that the main force driving the demand for ancestry-based European citizenship is global inequality: more specifically, the wish to secure compensatory citizenship and the practical advantages that come with it.

As millions of European descendants convert their ancestry into privileged access to the EU, individuals who do not have such ancestry are coming up with other methods to secure compensatory dual citizenship. One strategy is 'birth tourism': traveling to the USA and giving birth there with the aim of providing the newborn with automatic birthright citizenship. Given the expenditure involved in birth tourism — starting from USD 7,000 and ranging up to USD 25,000 or more — it is mostly practiced by wealthy families coming from a range of origin countries, including China, Mexico, Nigeria, and Turkey. Another pathway to compensatory citizenship is strategic naturalization: naturalizing in a country with a liberal citizenship regime (for example, Spain, which allows Latin American immigrants to naturalize after a relatively short period) and then — once citizenship is secured — returning to one's country of origin.

These developments lead to changes in the way people around the world understand and experience citizenship. I have conducted research on three study cases of compensatory citizenship: in Israel, Mexico, and Serbia. I will briefly present the Israeli and Mexican cases. The Israelis I studied were second- or third-generation immigrants who drew on their ancestry to obtain EU citizenship (most commonly, citizenship of Germany, Poland, and Romania); the Mexicans belonged to middle- and upper-class families that practiced birth tourism in the USA. Despite the geographical, cultural, and historical differences between the two settings, I found striking commonalities in the ways in which people related to citizenship.

Until quite recently, these combinations of dual citizenship would be highly provocative and controversial. First, Mexico did not permit dual citizenship until 1998. Second, Mexicans traditionally condemned emigrants to the USA — especially those who took up American citizenship — as traitors or rotten persons (*pochos*). In Israel, dual citizenship was always permitted by law but there was a strong social stigma against seeking German citizenship. In the eyes of many Israelis, taking German citizenship was an abomination — a blasphemous act tantamount to 'forgetting the Holocaust' and repudiating Zionism. Today, such discourses still exist in both countries, but only at the margins. Even if the partner nation is a historical rival or victimizer, dual citizenship is seen as widely legitimate, and dual citizens generally face little everyday censure.

As for citizenship applicants themselves, in Mexico and Israel they typically employed terms associated with property and economic interests when discussing citizenship. Mexican parents spoke of strategic birth as a long-term investment in their children's future. They calculated its costs against the expected benefits — above all, in terms of security, opportunities, and global mobility — while also considering associated additional costs (such as taxation). In Israel, the decision to apply for dual citizenship was often explained as a quest for restitution. Applicants commonly described German or Polish citizenship as an asset that was stripped away unlawfully from their immigrant parents or grandparents. Acquiring EU citizenship through these countries offered a degree of restitution for the lives and property that their families lost in the Holocaust. As in Mexico, the second citizenship was envisioned as useful only for the younger generation — for whom it would supposedly provide 'opportunities in Europe' (not in the specific origin country) and even make them 'citizens of the world'.

This final point helps explain the lowered public resistance to dual citizenship in Israel, Mexico, and elsewhere. Along with its 'marketization' and commodification, citizenship is also becoming denationalized, meaning that it is coming to be associated less with a specific nation and more with economic benefits and standing within a global society.

*Prof. Dr. Yossi Harpaz is an Assistant Professor in Sociology at Tel Aviv University, Israel and a Visiting Scholar at the Weatherhead Center for International Affairs, Harvard University. His research deals with contemporary changes in the institution of citizenship and their impact on global inequality and national identity. His broader research interests include globalization, immigration, ethnicity, and nationalism.*

*His work has been published in the* International Migration Review, *the* Journal of Ethnic and Migration Studies*, and other journals. In 2019, he published a book based on his research on dual citizenship,* Citizenship 2.0: Dual Nationality as a Global Asset *(Princeton University Press). This essay draws on the journal articles and the book.*

# How Precision Medicine Initiatives May Affect Investment Migration Choices in Future

Robert Maciejewski
Member of the Board, SIP Medical Family Office
Zurich/Switzerland

Looking back at the history of healthcare, medicine has, for the most part, been reactive in its practical application, taking action, in other words, when health issues or symptoms occur. With few exceptions, it has also been highly standardized — a 'one size fits all' approach for both treatments and medications.

However, in the past few years, modern medical science has come to understand that each patient's unique genetic and molecular profile opens vast opportunities for better, individualized treatments and more effective drug administrations leading to cost savings. With rapid advancements in genetic, pharmacogenetic, epigenetic, and other research areas, preventive (or precision) medicine has come to be the key driver in new ways to approach healthcare, attempting to discover diseases before they manifest.

This understanding is not only of medical importance. It is also a matter of developing a global view on healthcare for the good of all citizens on this planet. While precision medicine has made remarkable progress in the last few years, it is still in its infancy, with many more exciting developments on the horizon. To develop it further requires both private and governmental actors across the globe to take not a mindset of scarcity and protectiveness, but rather one of collaboration — an open approach to sharing scientific breakthroughs. Most importantly, it also requires developed countries to take the lead and make knowledge and developments available to countries with fewer resources in order to save and improve lives.

This global approach can present a huge opportunity to identify patients at risk of a specific disease or a severe variant of a disease before it materializes, greatly improving quality of life[14] and reducing costs by allowing preventive interventions. For people with rare diseases,[15] this global approach could lead to treatment for conditions that would otherwise not be identified or attended to. And finally, as we will discuss, it is likely to affect residence and citizenship by investment choices in the upcoming years as well.

## Government initiatives

A variety of countries, among them some that offer residence or citizenship by investment, have understood the importance of moving personalized medicine forward on a larger scale and have thus established national initiatives to support the development of personalized, or precision medicine.

Then-President of the USA Barack Obama launched the national Precision Medicine Initiative in 2015, aiming to revolutionize the way that the country improves healthcare and treats diseases. This initiative set out key focus areas[16] such as better cancer treatments, a large-scale national research database, privacy improvements for patient data, regulatory modernization, and stronger public–private partnerships in healthcare.

14 M. Kasztura, A. Richard, N-E. Bempong, D. Loncar, and A. Flahault, 'Cost-effectiveness of precision medicine: A scoping review' (2019) 64 International Journal of Public Health 1267–1271 *link.springer.com/article/10.1007/s00038-019-01298-x* accessed 16 September 2021

15 National Academies of Sciences, Engineering, and Medicine, Division on Earth and Life Studies, Institute for Laboratory Animal Research: Roundtable on Science and Welfare in Laboratory Animal Use, 'Existing precision medicine initiatives' (2018) in *Advancing disease modeling in animal-based research in support of precision medicine: Proceedings of a workshop* (National Academies Press (US)) *ncbi.nlm.nih.gov/books/NBK507215/* accessed 16 September 2021

16 The White House: Office of the Press Secretary, 'Fact sheet: President Obama's Precision Medicine Initiative' (30 January 2015) *obamawhitehouse.archives.gov/the-press-office/2015/01/30/fact-sheet-president-obama-s-precision-medicine-initiative* accessed 16 September 2021


AIRFRANCE

In a similar vein, in 2014, Canada established CGEn, a federally funded national platform for genome sequencing and analysis. During the Covid-19 pandemic, the platform proved its relevance, supporting a rapid response that allowed for the sequencing of over 150,000 virus sequences and enabling better tracking of virus transmission, understanding of host responses informing policy decisions, and guiding testing and tracing strategies, vaccine development, and drug treatments.[17]

In 2015, Japan launched its Initiative on Rare and Undiagnosed Diseases,[18] which has accepted thousands of patients into the program and uncovered dozens of rare diseases that would otherwise have left patients undergoing an odyssey of unclear diagnoses. Meanwhile, a strong global collaboration led to the development of the Undiagnosed Diseases Network International and a successful partnership with the International Rare Diseases Research Consortium.

In Europe, Switzerland launched the Swiss Personalized Health Network initiative in 2016 to establish and strengthen personalized medicine, with its first phase initially aimed at a nationally coordinated health data infrastructure. As of 2021, it has spawned or is supporting several national and international initiatives to foster personalized health and precision medicine, bioinformatics, and genetic research as well as better collaborations between science, government, and society. In 2017, a similar setup was launched in Austria with the establishment of the Austrian Platform for Personalized Medicine.

### How precision medicine initiatives open access to better healthcare

Finally the question remains, ‘How do national precision medicine initiatives impact choices about residence and citizenship by investment?’ All these initiatives have in common that they are an important indicator of a country that is willing to evaluate and implement changes in its healthcare system at the governmental level.

As the World Economic Forum recently stated in one of its ‘global agenda’ essays,[19] what stands in the way of precision medicine is not science and technology, but policy and governance. Many of the questions and challenges about precision medicine concern issues such as laws for (or against) the use of health data for research, the legality of genetic testing, and the legal status of individualized and potentially life-saving treatments for which no standardized approval processes have yet been established.

It is therefore safe to assume that countries with government initiatives around precision medicine are more likely to adapt policies that allow for better availability of personalized medicine and therefore ensure better healthcare for individuals living in these countries — including simplified regulatory frameworks that allow for faster access to scientific and medical breakthroughs, better privacy for personal health data, and more.

The quality of healthcare systems should be an important factor in the decision-making process for anyone looking into residence and citizenship by investment programs, making a review of the current state of precision medicine initiatives in a specific country a helpful, and important, indicator.

17 Genome Canada, 'Genomics on a mission: 2020–21 Annual report' (n.d.) *genomecanada.ca/en/about/publications/annual-report* accessed 16 September 2021

18 T. Adachi, K. Kawamura, Y. Furusawa, Y. Nishizaki, N. Imanishi, S. Umehara, K. Izumi, and M. Suematsu, 'Japan's initiative on rare and undiagnosed diseases (IRUD): Towards an end to the diagnostic odyssey' (2017) 25 European Journal of Human Genetics 1025–1028 *nature.com/articles/ejhg2017106* accessed 16 September 2021

19 G. Dana, 'Why precision medicine won't transform healthcare — but governance could' (2020) *weforum.org/agenda/2020/05/why-precision-medicine-won-t-transform-healthcare-but-governance-could/* accessed 16 September 2021

*Robert Konrad Maciejewski is a member of the board of the SIP Medical Family Office, the world's leading independent consultants for International Health Insurance and Health Management, based in Zurich, Switzerland. He is also CEO of Biolytica AG, a longevity-focused data analytics platform and personalized health solutions provider, based in Zug, Switzerland.*

*Before these appointments, he held executive positions in multiple industries and worked as a performance improvement strategy consultant with numerous pharmaceutical and healthcare companies.*

# Wealth Distribution in the Covid-19 Era

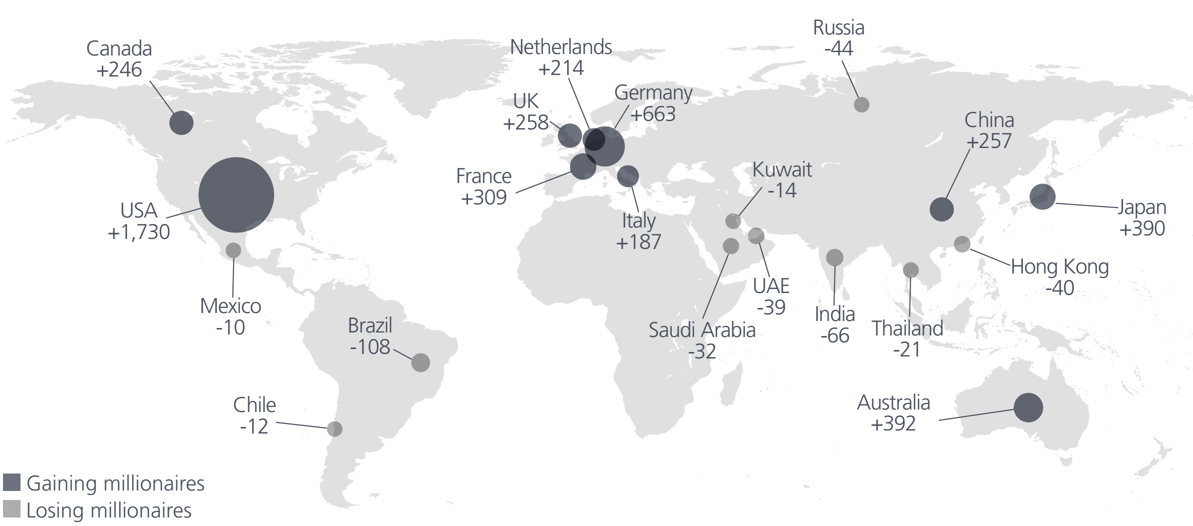
Dr. Juerg Steffen
Chief Executive Officer
Henley & Partners

With a growing number of millionaires considering relocation to protect themselves and their families from potential political instability and to circumvent Covid-19-related global restrictions, countries around the world have increased the range of available migration paths, including introducing residence and citizenship by investment programs, to cope with the demand.

For those of us who have been following the trend, it is interesting to consider the global distribution of millionaires, as well as where they choose to migrate to and from, and why they do so. A millionaire is an individual with a net worth (the value of their financial assets and real estate after deducting any debt) of more than USD 1 million. But it is useful to distinguish between high-net-worth individuals — those who have a net worth of at least USD 1 million in liquid assets — and ultra-high-net-worth individuals — those who have more than USD 30 million in liquid assets. A myriad of factors motivates the wealthy to migrate — and the reasons usually differ between high- and ultra-high-net-worth individuals. Traditionally, however, these factors include the desire for better education options, a higher standard of living, a more desirable climate or less polluted environment, and opportunities for business diversification. Indeed, the Covid-19 pandemic, and the latest socio-economic upheavals and political developments in some of the more vulnerable parts of the world, have highlighted to many people — and especially the wealthier population — the need to improve safety and security for their families, escape oppressive or corrupt regimes, access world-class healthcare, and enjoy more favorable tax environments.

In the lead-up to 2020, wealth migration had been accelerating steadily — approximately 108,000 high-net-worth individuals migrated in 2018 compared to 95,000 in 2017, 82,000 in 2016, and 64,000 in 2015. However, the outbreak of the Covid-19 pandemic in

Figure 2. Top territories gaining or losing millionaires in 2020 (thousands)




Sources: A. Shorrocks, J. Davies, R. Lluberas, 'Credit Suisse Research Institute Global Wealth Report 2021' (2021) Credit Suisse *credit-suisse.com/about-us/en/reports-research/global-wealth-report.html* accessed 10 August 2021

Table 2. Top territories gaining or losing millionaires in 2020 and Henley Passport Index 2022 Q1 visa-free/visa-on-arrival scores

| *Country* | *Millionaires gained in 2020 (thousands)** | *% of global high-net-worth population** | *Number of territories accessed visa-free/visa-on-arrival*** | *Country* | *Millionaires lost in 2020 (thousands)** | *% of global high-net-worth population** | *Number of territories accessed visa-free/visa-on-arrival*** |
|---|---|---|---|---|---|---|---|
| USA | +1,730 | 39% | 186 | Brazil | -108 | 0.4% | 169 |
| Germany | +633 | 5.3% | 190 | India | -66 | 1.2% | 59 |
| Australia | +392 | 3.2% | 185 | Russia | -44 | 0.5% | 119 |
| Japan | +390 | 6.5% | 192 | Hong Kong | -40 | 0.9% | 171 |
| France | +309 | 4.4% | 188 | UAE | -39 | 0.3% | 175 |
| UK | +258 | 4.4% | 186 | Saudi Arabia | -32 | 0.4% | 79 |
| China | +257 | 9.4% | 80 | Thailand | -21 | 0.2% | 79 |
| Canada | +246 | 3.0% | 185 | Kuwait | -14 | 0.1% | 95 |
| Netherlands | +214 | 1.8% | 188 | Chile | -12 | 0.1% | 174 |
| Italy | +187 | 2.6% | 189 | Mexico | -10 | 0.5% | 159 |

Sources: *A. Shorrocks, J. Davies, R. Lluberas, 'Credit Suisse Research Institute Global Wealth Report 2021' (2021) Credit Suisse *credit-suisse.com/about-us/en/reports-research/global-wealth-report.html* accessed 10 August 2022; **2022 Henley Passport Index Ranking, as of 11 January 2022 *henleyglobal.com/passport-index* accessed 11 January 2022

late 2019, and the associated protracted lockdown and travel restrictions that characterized 2020 and 2021, have impacted on global mobility in ways that remain challenging to define. What is clear is that the mobility of all individuals has been severely curtailed, and affluent investors are no exception. Despite the limits imposed on mobility rights, ever-growing numbers of high-net-worth individuals are enquiring about residence and citizenship by investment programs, leading the industry to be worth an estimated USD 25 billion in 2019.[20]

## A new era for investment migration

Despite increases of 7.6% and 6.3% in global wealth levels and the global high-net-worth population, respectively, in 2020, Covid-19 severely disrupted the global economy.[21] From the first half of 2020 and well into 2021, many lost vast assets. In some countries, the handling of the ongoing health crisis has been regarded as disappointing by citizens, the business community, and investors in general. In addition to the challenges caused by this crisis, several governments have consequential

20 The Global Migration Analysis Centre, 'Millionaire Migration: How Much Would You Pay for a Passport?' (2021) Migration Data Portal *migrationdataportal.org/blog/millionaire-migration-how-much-would-you-pay-passport* accessed 9 August 2021

21 Capgemini Research Institute, 'World Wealth Report 2021' (2021) World Wealth Report *worldwealthreport.com* accessed 9 August 2021

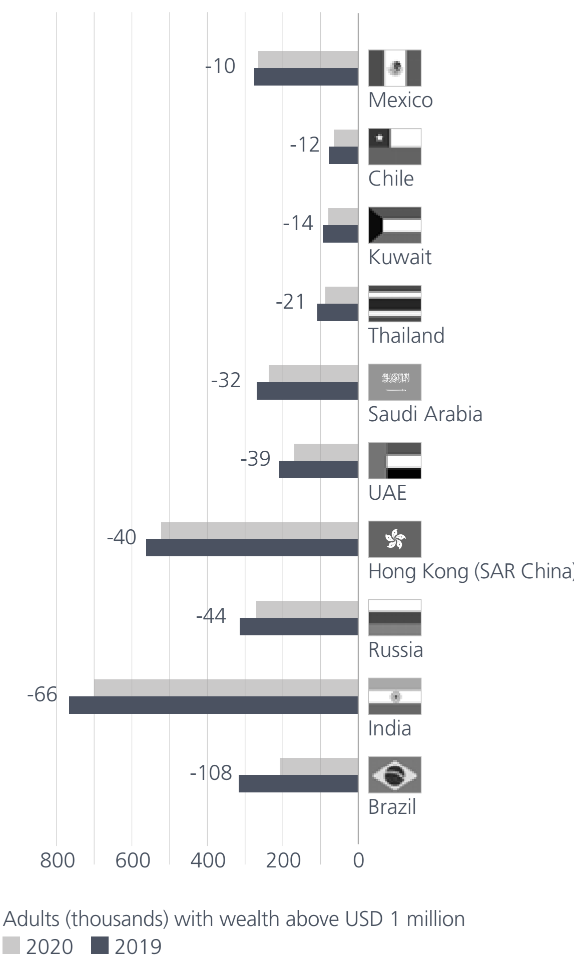
fiscal changes to support the health and economic recovery of their countries, and to repay the stimulus aids secured by central banks. Aware of the risks of budget deficits and quantitative easing, some Western economies restricted budgets in 2021, yet the damage has been done. To avoid losing purchasing power, high-net-worth individuals are diversifying their portfolios across asset classes. They have also shown an interest in spreading their investments geographically and in acquiring opportunities to resettle quickly and safely when necessary, even if they are nationals of leading countries. Henley & Partners received 79% more web enquiries in 2021 than in 2020, itself a year that saw a dramatic upswing of interest in North America (+208% in the USA and +47% in Canada), the EU (+55%, +39% and +33% in Italy, Portugal and France, respectively), Australia (+41%), and the UK (+31%). This was sustained in 2021 (+110% in the UK, +86% in Canada, +77% in France, +26% in the USA, +16% in Australia) and is likely to continue as the current political agendas are implemented.

## The countries losing millionaires – and why

In 2013 and 2014, North America and the Asia-Pacific region shared the highest step of the high-net-worth market podium (with 4.3 and 4.6 million of these individuals each). The five following years were dominated by the Asia–Pacific region, with China and India generating far more high-net-worth individuals than they lost, but 2020 saw the return of North America to the top position.

Defying all odds, equity markets rose in 2020, benefiting mainly the USA, which alone accounted for more than half of the new high-net-worth individuals.[22] The very positive stock market results, largely due to the performances of GAFAM (namely, Google, Apple, Facebook, Amazon, and

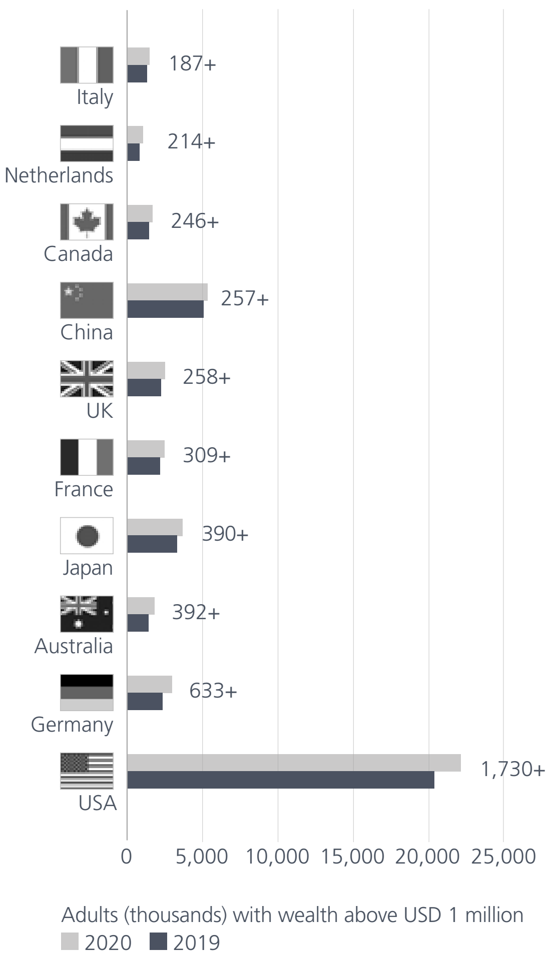
Figure 3. Countries with fewer millionaires: 2020 versus 2019




Source of data: A. Shorrocks, J. Davies, R. Lluberas, 'Credit Suisse Research Institute Global Wealth Report 2021' (2021) Credit Suisse *credit-suisse.com/about-us/en/reports-research/global-wealth-report.html* accessed 10 August 2021

[22] Capgemini Research Institute, 'World Wealth Report 2021' page 7 (2021) World Wealth Report *worldwealthreport.com* accessed 9 August 2021

Figure 4. Countries with more millionaires: 2020 versus 2019




Source of data: A. Shorrocks, J. Davies, R. Lluberas, 'Credit Suisse Research Institute Global Wealth Report 2021' (2021) Credit Suisse *credit-suisse.com/about-us/en/reports-research/global-wealth-report.html* accessed 10 August 2021

Microsoft), also prompted wealth in the country to grow the fastest, with a 12.3% increase. Canada contributed to the region's high-net-worth pool, but with an increase of 2.9% only.

Asia–Pacific markets also performed exceptionally, with some countries in the region continuing to considerably increase the number of millionaires. Despite its steady economic growth, however, the speed of the increase in the region's high-net-worth population has slowed compared to that of the previous year.

China has seen a significant outflow of high-net-worth individuals, notwithstanding an 11% increase in its high-net-worth population. This outflow is largely a result of its deteriorating political and trade relations with the USA and Australia, and the controversy surrounding the Covid-19 outbreak.

Similarly, Russia's local political context has also contributed to the diminution in its high-net-worth population.[23] Unrest in Belarus, Kyrgyzstan, Nagorno-Karabakh, and Ukraine as well as the collapse of oil prices throughout the year, has increased the instability of Russia's economic prospects, causing the ruble to depreciate. Oil prices have also greatly impacted the Middle East in general, resulting in a decrease of the high-net-worth population in Kuwait, Saudi Arabia, and the UAE. With the reboot of the world's economic activities in early 2021, prices have been climbing steadily. However, the global demand for oil[24] and fuel tends to diminish year after year; it will therefore be interesting to observe the reaction of high-net-worth individuals in these countries in the next few years.

The outbreak of Covid-19 has had a significant impact on the additional citizenship market. It has distorted some of the macro trends observed in 2018 and 2019, but it has also accelerated the

[23] The Bank of Finland Institute for Emerging Economies, 'Rising Uncertainty Drove Ruble Depreciation in September' (2020) The Bank of Finland Institute for Emerging Economies *bofit.fi/en/monitoring/weekly/2020/vw202041_1* accessed 9 August 2021

[24] K. Amadeo, 'Oil Price Forecast 2021–2050: How the Covid-19 Pandemic will Affect Oil Prices in 2021' (2021) The Balance *thebalance.com/oil-price-forecast-3306219* accessed 9 August 2021

interest of high-net-worth individuals in India and in other emerging economies in investment migration programs. In addition, it comes as no surprise that South America has posted a high-net-worth population decrease of 4%, as the region has been severely negatively affected by the pandemic. Brazil, which has traditionally been home to the greatest number of affluent individuals in the region, saw an outflow of 6.6% of high-net-worth individuals and continues to lose wealth, adding extra crime and safety concerns to an already strained health situation.

The picture is slightly different in Europe where, despite better-than-average growth in the Nordic countries, economies have been hit heavily by recession. Notably, the UK suffered a contraction in GDP of nearly 10% in 2020 and lost 3% of its high-net-worth population.

## The role of investment migration programs

The figures discussed above relate to all high-net-worth individuals who have acquired second citizenship by birth, investment, or other means of naturalization. Several of the countries that reported the highest number of high-net-worth individuals globally in 2020 offer residence by investment programs that include excellent options for private residence, business opportunities, the possibility of acquiring citizenship, and quality of life. Residence by investment programs provide high-net-worth individuals with the option of physically relocating, if they wish, as well as the right to live, study and — perhaps most notably in these uncertain times in a global pandemic — to receive quality healthcare and work in their new country of residence. In the past couple of years, residence and citizenship by investment has bolstered its appeal to wealthy citizens. Some governments have even adjusted their existing programs or created new ones to address the increasing desire to work in jurisdictions that have been less impacted by Covid-19 and for access to more efficient healthcare systems.

There are, however, many wealthy individuals who acquire citizenship of a country yet never relocate. Citizenship by investment programs provide families with the privilege of acquiring an alternative citizenship, which in turn gives them the right to travel more freely to a greater number of destinations and to settle in another country. Generally, around 30% of migrating high-net-worth individuals enter countries via investment migration programs.[25]

## The countries gaining millionaires – and why

In 2020, the USA, Japan, Germany, and China were the four countries with the highest number of high-net-worth individuals, accounting for 62.9% of the global high-net-worth population.[26] The fifth country on the list, France, saw its high-net-worth population grow by only 1.7%.[27]

The most impressive leap of 2020 is surely that of Iran, where, despite renewed international sanctions, the high-net-worth population grew by 21.6%. In 2021, despite a difficult first six months, the Tehran Stock Exchange had strong results in the third quarter. Earlier gains were due to wealthy locals and the government investing in the stock exchange.[28]

25 S. Pearson and L. Magalhaes, ' "I'm Totally Freaked Out": Brazilians Weigh a Farewell to Paradise' (2018) The Wall Street Journal *wsj.com/articles/im-totally-freaked-out-brazilians-weigh-a-farewell-to-paradise-1533211200* accessed 10 August 2021

26 Capgemini Research Institute, 'World Wealth Report 2021' page 9 (2021) World Wealth Report *worldwealthreport.com* accessed 9 August 2021

27 Ibid.

28 Trading Economics, 'Iran TEDPIX Stock Market Index', Trading Economics website *tradingeconomics.com/iran/stock-market* accessed 1 December 2021

South Korea's stock exchange also performed exceptionally well. In 2020, the country's stocks were at their highest in more than 10 years thanks to the continuous development of the technology market.[29] This led to its high-net-worth population growing by 11.6% — the largest rise in Asia. This slowed in 2021, but the affluent population is likely to remain significant.

South Korea's neighbor, Hong Kong, enjoyed a political respite in late 2020, whereas Taiwan benefited from soaring exports and significant increases in electronic component sales,[30] partially due to work-from-home trends. As a result, Hong Kong and Taiwan saw their millionaire populations increase in 2020 by 9.6% and 9.5%, respectively. These countries have also been relatively successful in curtailing the pandemic compared to the global average.

Sweden is another country that initially minimized the impact of Covid-19 on its economy. It did not resort to lockdowns, and therefore its economy was not shut down, although Omicron saw tighter restrictions in early 2022. The country has a strong real estate market,[31] attracting investments in data centers,[32] and industrial and logistics properties. The combination of these factors led Sweden's millionaire population to grow by 11.1% in 2020,[33] the largest increase in Europe.

29 F. Imbert, 'South Korean Stocks Had Their Best Year in More Than a Decade in 2020: Here's What Drove Them Higher' (2021) CNBC *cnbc.com/2021/01/03/south-korean-stocks-had-their-best-year-in-more-than-a-decade-in-2020-heres-what-drove-them-higher.html* accessed 10 August 2021

30 AFM Editorial Office, 'What is Driving Taiwan's Export Boom?' (2020) Asia Fund Managers *asiafundmanagers.com/GBR/taiwan-export-boom-2020/* accessed 10 August 2021

31 T. Turula, 'The Number of Millionaires in Sweden and Norway is Growing Fast' (2017) Insider *businessinsider.com/the-number-of-millionaires-in-sweden-and-norway-is-growing-fast-2017-10?r=US&IR=T* accessed 10 August 2021

32 Intrado Globe Newswire, 'Sweden Data Center Investment Report 2021–2026: Major Investors are atNorth, Bahnhof, Digital Realty, EcoDataCenter, Facebook, Google, Multigrid, Microsoft, Northern Data' (2021) Intrado Globe Newswire *globenewswire.com/news-release/2021/07/14/2262771/28124/en/Sweden-Data-Center-Investment-Report-2021-2026-Major-Investors-are-atNorth-Bahnhof-Digital-Realty-EcoDataCenter-Facebook-Google-Multigrid-Microsoft-Northern-Data.html* accessed 10 August 2021

33 Capgemini Research Institute, 'World Wealth Report 2021' page 9 (2021) World Wealth Report *worldwealthreport.com* accessed 9 August 2021

With the Toronto Stock Exchange having plunged until November 2020, Canada could have expected to see a wealth exodus. However, because of the remarkable performance of its information technology sector, the exchange closed the year with a 2.2% gain,[34] allowing its high-net-worth population to grow by 2.9%. Although this is a slower increase than in 2019, it is superior to that of other developed economies. Nonetheless, this result must be analyzed in the context of the Canadian dollar having markedly appreciated against the US dollar. The Canadian dollar is not the only currency that gained value in 2020 — the appreciation of the euro also sheds light on the high-net-worth population growth of the Netherlands and Italy. However, both currencies continued to perform well in 2021 and they are expected to keep strengthening against the US dollar, indicating a trend from which other Eurozone countries[35] and Canada[36] might keep benefiting in the future.

The full consequences of the Covid-19 crisis are yet to be revealed and we have very limited visibility, if any, as to when life will return to what was considered normal only two years ago. However, it is predicted that in 2025, the world's high-net-worth population will reach 84 million, a leap of almost one third from 2020.[37] The investment migration trends driven by the Covid-19 situation predict that this population growth will occur in all regions. In addition, some studies have anticipated that most of the high-net-worth population will concentrate in the same countries as in 2020,[38] with a few notable exceptions. Germany, currently home to the third-largest high-net-worth population worldwide, might give way to China, France, and Canada as the top three, and might find Australia on its heels. Indeed, Australia and neighboring New Zealand have rapidly gained in popularity in recent years, and this tendency is growing rather than easing. The two Oceanian countries capitalize on excellent business and security conditions as well as their high-performing healthcare systems. On a larger scale, the growth rate of South America's millionaire community, although expected to reach 68% in the same period, is likely to be surpassed by that of Africa, which is anticipated to surge by 75%.[39]

34 I. Vandaelle, 'We're #33!: TSX Ekes Out Gain in Pandemic-Ravaged 2020' (2020) BNN Bloomberg *bnnbloomberg.ca/we-re-33-tsx-ekes-out-gain-in-pandemic-ravaged-2020-1.1542686* accessed 10 August 2021

35 N. Robertson, 'Bank Expert Euro (EUR) Forecasts for 2021: Slowly Improving' (2021) Exiap *exiap.com/forecasts/euro-eur-forecast-2021* accessed 10 August 2021

36 G. Howes, 'Canadian Dollar Forecast Targets Updated at Wells Fargo' PoundSterling Live *poundsterlinglive.com/cad/15745-canadian-dollar-forecast-targetsupdated-at-wells-fargo* accessed 10 August 2021

37 A. Shorrocks, J. Davies, R. Lluberas, 'Credit Suisse Research Institute Global Wealth Report 2021' page 27 (2021) Credit Suisse *credit-suisse.com/about-us/en/reports-research/global-wealth-report.html* accessed 10 August 2021

38 A. Shorrocks, J. Davies, R. Lluberas, 'Credit Suisse Research Institute Global Wealth Report 2021' (2021) Credit Suisse *credit-suisse.com/about-us/en/reports-research/global-wealth-report.html* accessed 10 August 2021

39 Ibid.

## The importance of attracting millionaires

Increasing outflows of millionaires is often a sign of a drop in confidence in a country, since high- and ultra-high-net-worth individuals have the means to leave and are thus the first to exit when circumstances change. Along with their families, millionaires also bring to their host countries their wealth and the taxes they pay. The loss of millionaires can be detrimental to the local economies and property markets of the countries they leave behind. In some cases, these individuals relocate their businesses — and the jobs the businesses generate — as well as their skills, qualifications, and influence. Therefore, while millionaires reflect only a small percentage of a country's population, attracting, producing, and retaining them is an important endeavor for any country. There is no doubt that the pandemic has accelerated the competition among countries to draw wealth and talent. In this environment, some have had to innovate. That is the case with New Zealand, where, in May 2021, the government took steps to facilitate the immigration of millionaires and highly qualified individuals, hoping that by doing so the country would gain financial and strategic advantages over other nations. In the not-too-distant future, when crises such as the current one may come one after another and have lasting effects on societies, strategies of this sort might prove vital.

*Dr. Juerg Steffen is the Chief Executive Officer of Henley & Partners. He has more than 30 years' experience in the financial services industry and is widely regarded as a leader of the investment migration industry.*

*After joining Henley & Partners in 2013 to set up the firm's Singapore office, Dr. Steffen went on to establish Henley & Partners as a key player in what has become one of the industry's key regions. Later appointed Chief Operating Officer of the group, he has played a pivotal role in growing the firm and, indeed, the investment migration industry at large, improving Henley & Partners' operational standing and developing key structures and processes that enable the firm to keep the industry-leading position it enjoys today.*

*Before joining Henley & Partners, Dr. Steffen was a personal advisor in the family office of one of Europe's wealthiest families. Prior roles include serving as a member of the management board and head of the Wealth Planning department of a leading private bank in Austria. He has also been a Director in the Cross-Border Wealth Planning department of UBS in Zurich, where he advised high-net-worth individuals and key clients in complex matters regarding financial, tax, succession, and residence and citizenship planning. He has also established and developed a private bank operation for one of the leading banks in Switzerland and is the editor of the definitive books on high-net-worth relocation to Austria and Switzerland.*

# The Growing Market for Citizenship and Residence: A Policy Perspective

Madeleine Sumption
Director, Migration Observatory
University of Oxford, Oxford/UK

A wide range of countries now offer investment migration programs, exchanging residence rights or citizenship for a sizeable investment in their economies. From 'cash-for-citizenship' to incentives to invest in private-sector businesses or property, the market for investment migration has become increasingly diverse.

But how much value are governments getting from these programs? In theory, the benefits of investment migration programs for the countries that offer them are straightforward. Destination governments can use them to generate revenues for social programs, infrastructure, or paying down the deficit. They can also use them to attract job-creating investments in the private sector. For small countries, the proceeds from investment migration programs can be considerable.

In practice, policymakers have often found the results disappointing. While small countries with large investment migration programs can raise substantial funds, investors' activities in larger countries that have also embraced the programs — such as the USA or the UK — are a drop in the ocean compared to the size of their economies.

Designing programs to maximize economic benefits can be a challenge, and rigorous empirical evidence of their impact is usually absent. For many years, the UK gave residence rights to investors who purchased ordinary, interest-bearing government bonds — a transaction of which benefits to the UK economy were close to zero. Several European countries, such as Portugal and Spain, simply require applicants to purchase residential property. The impact of these transactions is also likely to be quite limited (barring some concentrated benefits for realtors and agents). Programs that require private-sector business investments, such as the US EB-5 Immigrant Investor Program, are somewhat more promising in theory, but have been difficult to implement. Policies have only limited influence over how money is invested and whether investments actually create the expected number of jobs — especially since applicants can withdraw their investments as soon as they qualify for permanent residence or citizenship.

The clearest economic benefits come from programs that encourage cash payments to the government or to national development funds. While there is no guarantee that governments will spend this money wisely, this model has two advantages over the alternative options. Governments know exactly where the money is going and what is being done with it, and non-refundable donations cannot be withdrawn a few years later. However, the simple transparency of this model makes it controversial and unpopular, accentuating public concerns about whether it is appropriate to 'sell citizenship'.

Not all investment migration programs can accurately be described as 'immigration'. Some impose no requirement to spend time in the country, while others require only minimal visits of a few days per year. Such programs are often marketed for the access they provide to visa-free travel in other countries. Notable examples include the citizenship by investment programs in St. Kitts and Nevis and a handful of other Caribbean countries, which have relatively good access to visa-free tourist and business travel worldwide. Most programs would struggle to attract applicants if they required investors to live in their country.

Countries with minimal residence requirements need to protect the reputation of their programs. Screening procedures to weed out applicants with criminal backgrounds or illegally obtained wealth help to reduce reputational risks, which — in a worst-case scenario — could make other countries unwilling to offer visa-free travel to said country's citizens. This screening is much more thorough than that which most countries require for their tourist or business visas, but has inherent limits, and the risk of bad apples gaining entry through such a program cannot be eliminated entirely.

Where to next for residence and citizenship programs? Growing demand from the world's new wealthy classes means that the flow of applicants is unlikely to vanish any time soon. As governments continue to develop their programs, learning from other countries' experiences will be important. Popular destinations with longstanding programs, such as Australia and Canada, have recently reassessed their policies for good reasons, including looking for ways to admit immigrants who make more active economic contributions. The challenge will be to maintain the integrity and reputation of programs while more clearly demonstrating the economic value.

*Madeleine Sumption is the Director of the Migration Observatory at the University of Oxford. The Migration Observatory provides impartial, independent, authoritative, evidence-based analysis of data on migration and migrants in the UK. Before joining the Observatory, she was Director of Research for the international program at the Migration Policy Institute in Washington, DC. She remains a non-resident fellow with the Migration Policy Institute Europe.*

*Her research interests include the design and implementation of work-based visa policies; investor residence and citizenship programs; and the economic effects of immigration policies in Europe, North America, and other high-income countries. Her publications include, among many others,* Selling Visas and Citizenship: Policy Questions from the Global Boom in Investor Immigration *and* The Economic Value of Citizenship for Immigrants in the United States.

# The Global Movement of Billionaires

Dr. Marcel Widrig
Senior Vice President, Freemont International
Former PwC Partner and Global Private
Wealth Leader
Zurich/Switzerland

In the last quarter of a century, the majority of the world's billionaires have made their fortunes in industry's "sweet spots" of technology, finance, retail, and consumer services, yet in the last two years this has changed, with the Covid-19 crisis accelerating that change. Rather than by focusing on particular industries, the cohort of billionaires grew by entrepreneurs using technology to change a given business model, product, or service, irrespective of industry. Those making rigorous use of these new means have pulled ahead while the remainder have lagged. This was highlighted in the most recent study from 2020 conducted by UBS and PwC — called Billionaires Insights.

When it comes to the global movement of billionaires, the Covid-19 crisis has also been a game changer. Up to 2020, mobility restrictions on billionaires were mostly discussed in terms of changes in residence and the resulting tax consequences but, for a period in 2020, it was impossible to move internationally, sometimes even domestically, for health protection purposes. This led many billionaires to reconsider their and their family's international exposure regarding residence and travel. Not only did more detailed residence planning come to the fore, but the availability of top-notch health infrastructure became more important to consider as well. In this context, there has also been a general uptick in succession and emergency planning for billionaires' families since the start of the final quarter of 2020.

## Mobility restrictions

Although unable to determine when a normalization of the Covid-19 crisis might come, one should anticipate that it will come, and that it will be accompanied by a renewed concern with 'traditional' mobility restrictions. Most billionaires

are first-generation entrepreneurs and still closely connected to their businesses. This creates certain limitations on mobility, which relate less to physical presence and more to the ownership structures and dividend-investment flows to and from their businesses.

For example, imagine that a billionaire, resident in Germany, having built up a German-headquartered multi-national group, would like to move to London in 2022, since his adult children live there with their families. The billionaire wants to enjoy the cultural life in the British capital, as well as finally have more time for his children and grandchildren. Yet he may find it challenging to move out of Germany due to the exit taxes that would be triggered. Based on tax legislation, he might be forced to sell part of his business to pay the exit taxes or to embark on a tax and residence plan that would eventually allow these tax consequences to be deferred, and further to mitigate dividend-withholding tax exposures.

Billionaires do not face many legal mobility restrictions — other than the increasing number of barriers such as exit taxes and the like — especially given the budding number of residence and citizenship by investment programs working to attract wealthy individuals or families. (These individuals or families have recently been subject to more supervision by organizations such as the EU and the OECD to prevent potential loopholes in transparency provisions.) In fact, there are many destinations that offer high-quality infrastructure, including an increasingly important high-level health infrastructure as mentioned above, from which wealthy individuals can pick and choose. As a result, billionaires and their families are increasingly global, with individual family members often spread around the world. This — together with typically close ties to family businesses — results in ultra-high-net-worth individuals and their families facing a threefold tax challenge.

First, family members residing in several different territories may trigger limited or unlimited tax liabilities in all or some of the respective countries in which they are domiciled. Second, billionaires are often linked to businesses that are also international and therefore also catalyze multiple tax liabilities. Third, transferring assets within the family may initiate inheritance or gift tax consequences, which are less coordinated at an international level than corporate or individual income taxes.

### Current challenges

Bearing in mind the strong links billionaires often maintain with their international businesses, corporate tax planning, up to the ultimate beneficial owner, is of paramount interest. In recent years, the international corporate landscape has changed dramatically, culminating in the OECD's Base Erosion and Profit Shifting project (sometimes known as BEPS), which aims to prevent the shift of profits to low- or non-tax jurisdictions as well as the circumvention of tax rules by multi-national companies. The project has led to several new internationally relevant tax laws coming into effect.

While publicly quoted, large, multi-national groups have traditionally had elaborate corporate tax structures that were often the reason for these Base Erosion and Profit Shifting measures, privately held businesses have typically been leaner in their tax structures. With the new legislation, many of these businesses undertook significant corporate restructuring to ensure compliance.

Billionaires, being the ultimate beneficial owners of such businesses, often find themselves faced with a set of new holding requirements that influence their residence planning. At the same time, due to the Common Reporting Standard and the resulting exchange of financial information between different countries, care must be taken that no misreporting or double reporting occurs. This is especially true for billionaires and their families, who are tied to their businesses through various holding and financing vehicles. In other words, in the past, wealthy families could focus on profitable businesses and did not need to concern themselves much with residence planning, but now both corporate tax laws (through the Base Erosion and Profit Shifting project) and individual tax laws (triggered by the Common Reporting Standard) have led to a 'perfect storm' that internationally active billionaires must now weather.

### The outlook

Today, the biggest challenges billionaires and their families face are more likely to be of a tax and regulatory nature, and less to do with infrastructure. A growing number of tax questions at both the individual and business level are prompted by billionaires moving from one place to another, who have adult children with business interests living in different countries, while studying or temporarily residing in yet other countries.

As a result of the Covid-19 crisis, numbers of countries in financial need will seek to expand their restrictive tax laws, and a rising number of billionaires will be relocating from countries with limited governance. The combination — of laws designed to 'tax the rich' and billionaires moving — is leading to ever more ultra-high-net-worth individuals moving to reliable countries that offer a reasonable tax environment. Long-term sustainable residence planning becomes crucial in this environment as many billionaires anticipate that the pressure to tax wealthy individuals will increase, especially through newly introduced wealth or inheritance taxes.

Likely to significantly impact billionaires' businesses in the future is a program of the G20 and the OECD, adopted in 2021. The program aims to develop a so-called two-pillar solution (the pillars being minimum taxation and modified allocation of profits of the biggest companies) to address the challenges posed by the digitalization of the economy. Since almost 80% of the 40 main breakthrough innovations over the past 40 years have been driven by people who are billionaires today,[40] many of them hold significant stakes in such businesses and are also affected by these most recent changes.

In summary, recent regulatory and tax changes will require further sophisticated tax and legal planning for billionaires, as has been done in the past for large multi-national corporates. This planning will not primarily aim to reduce taxes, however, but rather to comply with necessary regulatory requirements to avoid the risk of double or multiple taxation of the billionaires' income and wealth in a global context, especially for those billionaires and their families who are moving internationally.

*Dr. Marcel Widrig, Senior Vice President at Freemont International, is a former partner at PwC, based in Zurich, where he led PwC's private client network and was the global tax leader of ultra-high-net-worth individuals. Dr. Widrig has more than 26 years of experience in international tax and legal planning for billionaires and their family offices. He publishes regularly in various media and was a lecturer on tax law at the University of Zurich.*

40 Based on the UBS PwC *Billionaires Insight* study of 2018 'New visionaries and the Chinese century', prepared by UBS Switzerland AG

# The Pro-Growth Benefits of Investment Migration Programs

Daniel J. Mitchell
Chairman, Center for Freedom and Prosperity
Alexandria/USA

Many nations seek to boost their prosperity by offering residence and/or citizenship by investment programs to attract individuals who are economically successful. Such programs generally require applicants — some of whom are from less advanced nations — to make significant investments in their new country in exchange for residence rights and/or an accelerated route to citizenship.

Participating nations include large, prosperous countries, such as Australia, Canada, Switzerland, the UK, and the USA; smaller wealthy jurisdictions, such as Dubai (UAE), Hong Kong, Jersey, Monaco, and Singapore; and nations that aim to improve their prosperity, such as Cyprus, Latvia, and St. Kitts and Nevis.

While these programs are based on producing win–win scenarios for both nations and investors, they do generate some controversy. Certain critics worry about whether there is adequate due diligence to make sure ill-intentioned people do not take advantage of the programs. Others assert it is somehow demeaning for a country to 'sell' residence rights or citizenship. And some fret that the price is not high enough, or that there are insufficient rules to ensure that investments produce promised benefits.

## Macro-economic benefits

In theory, the benefits of migration are potentially enormous. This is partly because labor productivity is much higher in some jurisdictions than in others. This helps to explain why Indian, Lebanese, and Nigerian individuals (among others) who migrate to the USA, for instance, earn far more than those who remain in India, Lebanon, and Nigeria.

Looking at the issue from a global perspective, John Kennan of the University of Wisconsin estimated significant benefits from open migration:

> There is a large body of evidence indicating that cross-country differences in income levels are associated with differences in productivity. If workers are much more productive in one country than in another, restrictions on immigration lead to large efficiency losses. …The estimated gains from removing immigration restrictions are huge. Using a simple static model of migration costs, the estimated net gains from open borders are about the same as the gains from a growth miracle that more than doubles the income level in less-developed countries.[41]

American economist Lant Pritchett has similar estimates of great economic benefits:

> …the estimates of the gains from the fanciful counter-factual of a complete liberalization of labor mobility are that world GDP would roughly double. At current levels of GDP this implies gains of 65 trillion dollars.[42]

Some argue that these large numbers are unrealistic because they do not measure whether large-scale migration would negatively impact on the policy environment in destination countries. In other words, gains from higher labor productivity may be overstated if mass migration causes anti-market policies. Economic migration programs are narrowly tailored, however, so neither the large estimates nor the theoretical objections are particularly relevant. The numbers quoted above are, nevertheless, primarily based on the potential

[41] J. Kennan, 'Open borders' (2012) National Bureau of Economic Research Working Paper No. 18307, August 2012 *nber.org/papers/w18307* accessed 15 July 2021

[42] L. Pritchett, 'The cliff at the border' (2009) in *Equity and growth in a globalizing world* eds. R. Kanbur and M. Spence (The World Bank and the Commission on Growth and Development) 263-286


benefits that materialize when low-skilled migrants move to nations that have higher levels of labor productivity than their countries of origin. In the case of investment migration programs on the other hand, successful applicants are usually well educated, highly skilled, and possess more wealth, all of which means that they will probably increase their incomes, thus boosting global GDP while also increasing the per capita GDP of their new countries of residence.

## National benefits

Governments undoubtedly expect to gain when they set up investment migration programs. In some cases, they receive direct payments to their treasuries. In other cases, they require investments in the private economy to bolster national income and create more economic opportunity.

Substantial evidence exists that nations reap considerable benefits from such programs. In late 2020, the trade association for the US EB-5 Immigrant Investor Program, Invest in the USA (IIUSA), estimated that it had generated around USD 41 billion of investment,[43] which resulted — between 2010 and 2015 — in USD 37 billion of economic output, 276,000 jobs, and USD 5 billion of tax revenue.[44] IIUSA also estimates that USD 75 million in capital investment was raised through the EB-5 Program between January and March 2021.[45]

The US EB-5 Immigrant Investor Program is just one example; the USA has a range of programs designed to bring economically successful people to the country, and its efforts are extremely effective, as reported in the *Washington Post*:

43 Invest In the USA, 'Home' (IIUSA, 2021) *iiusa.org/i526data/* accessed 16 July 2021
44 Invest In the USA, 'Home' (IIUSA, 2018) *iiusa.org/* accessed 28 June 2018
45 Invest In the USA, 'Home' (IIUSA, 2021) *iiusa.org/i526data/* accessed 26 July 2021

> Countries are constantly competing for the most talented workers and, according to the best available immigration statistics, the USA has been winning. The USA is home to just 4.4 percent of the world's population, but in 2010, it gained more skilled immigrants than all other countries combined. The United States is also home to the majority of immigrant inventors, based on global patent data. And the majority of immigrant Nobel laureates. …147 million potential immigrants worldwide identify the USA as their top destination — 3.8 times as many as choose the second most popular option, Germany. …Immigrants from an average developing country can expect their income to multiply by a factor of four or six after moving to the USA, the authors write. Likewise, the US labor market places a higher value on skills, which makes it a particularly attractive destination for the most qualified migrants.[46]

Other nations, too, have reaped significant rewards. By early 2019, Cyprus had attracted approximately USD 7.9 billion to the island since the program's inception,[47] and the Government of Malta collected more than USD 200 million in the first two years after its program was launched by Henley & Partners in 2014.[48] In 2016, USD 199.9 million was derived from the Malta Individual Investor Program, and Malta registered a USD 138.1 million surplus.[49] This is equivalent to 1.1% of GDP and a shift from the deficit of USD 127.3 million recorded in 2015. According to the 'Sixth Annual Report on the Individual Investor Program of the Government of Malta', by the end of June 2019 the MIIP had attracted the equivalent of approximately USD 993.5 million in contributions since the program's inception, as well as approximately USD 168.3 million in real estate and USD 190.2 million in government stocks.[50]

To be sure, there are national losses. When relatively successful migrants relocate from Country A to Country B, this is not beneficial for Country A. Since economic migrants generally move from poorer nations to richer nations, there are critics who complain that the resulting 'brain drains' make wealthy nations more prosperous while compounding the economic challenges of less-developed countries. The counter-argument is that brain drains would presumably not occur if the affected governments had better policies in place. People usually feel affection for their birth nations and move only because they feel a need for greater security in the present day and more hope for their children in the future.

### Family benefits

One assumes that the individuals who move from one country to another believe that migration will be in their interest. A recent World Bank study provides rich evidence that economic migrants on average do enjoy significantly higher earnings in their new countries, noting that "Migrants —

46 A. Van Dam, 'How the U.S. Cornered the Market for Skilled Immigrants', Washington Post, 20 June 2018 *washingtonpost.com/news/wonk/wp/2018/06/20/how-the-u-s-cornered-the-market-for-skilled-immigrants/* accessed 15 July 2021

47 Associated Press, 'No "Golden Passport" to People Rejected Before' (13 February 2019) *apnews.com/51f766f612064246b5753408ea23b303* accessed 15 July 2021

48 H. Cooper, 'Malta Slammed for Cash-for-Passport Program', Politico, 23 August 2016 *politico.eu/article/malta-cash-for-passports-program-individual-investor-programme/* accessed 15 July 2021

49 C.H. Nesheim, 'Malta's State Coffers Swell Thanks to Citizenship Program, €112.9M Budget Surplus Registered in 2016', Investment Migration Insider, 23 October 2017 *imidaily.com/editors-picks/maltas-state-coffers-swell-thanks-citizenship-program-e112-9m-budget-surplus-registered-2016/* accessed 15 July 2021

50 Office of the Regulator, 'Sixth Annual Report on the Individual Investor Program of the Government of Malta' (November 2019) *orgces.gov.mt/en/pages/documents-and-links.aspx* accessed 15 July 2021

high and low skilled — experience huge income gains on migrating".[51] Indeed, according to the report "…typical individuals from an average developing country should expect to earn four to six times their income upon moving to the United States".[52]

This is a reflection of higher labor productivity in advanced countries, which is why low-income and/or low-skilled migrants benefit. For the subset of successful migrants who contribute capital as well as labor, their ability to redeploy their investments in more market-oriented nations enables greater accumulation of wealth, which is another mutually beneficial situation for themselves and for their new countries of residence.

This does not mean every migrant enjoys economic success. Some even return to their countries of birth. Having the freedom of choice by definition means, however, that they are making decisions that are in their own best interest.

## Conclusion

Economic migration is a net plus for the world, a net plus for developed nations, and a net plus for highly skilled individuals and investors. There remains, however, some degree of controversy regarding this process. Development proponents are perturbed about so-called brain drains, and tax authorities are concerned about the loss of taxable income, but at present these concerns are outweighed by the perception that people should have the freedom to move — assuming, of course, that there are nations that are willing to accept them.

*Daniel J. Mitchell is Chairman of the Center for Freedom and Prosperity, a pro-market public policy organization he founded in 2000. His major research interests include tax reform, international tax competition, the economic burden of government spending, and other fiscal policy issues. Having also worked at the Heritage Foundation and Cato Institute, he has decades of experience authoring papers, writing editorials, working with the public policy community, and presenting the free-market viewpoint to newspaper, television, and radio media.*

*He has addressed a wide variety of groups in dozens of cities and more than 50 countries. He also served on the editorial board of the Cayman Financial Review and holds a PhD in economics from George Mason University.*

51 World Bank, 'Moving for Prosperity: Global Migration and Labor Markets', The World Bank, 15 June 2018 *worldbank.org/en/research/publication/moving-for-prosperity* accessed 15 July 2021

52 Ibid.

# Domicile Diversification via Investment Migration: Essential in a Volatile World

Dominic Volek
Member of the Executive Committee
Group Head of Private Clients
Henley & Partners

Volatility has catapulted ahead to join change as a global constant in the short time since the 2020s commenced. Whether owing to the relentless Covid-19 pandemic and its numerous variants, political and social upheaval, supply chain interruptions, or successive climate disasters, one thing seems undeniable — tomorrow could well bring yet another iteration of the world we thought we knew.

Inevitably, volatility is accompanied by uncertainty. What once felt secure now seems precarious. Previous givens are punctuated with question marks. The continued barrage of factors eroding our prized stability is also enhancing the appeal of investment migration programs. After steadily gaining in popularity over the past two decades, interest in alternative residence and citizenship is continuing its upward trajectory.

## Domicile diversification for residence optionality

In the past, one of the primary reasons high-net-worth investors sought alternative residence and citizenship options was to enhance their global mobility by investing in a country with a stronger passport that would enable them to travel more freely. With international travel still inhibited, the change in dynamics we are witnessing is indicative of interesting new 'push' and 'pull' factors. Talented and affluent investors and their families need not limit their lives and business operations to one country or jurisdiction alone. This realization is seeing growing numbers of high-net-worth investors across the globe diversifying their domicile options through investing in one or more residence or citizenship by investment program, according to their families' unique requirements.

Having the option to change residence to a country with more opportunities is an increasingly important aspect of international planning for private clients, and there is a wide range of attractive programs in some of the world's most sought-after places in terms of business environment, quality of life, and access to top-tier tertiary education institutions and private hospitals. If the residence by investment path is chosen, many programs include the possibility of acquiring citizenship after a stipulated period of legal residence.

## A spike in demand led by government efficiency, healthcare, and tax optimization

In the pandemic world, efficient governance and access to first-rate healthcare have become important drawcards for our clientele. This shift was predicted by FutureMap founder Dr. Parag Khanna, who wrote that as the coronavirus curtain lifted, people would seek to move from poorly governed and ill-prepared places to more proactive countries with greater resilience and better medical care.[53] The pandemic has also proven that we can work remotely with success, enabling even more options. Despite ongoing travel restrictions, many people have moved, and many others are doing their research and preparing their families for fresh starts in new countries.

Covid-19 has accelerated a pre-existing trend. Even before the pandemic was declared, reports emerged from developed countries such as the UK[54] and the USA[55] of people leaving cities in search of a quieter life. While cities are bouncing back, the current crisis has seen the same desire

[53] P. Khanna, 'Global mobility and migration post Covid-19' (2020) in the Henley Passport Index Q2 update *henleypassportindex.com/assets/2020/Q2/Henley%20Passport%20Index_Q2%20Report_200405.pdf* accessed 20 September 2021

for new beginnings in peaceful places playing out on an international scale, with investors actively seeking out relocation options so that, once global mobility has been reinstated to some semblance of what it previously was, they and their families can live in more spacious, far-flung locations that offer a better quality of life and cleaner air.

Last year saw yet another new driver come to the fore, namely the global minimum tax on corporations driven by the Biden administration in the USA and backed by all G20 countries. Interestingly, six of the top 10 countries in terms of enquiries received in 2021 are G20 members. We saw an astonishing 208% spike in enquiries from US citizens in 2020, with further growth of 26% in 2021. We also received 47% more enquiries from Canadian citizens and 31% more from UK citizens in 2020 compared to 2019, with remarkable further increases of 86% and 110%, respectively, in 2021. All three countries have had wealth taxes on the cards for some time.

### Investment migration options now a 'must-have'

The investment migration industry has been growing steadily for more than two decades. Astute investors now recognize that by extending their wealth planning and legacy management strategies to include investment migration, they can catalyze the transition to new lives in countries of their choice that host investment migration programs. In these countries, they can feel more comfortable and secure, and can envisage a future that is better aligned with their aspirations, not just for now but for generations to come.

54 J. Tapper, 'Tired of London: Thousands flee capital for a quieter life' (29 June 2019) *theguardian.com/uk-news/2019/jun/29/tired-of-london-thousands-flee-capital-for-a-quieter-life* accessed 20 September 2021

55 K. Rapoza, 'Start spreading the news, New Yorkers are leaving today' (June 12 2020) *forbes.com/sites/kenrapoza/2020/06/11/new-york-realestate-miami-exodus-pandemic-and-protests/?sh=4e5da2ca55dc* accessed 20 September 2021

### Multi-directional market expansion

Investment migration has also captured the attention of several new wealth markets in recent times. Over the past two years, there has been a notable increase in the number of enquiries from citizens of developing economies in the global south. In times of such uncertainty, the global demand for dual citizenship and investment migration is increasing,[56] as expected, and we predict that these markets will grow even further, particularly considering that emerging economies are expected to soon regain momentum after the setback of 2020 and see faster wealth growth than in developed markets between now and 2025.[57]

### The growing appeal of multiple alternatives

Through investment migration, affluent investors can overcome the limitation of being restricted to a single jurisdiction. For ultra-high-net-worth investors, a single alternative residence or citizenship will always create value, but strategic yield can be created only through strategic advisory and a portfolio investment approach to investment migration. To cover all eventualities, an integrated portfolio of complementary investment migration options will create optimal value by permitting ultra-high-net-worth individuals and their families to live, work, and invest in a suite of locations worldwide, thereby hedging manifold levels of volatility and creating enhanced yield.

### Program inflows – alternative revenue streams in times of crisis

When catastrophes such as pandemics strike, and in the wake of other climate emergencies and natural disasters that occur with greater frequency each year, the countries that host investment migration programs can rely on program inflows to recover their economies, build capacity, reduce debt, and make capital investments. Residence and citizenship by investment programs are designed by sovereign states as an alternative, debt-free, capital-raising platform to diversify their economies, thereby creating societal and sovereign value, or 'sovereign equity'. Just as ultra-high-net-worth demand for residence and citizenship by investment programs has been growing in recent years, so has supply. More than 100 countries have investment migration legislation in place, and there are over 60 active programs globally, of which about 40 are relevant and successful.

### Investment migration programs are invaluable to both investors and sovereign states

As more governments set up investment migration programs, and those with programs introduce more options to mitigate the destruction caused by the coronavirus, residence and citizenship by investment programs will continue to be invaluable both to investors intending to futureproof their families and change the trajectories of their

[56] Y. Harpaz, 'Coronavirus temporarily reduces global mobility gap' (2020) in the Henley Passport Index Q3 2020 update *henleypassportindex.com/assets/2020/Q3/HPI_Report_200706_2.pdf* accessed 20 September 2021

[57] A. Shorrocks, J. Davies, and R. Lluberas, 'Credit Suisse Research Institute Global Wealth Report 2021' (2021) page 29 *credit-suisse.com/about-us/en/reports-research/global-wealth-report.html* accessed 20 September 2021

legacies, as well as to sovereign states in desperate need of alternative revenue streams. Participating in any investment migration program is therefore not only an investment in the future of one's family; it is also a sustainable investment, as host nations depend on residence and citizenship by investment program inflows to support progress.

Investment migration will act as a hedge against significant macro-economic volatility that persists, creating even more sovereign and societal value across the world. The industry continues to boom, and there is an ever-increasing range of competitive and desirable options, particularly for investors looking to start afresh and relocate their families to safer shores.

*Dominic Volek is Group Head of Private Clients at Henley & Partners and a member of the Executive Committee. Originally from South Africa, he now spends his time between London, Dubai, and Singapore as a private client specialist in residence and citizenship planning and provides advice to ultra-high-net-worth individuals and their families across the globe. His work targets countries that are deemed most attractive to wealthy individuals in terms of mobility, security, privacy, personal tax, estate planning, and lifestyle. He is also a member of the firm's Government Advisory practice, providing strategic advice to governments on the design, implementation, and promotion of successful investment migration programs.*

*Dominic is a member of the Investment Migration Council and a certified Chartered Accountant CA (SA), holding both a Bachelor of Commerce in Accounting with Honors and a Bachelor of Arts in Corporate Communication. Prior to joining Henley & Partners, he had a successful career as part of the senior management team in one of the big four accounting and advisory firms in Singapore, South Africa, and the USA. He is frequently sought as a speaker and a thought leader on residence and citizenship planning, and he regularly provides commentary on the Henley Passport Index that is published in the Henley Global Mobility Reports. He has been interviewed by media such as the BBC, Bloomberg, and Quartz.*

# The Increasing Importance of Regional Free Movement Agreements for Global Mobility

Prof. Dr. Diego Acosta
Professor of European and Migration Law
University of Bristol, Bristol/UK

Despite being little investigated, agreements on the regional free movement of people continue to play a crucial role in the regulation of global mobility. Together with bilateral agreements on free movement, they are a clear indication of not only how countries erect borders to regulate migration, but also how they ease them in order to manage this complex issue. Brexit is a clear illustration of an opposite dynamic, but the number of countries facilitating the free movement of people through regional arrangements increases every year, as does the number of regional instruments that are adopted.

The increase in regional free movement treaties is part of a general trend witnessed worldwide relating to regionalization at global level. It has important implications not only for the economy and trade but also for migration. For instance, in 2018, the African Union adopted two crucial initiatives to facilitate regional economic cooperation — the African Continental Free Trade Area, which came into effect on 1 January 2021, and the Protocol on the Free Movement of Persons, which has not yet come into force but, once implemented, will allow African workers, students, researchers, and border residents to move freely between signatory states.

## South America innovates with the Andean Migration Statute

The Andean Community adopted the Andean Migration Statute (Decision 878), the most recent agreement on regional free movement, on 12 May 2021. Comprising Bolivia, Colombia, Ecuador, and Peru, the Andean Community is a regional organization that has regulated regional migration matters since the 1970s. The Andean Migration Statute represents the culmination of a lengthy process of discussion that began in 2013 and in which numerous actors, including the Andean Parliament, have taken part. The Statute aims to regulate the movement and residence not only of Andean citizens (understood as those who hold the nationality of any of the four member states) but also of extra-communitarian permanent residents in any of the countries. This represents a unique innovation at global level since, for the first time, third-country nationals — in this case, those with permanent residence — are granted the same mobility rights as nationals of the member states in a regional organization.

In the present political context, the adoption of this legal instrument is notable. Colombia, Peru, and Ecuador have received large numbers of Venezuelan migrants and refugees in the last six years. According to the United Nations High Commissioner for Refugees and the International Organization for Migration data, by July 2021 Colombia had received more than 1.7 million Venezuelans, while Peru had received more than 1 million, and Ecuador close to 450,000.[58] Any Venezuelan holding a permanent residence permit in one of these three countries is now able to move around the region, thus enabling, among other things, the reunification of families living in different states.

## Positive implications for investors and their families

For investors, there are also significant consequences of the Andean Migration Statute. Apart from Bolivia, all members of the Andean Community have options to obtain residence in Colombia, Ecuador, and Peru through an investment. In the case of Colombia,

58 R4V Inter-Agency Co-ordination Platform for Refugees and Migrants from Venezuela, 'Venezuela Refugees and Migrants in the Region' page 6 (July 2021) *r4v.info/en/document/r4v-latin-america-and-caribbean-venezuelan-refugees-and-migrants-region-august-2021* accessed 20 August 2021

investors that meet certain conditions can directly obtain permanent residence, whereas in Ecuador and Peru permanent residence can be obtained after residing in those states for a specific length of time. Once an individual obtains permanent residence in a member state, whether through investment or another category, they will be able to move, reside, work, and be treated equally to citizens in all the other member states of the Andean Community. These rights also extend to certain family members.

The future of bilateral agreements and of regional instruments on the free movement of people seems promising. Although Covid-19 led to the provisional closure of borders across the globe, the momentum towards further free movement of people continues unabated, as exemplified by the adoption of the Andean Migration Statute and the implementation of the African Continental Free Trade Area in 2021. Once international travel resumes in earnest, regional migrants will continue to have facilitated access to entry, residence, and work across the globe. Such openness to foreign labor at all levels of society will be vital in rebuilding economies and attracting talent.

*Prof. Dr. Diego Acosta is Professor of European and Migration Law at the University of Bristol and one of the leading experts globally on matters of comparative migration and nationality law. He has written more than 50 publications on the subject and his latest book, entitled* The National versus the Foreigner in South America: 200 Years of Migration and Citizenship Law, *is generally recognized as the most important work on the topic from a comparative and an historical perspective. Prof. Acosta has been requested to offer his expert advice to governments, parliaments, international organizations and law firms in Africa, the Caribbean, Europe, South America, and the USA, as well as to the EU, the International Organization for Migration, and the Inter-American Development Bank.*

# Due Diligence in the Context of Investment Migration Programs

Damien Martinez
Chief Executive Officer, Facepoint
Paris/France

Several countries around the world offer economic citizenship or investment migration programs to attract global investors. In return for making an investment in the country, the investor receives citizenship and a passport. Investment may be indirect investment, which generally requires naturalization by a period of residence, or through a direct program involving a donation to charities, purchase of real estate, or investment in a business. Each program has mandatory conditions that must be satisfied before citizenship is granted but these vary by country. In some countries, the applicant has no obligation beyond the investment. It is critical that countries clearly understand the background and verify the good character of applicants, as well as confirming that the source of funds invested is not from money laundering, drug- or human trafficking, or other criminal activities.

Countries that offer these programs hope to benefit by stimulating their economies through the capital invested, as well as through the deployment of the skills and experience of the program applicants. Different programs have different degrees of state involvement in the investment. Certain countries may require the applicant to make a capital contribution to the state. This is the case in Antigua and Barbuda, Dominica, and St. Kitts and Nevis. The investment can be in the form of a donation to the state (as in Antigua and Barbuda, and Dominica) or to a state charity (as in St. Kitts and Nevis). The country may require the applicant to make an investment in the economy. From a due diligence perspective, the nature of the investment determines the degree of involvement by the state.

Regardless of the level of state involvement in the funds once received, there is a significant reputational risk for the country if it later becomes known that these funds have not been legally obtained. If a thorough due diligence process is not conducted on applicants, this not only puts the country's international reputation at risk but there may be consequences for all citizens, such as visa restrictions applied to all nationals by other countries. This also risks the future viability of the investment migration program should the country become less attractive to legitimate applicants. Political fallout can also be severe.

The motivations for investors seeking economic citizenship can be grouped into four general categories: the need to survive for political or national refugees from countries affected by civil war, natural disasters, famine, or similar events; the desire to travel to access business and other opportunities; the opportunity for individuals to enjoy full civil rights, such as voting, buying property, and the right to work and/or benefit from a more favorable tax regime; and the desire of criminals (suspected or confirmed) to escape justice. By establishing a robust due diligence process, states welcoming new citizens verify applicants' motivations for acquiring a new passport. In any case, the new citizenship may be granted for the wrong reasons. Our era of transparency does not forgive states taking unnecessary risks, especially when it comes to citizenship and sovereignty, hence the extreme importance of conducting due diligence processes when evaluating an application.

In reality, an investor's motivation can be a combination of two or more factors. The categories themselves are strongly interdependent and difficult to differentiate. It is critical that investment migration program administrators conduct sufficient due diligence on applicants to ensure that their motivations and sources of funds are clearly understood. This is a key step in differentiating between a political refugee, a person seeking legitimate tax benefits, and a terrorist or money launderer. Clearly, each category has different implications for the country. The risk of harboring undesirable applicants has led to a proliferation of treaties on international cooperation as well as extradition agreements.

If a country inadvertently grants citizenship to terrorists, money launderers, or other criminals, the reputational damage it is likely to suffer will decrease its attractiveness to other law-abiding investors, damaging the prospects of its investment migration program. There is a reputational risk to a country if

it is shown later to be ignorant of the source of any money invested in it via an investment migration program. Stimulating a country's economy with the proceeds of crime is never a good idea. The country also runs the risk of being accused by other countries of harboring criminals. Corruption risk is also likely to increase should criminals identify that country as a good prospect for second citizenship. Government officials involved in the investment migration program are likely to be targeted with bribes.

Countries may also face consequences from international institutions such as the UN or the Financial Action Task Force if evidence of due diligence or other such information is requested and the country cannot provide it. Such actions could have serious political, reputational, and financial consequences for the country. There is also a continual increase in regulatory requirements, many of which affect citizens outside the countries enacting them. The USA's Foreign Account Tax Compliance Act, for example, requires individuals to report their offshore financial accounts and obliges foreign financial institutions to report to the USA's Internal Revenue Service regarding their American clients. With the increase in regulations, countries need to ensure that where they have an obligation to ensure compliance, they do so. At the same time, increased regulation means an increase in people and entities who fall foul of these regulations and must be flagged as non-compliant or recalcitrant.

A country therefore needs to have strong procedures in place to ensure that it is able both to keep away undesirable investors and ensure that it complies with international regulations and guidelines. It is very clear that countries need to demonstrate their commitment to thoroughly understanding the background, source of funds, and likely intentions of investment migration applicants. At the very least, the procedures should include verification of identity, background checks, and research based on the applicant's nationality. It is also essential to check international databases and those of other countries to ensure that the subject does not have an undeclared second nationality. The country would also have to check that applicants are not subject to sanctions and establish whether they have a criminal record in another country.

Certain flags indicate the need for enhanced due diligence. While every applicant needs to be carefully screened, there are certain indicators that should lead to a deeper investigation through enhanced due diligence. These include: persons residing in or having funds sourced from countries identified as having inadequate anti-money laundering standards or representing high risk for crime and corruption, and persons engaged in types of economic or business activities or sectors known to be susceptible to money laundering.

Financial institutions are required to apply due diligence to the process of understanding their customers through Know Your Customer (KYC) obligations. These arise from Organisation for Economic Co-operation and Development recommendations, country-specific requirements, and international regulations such as the USA PATRIOT Act. Investment migration program administrators face challenges similar to financial institutions in approving applications quickly and cost effectively, although the consequences of inadvertently approving the wrong applicants are severe. Taking the learnings and experience of KYC can help to transfer best practices to Know Your Immigrants (KYI). Where financial institutions have established effective methods to acquire new customers safely, these could be adapted and enhanced for use in investment migration programs.

Residence and citizenship programs are often seen by countries as a way to attract skills and low-cost funding and stimulate the local economy. Potential applicants may view these programs as a welcome chance to access many benefits they may not enjoy in their home country, or to escape from unpleasant or dangerous conditions at home. Unfortunately, terrorists, money launderers, and other criminals often try to take advantage of these programs to circumvent travel restrictions, 'launder' their reputations, and evade justice. Where this happens, countries run the risk of severe reputational damage, international criticism, and sanctions.

Financial institutions provide a useful precedent for government departments running investment migration programs. By adapting global best practice in KYC into KYI, program administrators can benefit from years of experience and development. By relying on objective country-risk rankings, aggregated risk intelligence for screening applicants, and enhanced due diligence reports for deeper investigation, government departments can apply best-practice KYC principles to immigrant screening while streamlining their processes. This will provide assurance to public servants and citizens alike that applicants are being screened effectively, quickly, and cost efficiently.

*Damien Martinez is the Chief Executive Officer of Facepoint and the former director of Government, Risk and Compliance Western Europe at Thomson Reuters. He is the co-author of the biography* Zarqawi — The New Face of Al-Qaida*, which has been translated into eight languages. He is a regular participant at conferences in the fields of terrorism and economic crime and has worked on the topic of diligence in the course of Economic Citizenship programs.*

*He is the former head of Terrorism Financing Prevention for the Credit Suisse Group. While at Credit Suisse, he served on the Wolfsberg Group, a professional association of 11 leading global banks, which aims to develop financial services industry standards and related products for KYC, anti-money laundering, and counter-terrorist financing policies*.

*Prior to his time at Credit Suisse, he spent several years with the Federal Office of Police of Switzerland working with the Federal Counter-Terrorism Unit and Serious Crimes, and served as a member of Interpol's Group of Experts on Terrorism. He participated as an expert on the Counter-Terrorism Implementation Task Force under the lead of the UN Office on Drugs and Crime. Before this, he worked as a special investigator with the September 11 Class Action, representing more than 20,000 family members affected by the terrorist attacks.*

*Note: This expert commentary was written in 2015. None of the due diligence prerequisites have changed since then.*

# Country Competitiveness, Talent Acquisition, and Residence Programs

Dr. José Caballero
Senior Economist, IMD World Competitiveness Center, Lausanne/Switzerland

The IMD World Competitiveness Ranking,[59] published by the IMD World Competitiveness Center, measures how well countries manage their overall resources to enhance their creation of long-term value. The ranking covers 64 countries and considers more than 300 criteria, of which two thirds are statistical and one third is survey data from the responses of about 6,000 international executives.

This article traces the impact of two drivers of competitiveness: country image, and the quality of life a nation offers. In addition, it delineates the relationship between competitiveness, talent development or acquisition, and the existence of residence programs.

The competitiveness ranking includes a criterion related to the reputation of countries. This criterion evaluates how a country is viewed abroad by asking executives to evaluate if the government of the country in which they reside encourages business development or not. The evaluation of a country's image may reflect the impact of factors such as perceptions about business regulation, the country's adherence to the rules of international trade, and the existence of barriers to investment by foreign nationals (such as the regulation of capital markets).

The ranking also measures quality of life by encouraging executives to reflect on whether they consider their country's quality of life to be high or low. Factors that may influence this criterion include the individual's ability to meet their 'material' expectations (for example, access to specific goods and services), their life satisfaction (for example, ability to enjoy family time), and absence of threats (for example, effective government policies against crime and for the protection of individual rights).

The IMD World Competitiveness Center also publishes the yearly IMD World Talent Ranking.[60] Talent is the set of skills and competencies necessary to successfully perform specific activities. The talent ranking assesses the extent to which countries develop, attract, and retain talent in order to sustain the talent pool available for enterprises operating in their economies.

Table 3 shows the overall 2021 IMD World Competitiveness Ranking, the two survey rankings based on the image abroad and quality-of-life criteria, another survey-based ranking assessing the availability of senior managers with international experience, and the overall 2020 IMD World Talent Ranking. Please note that Table 3 includes only countries that are common to the IMD World Competitiveness and IMD World Talent rankings and Henley and Partners' 2022 Global Residence Program Index featured in this publication (though not discussed in this article).

Overall, there is a strong correlation between a country's competitiveness ranking and its international image as a place to do business. The sample presented includes 10 of the top 20 countries from the overall competitiveness ranking. Of those 10, seven also make it into the top 20 for having an image abroad that encourages business development, according to executives in each of these countries.

Some executives, however, are far gloomier about their countries' images, which leads to some incongruities between the competitiveness ranking and a country's image. For example, the USA ranks 10th in overall competitiveness but reaches only the 28th position for image abroad. Similarly, the UK ranks 18th and 33rd, respectively. The low rankings of the USA and the UK in image abroad capture

59 While the 2021 IMD World Competitiveness Ranking covers a sample of 64 countries, the 2020 IMD World Talent Report's sample is 63 countries. See *imd.org/centers/world-competitiveness-center/publications/* accessed 28 September 2021

60 IMD World Talent Report (2020), IMD World Competitiveness Center, Lausanne *imd.org/centers/world-competitiveness-center/rankings/world-talent-competitiveness/* accessed 28 September 2021

Table 3. Competitiveness and relevant criteria

| *Country* | *Overall competitiveness ranking 2021* | *Image abroad 2021* | *Quality of life 2021* | *International experience 2021* | *Overall talent ranking 2020* |
|---|---|---|---|---|---|
| Switzerland | 1 | 1 | 2 | 1 | 1 |
| Singapore | 5 | 2 | 18 | 8 | 9 |
| Hong Kong (SAR China) | 7 | 23 | 36 | 4 | 14 |
| UAE* | 9 | 3 | 10 | 2 | 24 |
| USA | 10 | 28 | 27 | 26 | 15 |
| Ireland | 13 | 4 | 17 | 12 | 18 |
| Canada | 14 | 17 | 20 | 24 | 8 |
| UK | 18 | 33 | 30 | 23 | 23 |
| Austria | 19 | 16 | 1 | 21 | 6 |
| New Zealand | 20 | 5 | 13 | 28 | 21 |
| Australia | 22 | 32 | 19 | 45 | 13 |
| South Korea | 23 | 15 | 39 | 52 | 31 |
| Malaysia | 25 | 34 | 37 | 30 | 25 |
| Thailand | 28 | 20 | 38 | 25 | 43 |
| Cyprus | 33 | 47 | 21 | 31 | 17 |
| Portugal | 36 | 36 | 23 | 43 | 26 |
| Latvia | 38 | 43 | 44 | 14 | 33 |
| Spain | 39 | 46 | 14 | 41 | 32 |
| Italy | 41 | 37 | 26 | 51 | 36 |
| Greece | 46 | 38 | 33 | 19 | 37 |
| Bulgaria | 53 | 53 | 61 | 55 | 55 |

*See footnote 62 on the next page

Sources: IMD World Competitiveness Ranking (2021) and IMD World Talent Report (2020) *imd.org/centers/world-competitiveness-center/* accessed 29 September 2021 the recent 'inward-looking' socio-political trends and governmental policies in both countries.

In relation to quality of life, it seems that most executives residing in countries in the top 10 of the competitiveness ranking find the quality of life in those countries in need of enrichment. For example, the USA ranks 10th in competitiveness but reaches only the 27th place by the quality-of-life criterion. Of the sample presented, only Switzerland and the UAE are among the top 10 countries in both rankings. It is noteworthy, also, that Singapore appears within the top 20 for quality of life while also ranking in the top 10 for competitiveness.

Executives from countries in the lower competitiveness rankings perceive the quality of life in those countries to be high. For example, Greece ranks 46th in competitiveness but 33rd in quality of life; similarly, Spain ranks 39th and 14th, respectively, while Italy ranks 41st in competitiveness but 26th in quality of life. This trend is consistent with studies that note an inverse relationship between economic progress and elements of the quality of life.[61]

The IMD World Competitiveness Ranking and the Global Residence Program Index largely coincide, although there are exceptions. In competitiveness, while the UAE,[62] South Korea, and Malaysia rank in the top half of the group (9th, 23rd, and 25th, respectively), they are in the bottom half of the Global Residence Program Index (10th, 12th, and 15th, respectively).

The parallels between the overall IMD World Talent Ranking and the Global Residence Program Index are also interesting. Australia, Austria, Canada, Cyprus, Ireland, New Zealand, Portugal, Singapore, Switzerland, and the UK rank in the top half of both rankings. However, Hong Kong, South Korea, Malaysia, the UAE, and the USA rank in the top half in talent (14th, 31st, 25th, 24th, and 15th, respectively) but remain in the bottom half of the Global Residence Program Index.

A lack of alignment does not lessen the importance of the dynamics: relevant research continually highlights the positive impact of the internationalization of domestic workforces through exposure to global knowledge, broader experience, and understanding of a wider set of best practices provided by the inflow of foreign personnel. Evidence suggests that there are links between such exposure and the drivers of business leadership capabilities and competencies.[63] Residence and citizenship by investment programs thus contribute to the development of local talent by improving the quality of business leadership available. Table 3 shows that most countries in the top half of the ranking that assesses the availability of senior managers with significant international experience (the international experience column in Table 3) also rank in the top half of the overall talent ranking and the top half of the Global Residence Program Index.

61 E. Diener and E. Suh, 'Measuring quality of life: Economic, social, and subjective indicators' (1997) 40(1) Social Indicators Research 189

62 It is important to note that while the Global Residence Program Index's sample includes Dubai (UAE), the UAE (including six other emirates with Dubai) is covered in both competitive rankings. In this article, we use the UAE's data for the purpose of comparison

63 A. Bris, C. Cabolis, and J. Caballero, 'Talent competitiveness and leadership quality: Insights from the IMD World Talent Report' (2017) in IMD Tomorrow's Challenges Series *imd.org/research-knowledge/articles/talent-competitiveness-and-leadership-quality/* accessed 29 September 2021

*Dr. José Caballero is a senior economist at the IMD World Competitiveness Center. His research interests focus on the sources of competitiveness, with emphasis on enterprise competitiveness. He is particularly interested in behaviors and processes that strengthen the competitiveness of firms.*

*Dr. Caballero has conducted research at the IMD Global Board Center, the International Institute for Corporate Governance (Yale School of Management), and the National Bureau of Economic Research. In addition, he has acted as an academic advisor to the World Justice Project in the development of the Rule of Law Index®. He has also worked as a consultant for the European Union Support Program for Central American Integration, the Private Sector Advisory Department at the World Bank, the International Investment Corporation (World Bank), and the Inter-American Development Bank.*

*Dr. Caballero has taught at the University of Warwick and the University of the West of England. He holds a PhD (Politics and International Studies) from the University of Warwick and an MA (Social Science: Government) from Harvard University.*

# Sovereign Equity instead of Sovereign Debt: A Paradigm Shift in Public Finance and Foreign Direct Investment

Dr. Christian H. Kaelin
Chairman
Henley & Partners

A core premise of investment migration is to enhance a country's economy in exchange for residence or citizenship rights for individual investors. This is a good description of a classic 'win–win' formula. However, the benefits of residence and citizenship by investment programs for host nations go far beyond extra funding for the national treasury or increased foreign direct investment. One of the industry's unique and most positive attributes is its ability to endow nations with a considerable source of sustainable revenue without them having to increase debt and thereby burden future generations. This ability to expand a state's 'sovereign equity' by increasing the number of citizens who actively contribute to its future wellbeing also has the invaluable capacity to reduce a key aspect of inequality within states, as well as between them — a phenomenon that is uniquely facilitated by investment migration.

## Sovereign equity in practice

Sovereign equity is a means for governments to improve public finances and support economic growth and employment creation without increasing their debt — meaningfully addressing the growing imbalances and inequalities inherent in traditional sovereign debt financing by engaging with the global community of high-net-worth investors.

There are many sovereign states around the world that lack the traditional capacity to raise sufficient revenue and that may even at times be locked out of financing through capital markets or international lenders.[64] Countries can thus find themselves trapped in negative debt: short of discovering natural resources such as hydrocarbons or minerals, their ability to reduce debt, increase revenue, and attract investment is extremely limited.[65]

Debt financing is helpful and often critical in times of crises. But as Dominica showed in the aftermath of two consecutive hurricanes in 2017 and 2018 that destroyed large parts of the country's infrastructure and devastated entire villages, citizenship by investment program inflows were a lifeline that enabled the government to rebuild infrastructure and support those affected.[66] As the island nation attempts to recover from the economic slowdown caused by the global pandemic, program proceeds will undoubtedly mitigate its adverse effects. In his 2020/2021 budget speech, the Hon. Roosevelt Skerrit, Prime Minster of Dominica, said that over 450 homes would be built across the island with program proceeds.[67]

Outside a crisis, when countries find themselves lacking fiscal autonomy, they lose the ability to operate as truly sovereign states, forfeiting the gains from their economies to pay off creditors.[68] They are also unable to invest sufficiently in core infrastructure, education, and health services that enhance the lives of their citizens.[69] This can lead to a society's best and brightest leaving to pursue opportunities elsewhere, depriving their birth countries of

64 S. Park and T. Samples, 'Towards sovereign equity' (2016) 21(2) Stanford Journal of Law, Business, and Finance

65 International Monetary Fund, 'Global Debt Database' (2019) *imf.org/external/datamapper/datasets/GDD* accessed 21 September 2021

66 A. Shah, 'Hurricane-Proof Dominica: Investors Join Forces and See the Caribbean Country Flourish' (22 October 2018) *valuewalk.com/2018/10/hurricane-proof-dominica/* accessed 21 September 2021

67 R. Skerrit, 'The National Budget of the Commonwealth of Dominica Fiscal Year 2020–2021' (21 August 2020) *finance.gov.dm/budget/budget-addresses/file/36-budget-address-2020-2021-the-road-to-dynamic-dominica-fostering-economic-resilience-by-hon-roosevelt-skerrit* accessed 3 November 2021

68 M. Guzman, J.A. Ocampo, and J.E. Stiglitz (eds.) *Too Little, Too Late: The Quest to Resolve Sovereign Debt Crises* (2016) New York: Columbia University Press

69 Ibid.

their skills, and in turn diminishing the prospects and quality of life of the general population.[70]

Investment migration is arguably the single most effective means of addressing this dilemma. As a direct injection of liquidity into a country's economy, it relieves stress on the national treasury without tying the country into debt-based obligations. Moreover, it is not only a source of income, but also a proven driver of foreign direct investment. This twin dynamic is extremely effective in mitigating the problems brought about by sovereign debt and limited inbound investment, ultimately providing greater national autonomy and prosperity for all citizens.

## Investment migration, fiscal autonomy, and freedom

Prudently managed residence and citizenship by investment programs that conduct stringent due diligence on applicants and that have transparent structures can drive investment that countries need without adding to the burden of debt. The funding generated in this way can be used either to pay off existing debt or to create societal value through strategically targeted government spending. This provides governments with significantly increased fiscal autonomy, a key factor in the degree to which a country can be sovereign.

Investment migration programs also act as remarkably successful foreign direct investment platforms to attract capital and skills to economies far beyond the specific investment requirements of each residence or citizenship program. The numerous material benefits of foreign direct investment are clear,[71] but it is in the beneficial social impact created by this type of investment that real human value is found. Increased investment drives employment opportunities for citizens at all levels, from architects and construction workers, to manufacturing and technology companies, in addition to the tourism sector and other service industries. The result is more business activity and new employment, leading to a more dynamic and positive socio-economic environment overall.[72] The natural consequence of this is to alleviate pressure on government spending, further increasing fiscal autonomy and ultimately establishing greater prosperity.

## Proven socio-economic benefits

In the aftermath of the 2008 financial crisis, Malta's economy, for example, like those of all of Europe, was weak. Just years after the launch of its first citizenship program in 2014, the country had one of the highest growth rates and one of the lowest unemployment levels of any EU member state. Before the coronavirus struck, Malta's was the best performing economy in the EU by almost any measure.[73] Furthermore, between 2017 and 2019 (before the downturn caused by the pandemic), Malta reported annual budget surpluses for the first time in decades.[74] By the end of June 2019, Malta had raised direct revenue of almost EUR 835 million, seen property sales exceed EUR 141 million, earned rentals of EUR 90 million, and received investments in government bonds of

70 P. Mishra, 'Emigration and Brain Drain: Evidence from the Caribbean' (January 2006) IMF Working Paper WP No. 06/25 *imf.org/en/Publications/WP/Issues/2016/12/31/Emigration-and-Brain-Drain-Evidence-From-the-Caribbean-18662* accessed 21 September 2021

71 OECD, *Foreign Direct Investment for Development: Maximizing Benefits, Minimizing Costs* (OECD 2002) 5 *oecd-ilibrary.org/finance-and-investment/foreign-direct-investment-for-development_9789264199286-en* accessed 21 September 2021

72 T. Moran, H. Gorg, A. Seric, and C. Krieger-Boden, 'Attracting Quality Foreign Direct Investment in Developing Countries' (October 2017) International Growth Centre *theigc.org/blog/attracting-quality-foreign-direct-investment-developing-countries/* accessed 21 September 2021

73 Office of the Regulator, 'Fourth Annual Report on the Individual Investor Program of the Government of Malta' (November 2017) *oriip.gov.mt/en/Pages/Documents-and-Links.aspx* accessed 21 September 2021

74 Ministry for Finance, Government of Malta, Budget 2020 (October 2019) *mfin.gov.mt/en/The-Budget/Pages/The-Budget-2020-GD-9691.aspx* accessed 21 September 2021

over EUR 160 million, amounting to EUR 1.2 billion.[75] Such results are virtually impossible to achieve using traditional public finance methods.

In the Caribbean, a similar success story has been unfolding over the past 15 years. Since the reform and relaunch of the St. Kitts and Nevis Citizenship by Investment Program in 2007, the subsequent investment boom in the dual island nation and in several other Caribbean countries that launched or enhanced programs is remarkable, and unprecedented in the region's history.[76]

Following independence from Britain, the Federation of St. Kitts and Nevis witnessed a decline in its sugar industry. It simply became unsustainable to produce sugar on the twin islands and to compete in world markets. This resulted in a massive annual deficit, which threatened to undermine the entire economy.[77] It is thanks to its citizenship by investment program that St. Kitts and Nevis was able to restructure its economy away from loss-making sugar production and raise hundreds of millions of dollars in foreign direct investment geared towards providing a sustainable transition and laying the foundations for future growth and development.[78] Over the past six years, the St. Kitts and Nevis Citizenship by Investment Program has brought great value — at times estimated at 35% of the dual-island nation's revenue.[79] Investment migration is, according to the Hon. Dr. Timothy Harris, Prime Minister of St. Kitts and Nevis, "a pillar in the foundation of the country's unique future and prosperity".[80]

During the closing session of the 15th Global Citizenship Conference in December 2021, the Premier of Nevis, the Hon. Mark Brantley said, "If you were to ask what saved St. Kitts and Nevis during the pandemic, I would say citizenship by investment. This experience has demonstrated that citizenship by investment has a place in this world, particularly for small countries like ours, and for countries which do not have access to vast resources."

In Antigua and Barbuda, revenue from the dual island nation's citizenship by investment program, created in 2013, brought in USD 115.7 million in 2020 compared with USD 98.9 million in 2019 and USD 59.7 million in 2018 — a remarkable result despite a 22% drop in applications owing to Covid-19.[81] The Hon. Gaston Browne, Prime Minister of Antigua and Barbuda, stated: "The significant damage to our economy by the global effects of Covid-19 underscored the importance and benefits of the citizenship by investment program. As tax revenues fell rapidly and swiftly, it was — and

75 Office of the Regulator, 'Sixth Annual Report on the Individual Investor Program of the Government of Malta' (1 July 2018–30 June 2019) *oriip.gov.mt/en/Pages/Documents-and-Links.aspx* accessed 21 September 2021

76 X. Xu, A. El-Ashram, and J. Gold, 'Too Much of a Good Thing? Prudent Management of Inflows Under Economic Citizenship Programs' (May 2015) IMF Working Paper WP No. 15/93 *imf.org/en/Publications/WP/Issues/2016/12/31/Too-Much-of-a-Good-Thing-Prudent-Management-of-Inflows-under-Economic-Citizenship-Programs-42884* accessed 21 September 2021

77 J.C. Okwuokei and B. van Selm, 'Debt Restructuring in the Caribbean: The Recent Experience' in K. Srinivasan, I. Otker, U. Ramakrishnan, and T. Alleyne (eds.), *Unleashing Growth and Strengthening Resilience in the Caribbean* (International Monetary Fund 2017) 165

78 J. Gold and A. Myrvoda, 'Managing Economic Citizenship Program Inflows: Reducing Risk and Maximizing Benefits' in K. Srinivasan et al. (eds.), *Unleashing Growth and Strengthening Resilience in the Caribbean* (International Monetary Fund 2017) 131

79 PR Newswire Association LLC, 'Citizenship by Investment Brought Up To 35% of St Kitts and Nevis' Revenue, Supported Tourism, Paid Off Debts, and Improved Skill Sets' (2 June 2020) *prnewswire.com/news-releases/citizenship-by-investment-brought-up-to-35-of-st-kitts-and-nevis-revenue-supported-tourism-paid-off-debts-and-improved-skill-sets-301069520.html* accessed 21 September 2021

80 OECS Business Focus, 'CIP could make up 25 per cent of govt's revenue' (23 July 2015) *oecsbusinessfocus.com/cip-could-make-up-25-per-cent-of-govts-revenue/* accessed 21 September 2021

81 G. Browne, '2021 Budget Statement' (28 January 2021) page 23 *ab.gov.ag/pdf/budget/Budget_Speech_2021.pdf* accessed 20 September 2021

continues to be — that the citizenship by investment program has helped to sustain our economy."[82] Program inflows are responsible for substantial investments in the construction sector that have helped to create a sustainable tourism and leisure industry. In addition, investment migration has been a major driver in the country's transition to renewable energy. Thousands of solar panels have been successfully installed on government buildings and land throughout Antigua to produce electricity, in significant part paid for by the citizenship by investment program. The program was also essential in providing the necessary capital to support efforts to rebuild Barbuda after Hurricane Irma devastated the island in 2017, forcing the evacuation of the entire population.

On the macro level, before Covid-19 struck, the liquidity injected onto the sovereign balance sheet, combined with the long-term income streams created by new businesses and their associated tax revenues, had helped the island nation to pay off its entire external debt to the IMF — over USD 320 million — built up after the economy shrank by one quarter during the 2008 global financial crisis. Overall debt was down from a challenging 102% of GDP in 2014 to a more sustainable 69%.[83] The IMF's 2017 review of the Antigua and Barbuda economy found that the inflows of capital provided by investment migration had significantly helped to boost public and private sector construction, improving economic growth and pulling the country out of a deep recession.

The Caribbean's newest program — the St. Lucia Citizenship by Investment Program — was launched in December 2015. The program is performing extremely well, raising some XCD 62 million (USD 23 million) in the 2018–2019 reporting year, more than doubling the previous year's revenues of XCD 28 million (USD 10.4 million).[84] Following these results, the IMF stated that "prudent fiscal policies in recent years, supported by revenues from the citizenship by investment program, have helped to stabilize public debt as a share of GDP".[85] At the launch of the new brand visual identity and website of the St. Lucia Citizenship by Investment Program, the prime minister of St. Lucia at the time, the Hon. Allen Chastanet, said, "Everything that the country was focused on pre-Covid has become even more relevant now: investment in education, building an e-government platform, simplification of the tax regime, investment in infrastructure, modernization of the security force and of the judicial system, and broadening the tourism offering. The citizenship by investment program can be a key source of funding in helping us to facilitate these developments".[86] The former CEO of St. Lucia's Citizenship by Investment Unit, Nestor Alfred, proclaimed that 2021 was a record year in terms of application growth, and saw the USA rising to the number two spot in terms of application nationalities.[87]

82 Ibid.

83 Ibid.

84 C. Nesheim, 'Revenues More Than Double for Saint Lucia CIP in 2018-19, But Approval Volume Remains Stable' (14 November 2019) *imidaily.com/caribbean/revenues-more-than-double-for-saint-lucia-cip-in-2018-19-but-approval-volume-remains-stable/* accessed 21 September 2021

85 International Monetary Fund, 'St. Lucia: Staff Concluding Statement of the 2019 Article IV Mission' (18 November 2019) *imf.org/en/News/Articles/2019/11/18/mcs111819-st-lucia-staff-concluding-statement-of-the-2019-article-iv-mission* accessed 21 September 2021

86 PR Newswire Association LLC, 'St. Lucia Rides Covid Storm as Good Governance Boosts International Investor Confidence' (8 October 2020) *prnewswire.com/ae/news-releases/st-lucia-rides-covid-storm-as-good-governance-boosts-international-investor-confidence-301146414.html* accessed 21 September 2021

87 C. Nesheim, 'Podcast: Nestor Alfred of the Saint Lucia CIU – "Our best year ever" ', (9 August 2021) IMI Daily *imidaily.com/podcast/podcast-nestor-alfred-of-the-saint-lucia-ciu-our-best-year-ever/* accessed 21 September 2021

In Montenegro, which launched its citizenship by investment program in October 2019, the positive impact can be expected to be similar. Significant progress was made in 2021 — the first fully operative year of the program, which was negatively impacted by Covid-19. In addition to boosting fiscal health and economic growth, the enhanced inflow of investment will enable the country to become more competitive and its economy to become more sustainable, which will result in greater autonomy. This sovereign equity will result in Montenegro being less dependent on foreign lending and better able to drive national resources to where they are needed most. For ordinary citizens, the benefits will be felt in economic growth, employment opportunities, better social services, and improved infrastructure and education.[88]

## Sovereign equity in the Covid-19 era

The concept of sovereign equity is both self-evident and revolutionary. It has the potential to fundamentally shift how sovereign states approach sovereign funding, attracting investment from abroad, and public finance. Sovereign equity also addresses persistent global inequality. Foreign direct investment has been shown to be essential for developing, transitional, or recovering economies, but it can also be critical for regional development in large, advanced economies.[89] Sovereign equity, possible through investment migration, will support ongoing economic growth and prosperity.

The benefits of sovereign equity enable countries to turn away from debt and dependency towards fiscal autonomy, stability, and independence. Investment migration is one of the most important opportunities for growth and economic development for countries able to offer it, creating considerable societal value and persuading productive members of the community to stay and contribute rather than emigrate.

All of this was true before the horror of Covid-19 became apparent. The pandemic has changed our way of life and it is fundamentally damaging the global economy: sovereign equity could be a partial solution to the challenges that will face government decision-makers in the months and years to come. Many sovereign states with investment migration programs need additional capital as tourism, leisure, and hospitality are substantial portions of their economies — sectors that are in dire straits. The UN World Tourism Organisation forecast a loss of more than USD 4 trillion to global GDP by the end of 2021 owing to the global tourism standstill.[90] There have been significant job losses, and global unemployment is expected to reach 205 million in 2022.[91] Corporate- and income-tax-derived income is down. Infrastructure is under severe pressure.

All sovereign states need capital, ideally from a debt-free source of liquidity. Even with cheap debt, there is insufficient liquidity. Countries are constantly competing for vital foreign direct investment and talent to diversify their economies and introduce opportunities to their societies. What sovereign states require is a competitive edge — this is what sovereign equity can provide. Investors gain a long-term yield in the form of enhanced global mobility. Alternative residence or citizenship

88 J. Gold and A. El-Ashram, 'A Passport of Convenience' (December 2015) 52(4) Finance and Development 48 *imf.org/external/pubs/ft/fandd/2015/12/gold.htm* accessed 21 September 2021

89 L. Zamora and T.C. Brown, 'EB-5 Program: Successes, Challenges and Opportunities for States and Localities' (17 September 2015) *bipartisanpolicy.org/report/eb-5-visa-program/* accessed 21 September 2021

90 R. Davies, 'Covid tourism freeze could cost global economy $4tn by year end' (2021) *theguardian.com/business/2021/jun/30/covid-tourism-freeze-could-cost-global-economy-4tn-by-year-end* accessed 21 September 2021

91 ILO Newsroom, 'Slow Jobs Recovery and Increased Inequality Risk Long-term COVID-19 Scarring' (2021) *ilo.org/global/about-the-ilo/newsroom/news/WCMS_794834/lang--en/index.htm* accessed 21 September 2021

is a unique investment that permits them to be as globally diversified as their wealth portfolios.

Furthermore, the liquidity pool will continue to grow. Even before Covid-19, a rising number of millionaires with global wealth portfolios could not travel efficiently because of their birth citizenship. This market creates a rising demand for sovereign equity products. To meet this surge in demand, the increase in sovereign equity offerings that has occurred in the past 12 months is highly likely to continue. These may be positioned as specially branded offerings from existing sovereign equity providers. However, the more dramatic moves could come from sovereign states that choose to enter the market, whether by offering residence rights or citizenship rights, to rebalance their socio-economic mixes in the wake of Covid-19.

In short, investment migration is a long-term positive solution, injecting liquidity into an economy, generating sustainable income streams that can support public financial needs, and attracting much-needed foreign direct investment, creating significant sovereign and societal value.

*Dr. Christian H. Kaelin, TEP, IMCM, Chairman of Henley & Partners, is considered one of the world's foremost experts in investment migration, a field he pioneered. Holding master's and PhD degrees in law from the University of Zurich, he is a sought-after speaker and advises governments and international organizations. He is the author, co-author, and/or editor of many publications, including standard works such as the* Global Residence and Citizenship Handbook, *the* Kälin – Kochenov Quality of Nationality Index, Ius Doni in International Law and EU Law, *and the* Switzerland Business & Investment Handbook.

# The Global Residence Program Index

78 The Global Residence Program Index 2022
84 Residence Programs

# The Global Residence Program Index 2022

*The purpose of the Global Residence Program Index is to arrive at a comprehensive standard for assessing and comparing the attractiveness of residence by investment programs to enable prospective applicants, their advisors, and policymakers in governments to make informed decisions.*

Devising a composite indicator to be a comprehensive benchmark entails considering multiple variables (or sub-indicators) aggregated to comprise relevant factors (or indicators). To identify the variables, devise appropriate categories, and aggregate the indicators into an index to facilitate ranking it has been necessary to rely on multiple sources and a panel of experts that has developed surveys and interviews and conducted the subsequent analysis.

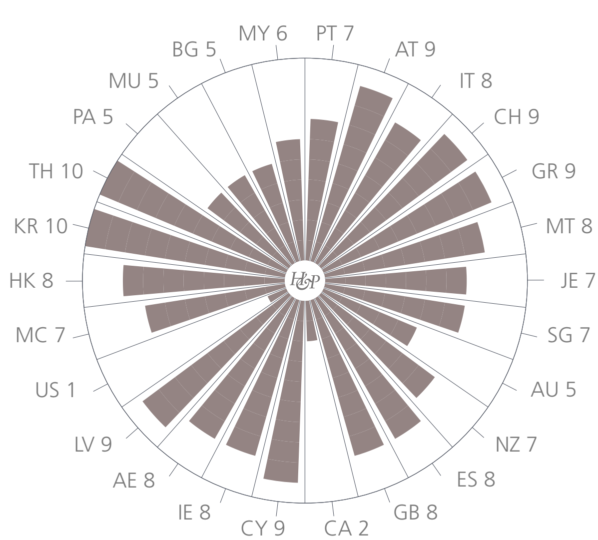
The data has been consistently collected from a representative sample that includes existing and potential investors, their advisors, practitioners involved in the design of qualitative research in global mobility and related spaces, and government officials in countries that either already have, or are in the process of establishing, investment migration programs.

A score on a scale of 10 was calculated for each factor or indicator. Subsequently, each indicator was assigned equal weight (10%) in order to arrive at a composite score. The factors analyzed in the Global Residence Program Index are as follows:

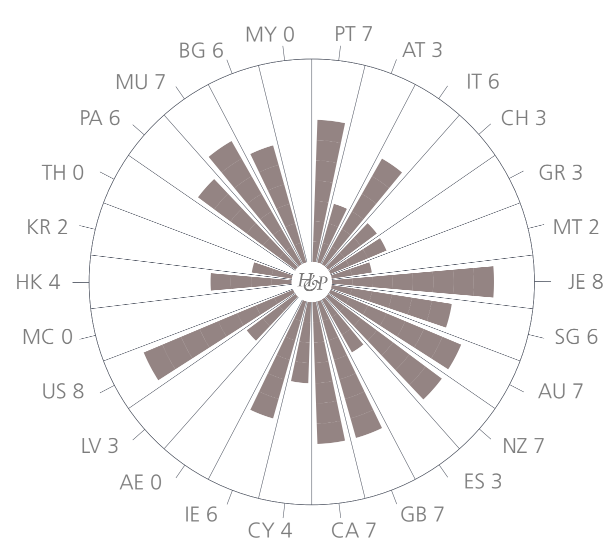
- Reputation
- Quality of Life
- Tax
- Visa-free or Visa-on-arrival Access
- Processing Time and Quality of Processing
- Citizenship Requirements
- Compliance
- Investment Requirements
- Total Costs
- Time to Citizenship

*see pages 174 to 182 for detailed explanations

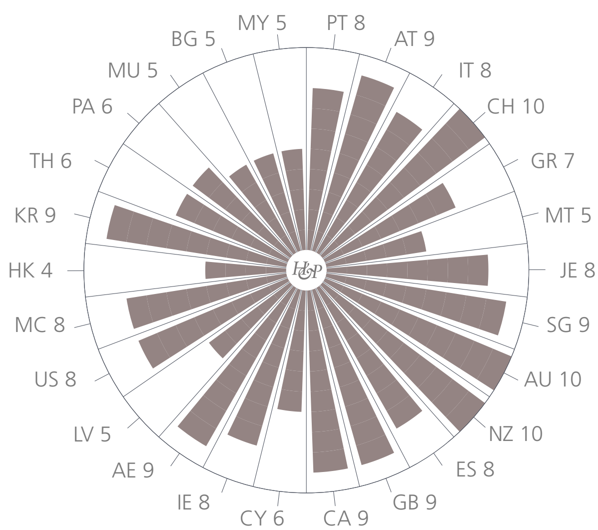
Processing Time and Quality of Processing



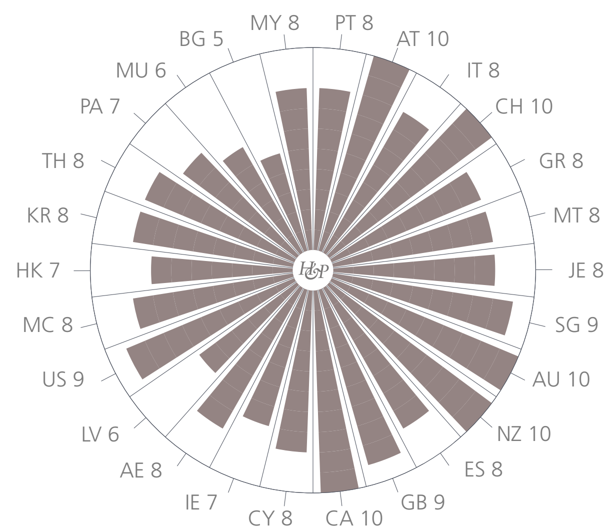

Citizenship Requirements



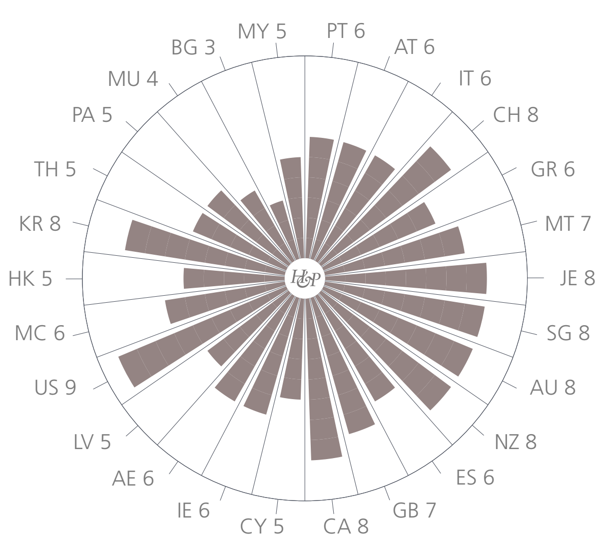
Reputation



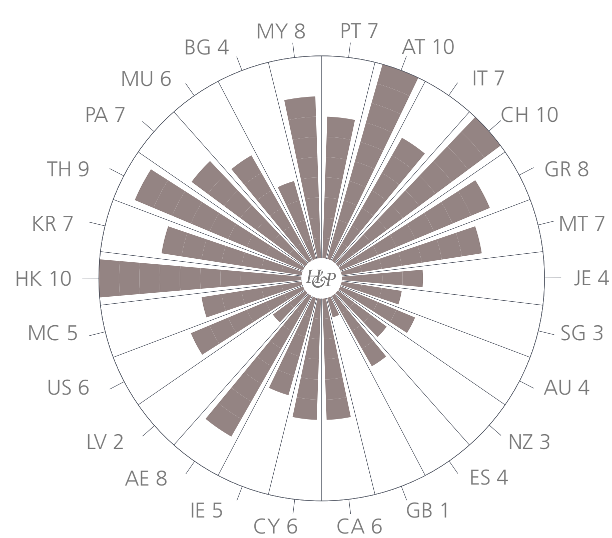

Quality of Life



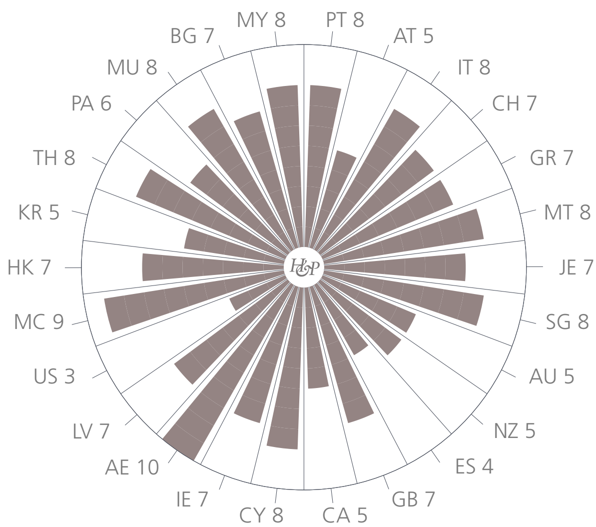

Compliance



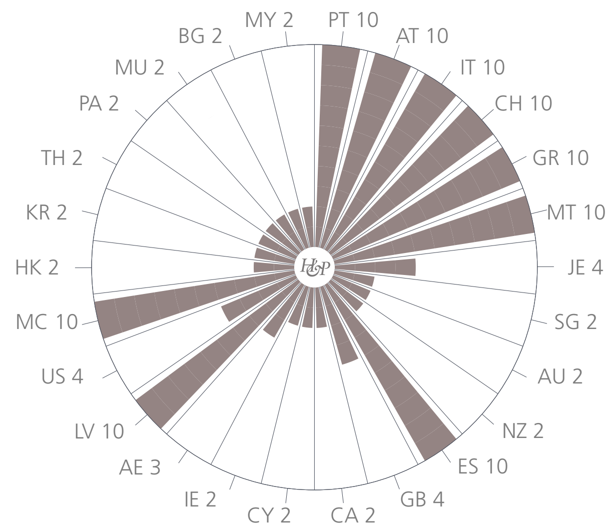

Investment Requirements



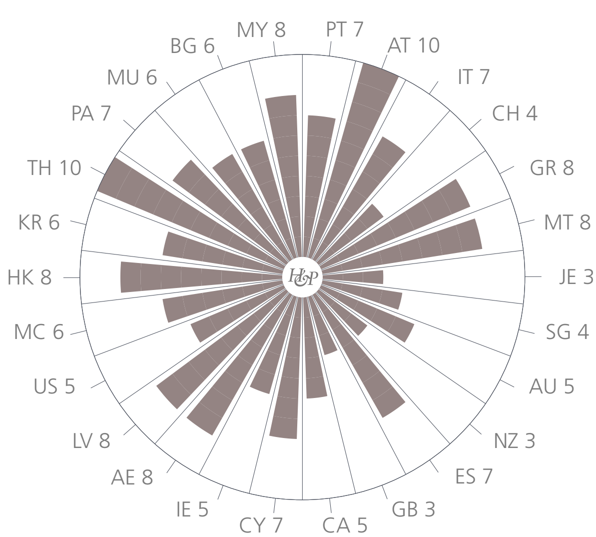
### Tax



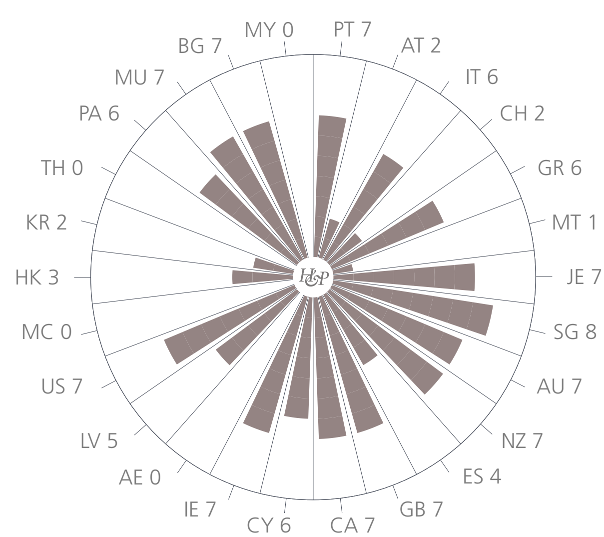

### Visa-free or Visa-on-arrival Access




### Total Costs




### Time to Citizenship



## Global Residence Program Index 2022 – Comparison of Residence Programs

| *Program* | *ISO Country Codes* | *GRPI 2022 Score* | *Henley Passport Index Score** | *General Quality of Nationality Index Score*** | *Minimum Contribution* | *Processing Time* |
|---|---|---|---|---|---|---|
| Portugal | PT | 75 | 187 | 79.0% | EUR 200,000[i] | 3–8 months |
| Austria | AT | 74 | 188 | 79.7% | Not applicable | 1–3 months |
| Italy | IT | 74 | 189 | 80.7% | EUR 250,000 | 3–4 months |
| Switzerland | CH | 73 | 186 | 79.8% | CHF 250,000[ii] | 3–6 months |
| Greece | GR | 72 | 185 | 77.3% | EUR 250,000 | 1–2 months |
| Malta | MT | 65 | 185 | 77.6% | EUR 175,000 | 4–6 months |
| Jersey | JE | 64 | 186 | 53.3% | GBP 145,000[iii] | >1 month |
| Singapore | SG | 64 | 192 | 55.1% | SGD 2.5 million | 9–12 months |
| Australia | AU | 63 | 185 | 55.2% | AUD 2.5 million | 12 months |
| New Zealand | NZ | 62 | 186 | 54.8% | NZD 10 million[iv] | 6–8 months[ix] |
| Spain | ES | 62 | 189 | 80.0% | EUR 500,000 | 1–6 months |
| United Kingdom | GB | 62 | 186 | 80.3% | GBP 2 million | 2–4 weeks |
| Canada | CA | 61 | 185 | 55.3% | CAD 150,000 | 48–56 months |
| Cyprus | CY | 61 | 176 | 75.3% | EUR 300,000 plus VAT[v] | 2–18 months |
| Ireland | IE | 61 | 187 | 80.2% | EUR 500,000[vi] | 4–6 months |
| Dubai (UAE) | AE | 60 | 175 | 50.3% | AED 5 million | 3–4 months |
| Latvia | LV | 60 | 181 | 77.0% | EUR 60,000 | 1–3 months |
| United States of America | US | 60 | 186 | 70.0% | USD 500,000 | 33–50 months |
| Monaco | MC | 59 | 174 | 52.5% | Not applicable | 5–6 months |
| Hong Kong | HK | 58 | 171 | 48.9% | Not applicable | 2–12 months |
| South Korea | KR | 58 | 190 | 54.2% | KRW 300 million[vii] | >1 month |
| Thailand | TH | 58 | 79 | 32.4% | USD 19,000 | 2–3 months |
| Panama | PA | 57 | 142 | 43.8% | PAB 500,000[viii] | 30 days |
| Mauritius | MU | 56 | 146 | 45.2% | USD 375,000 | Varies |
| Bulgaria | BG | 50 | 173 | 75.0% | EUR 512,000 | 3–6 months |
| Malaysia | MY | 50 | 179 | 51.0% | Not applicable | 6–9 months |

*The number of destinations out of a maximum of 226 that can be accessed visa-free or visa-on-arrival. Source: 2022 Henley Passport Index ranking, as of 11 January 2022 *henleypassportindex.com/passport*; **Source: D. Kochenov and J. Lindeboom (eds.), *Kälin and Kochenov's Quality of Nationality Index* (Hart Publishing, 2020) *nationalityindex.com/*

Notes: [i] Taking into account the reduction of 20% for specific areas; [ii] Minimum annual tax payment; [iii] Plus real estate of GBP 1.75 million; [iv] For Investor 1; NZD 3 million for Investor 2; [v] Where applicable; [vi] Or EUR 400,000 for each of 5 investors; [vii] For F-2 residence permit; KRW 1.5 billion for immediate permanent residence (F-5); [viii] Or PAB 300,000 for 24 months after Executive decree 722 effected; [ix] For Investor 1; 9–12 months for Investor 2

# The Global Residence Program Index 2022

*Acquiring residence in a country affords certain rights, which may include the capacity to live there, work, be tax resident under that country's tax system, and purchase property. It does not confer a passport, meaning residents will not enjoy the same travel freedom that citizens experience.*

| | Score |
|---|---|
| Portugal | 75 |
| Austria | 74 |
| Italy | 74 |
| Switzerland | 73 |
| Greece | 72 |
| Malta | 65 |
| Jersey | 64 |
| Singapore | 64 |
| Australia | 63 |
| New Zealand | 62 |
| Spain | 62 |
| United Kingdom | 62 |
| Canada | 61 |
| Cyprus | 61 |
| Ireland | 61 |
| Dubai (UAE) | 60 |
| Latvia | 60 |
| United States of America | 60 |
| Monaco | 59 |
| Hong Kong | 58 |
| South Korea | 58 |
| Thailand | 58 |
| Panama | 57 |
| Mauritius | 56 |
| Bulgaria | 50 |
| Malaysia | 50 |

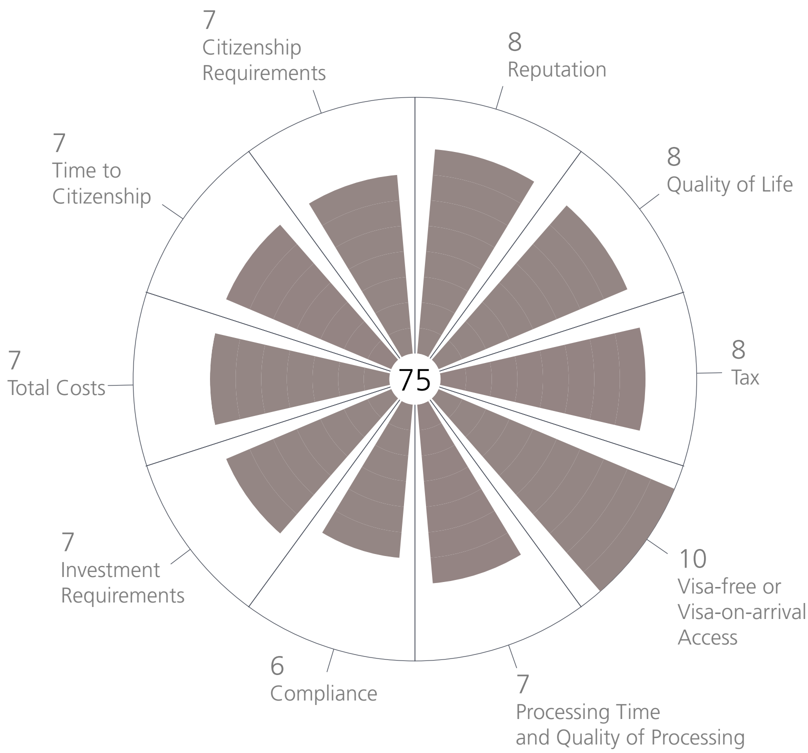



Figure 5. The total score for Portugal is 75/100, ranking it 1st out of 26 programs

# 1st | Portugal

*Portugal boasts an excellent reputation and is considered one of the world's most globalized and peaceful nations, with a high quality of life, and a very high Human Development Index* ranking. It is among the oldest nations in Europe with a rich history, lively culture, exceptional cuisine, stunning beaches, and idyllic countryside.*

The Portugal Golden Residence Permit Program is a five-year residence by investment program for non-EU nationals. Portugal is a full member of the EU. The residence permit allows visa-free access to Europe's Schengen Area and requires a stay of just seven days a year in Portugal over the five-year period, which can also count towards being eligible to apply for citizenship after five years. The program's qualifying options are:

Capital Transfer
- EUR 1.5 million minimum capital transfer into a Portuguese bank account or approved investments
- EUR 500,000 for research activities of public or private entities that are part of the national scientific and technological system†
- EUR 250,000 in support of artistic production or in the recovery or maintenance of national cultural heritage†
- EUR 500,000 for the acquisition of investment fund or venture capital fund units committed to the capitalization of companies incorporated under the Portuguese law, with a maturity of at least five years and with at least 60% of the investment portfolio in companies that have a head office in the national territory

Property Acquisition
- EUR 500,000 minimum real estate purchase††
- EUR 350,000 minimum real estate purchase for the refurbishment of properties older than 30 years or in an area of urban regeneration, including the cost of renovations†

Business
- Creation of a minimum of 10 new jobs†
- EUR 500,000 for the incorporation or increase of the share capital of a company that is registered in Portugal, creating or maintaining a minimum of five permanent jobs for three years

†The threshold is reduced by 20% if the funds go to a low population density area, defined as having fewer than 100 inhabitants per km² or having a GDP per capita below 75% of the national average.
††Residential properties no longer qualify unless in the Azores, Madeira or interior regions. However, all commercial properties remain acceptable.

The procedures for residence applications are straightforward, and compliance standards and due diligence are comparably high.

The Golden Residence Permit is valid for one year and is renewable for two subsequent periods of two years, for a total of five years for the program. Thereafter, applicants can extend the permit by two years, apply for permanent residence, or apply for citizenship.

| Residence Required |
|---|
| 35 days during a 5-year period |
| **Nature of Contribution** |
| Capital transfer, various investment options, real estate, or business |
| **Minimum Contribution** |
| EUR 200,000** or creation of 8 jobs** |
| **Time to Citizenship** |
| 5 years |

**Key Advantages**

- Visa-free travel in Europe's Schengen Area
- Low physical presence requirement
- Excellent international and Portuguese schools and universities
- Eligibility to apply for citizenship after 5 years as a legal resident while keeping other citizenship(s)
- High quality of life and a high level of security
- International quality healthcare

*Institute for Economics and Peace, 'Global Peace Index 2021: Measuring Peace in a Complex World' (July 2021) Sydney *visionofhumanity.org/resources/ accessed 3 September 2021*

**Taking into consideration the reduction of 20% for specific areas


Figure 6. The total score for Austria is 74/100, ranking it joint 2nd out of 26 programs

# Joint 2nd | Austria

*Austria is one of Europe's wealthiest countries, offering a very high quality of life to its people. With awe-inspiring natural attractions and a well-developed and stable economy, Austria makes for an outstanding place of residence. The country is famed for being the birthplace of many renowned intellectuals, artists, and composers.*

An Austrian residence permit allows visa-free access to Europe's Schengen Area and the EU. After ten years of legal residence, or, in certain circumstances, six years, it is possible to apply for Austrian citizenship. There are minimum application requirements.

Austria identifies 10 types of residence permits. Two of the main differentiating factors are whether applicants may work in Austria and whether they may be self-employed or may work as employees. Other permits exist for students and for family members of persons who are already resident in Austria. For some of these permits, including those for people of independent means, annual quotas apply that are implemented each year by decree. For all other residence permits, there are strict conditions that must be fulfilled.

The potential routes to residence include:

- **Highly Skilled Category** – a special category that allows foreign nationals to enter Austria if they are highly qualified or qualify as special executives
- **The Austria Private Residence Program** – for financially independent individuals. The key requirements are for an applicant to show sufficient funds, have documented German language skills at A1 level, have permanent accommodation in Austria (a rental or purchase contract for a property that can accommodate the applicant and any dependents included in the application), and have health insurance providing full cover. The individual may not be gainfully employed in Austria. During the application process, applicants must personally submit mandatory documentation to the Austrian consular or diplomatic representation in their current country of residence. Due to the strict quota constraints, timing of the submission of the application is of prime importance. Once the permit is granted, the applicant must pick up a special visa at the Austrian embassy, which allows the applicant to travel to Austria to collect the residence permit at the relevant authority

There is a minimum processing period of one month, but applications usually take three months to be approved. Once the residence permit is issued, it must be collected from the issuing authority in Austria and must be renewed annually. All non-EU and non-EFTA citizens must sign an integration agreement if they will be residing in Austria for more than 24 months. The residence and settlement permits are issued in the form of a card and can be renewed each year. It is also possible to qualify for citizenship by investment — see the Global Citizenship Program Index entry for Austria on page 146.

### Residence Required

183 days per year

### Nature of Contribution

Not applicable

### Minimum Contribution

Not applicable

### Time to Citizenship

6–10 years

### Key Advantages

- Minimal application requirements
- Visa-free access to Europe's Schengen Area and the EU
- High quality of life
- Excellent transport and communications

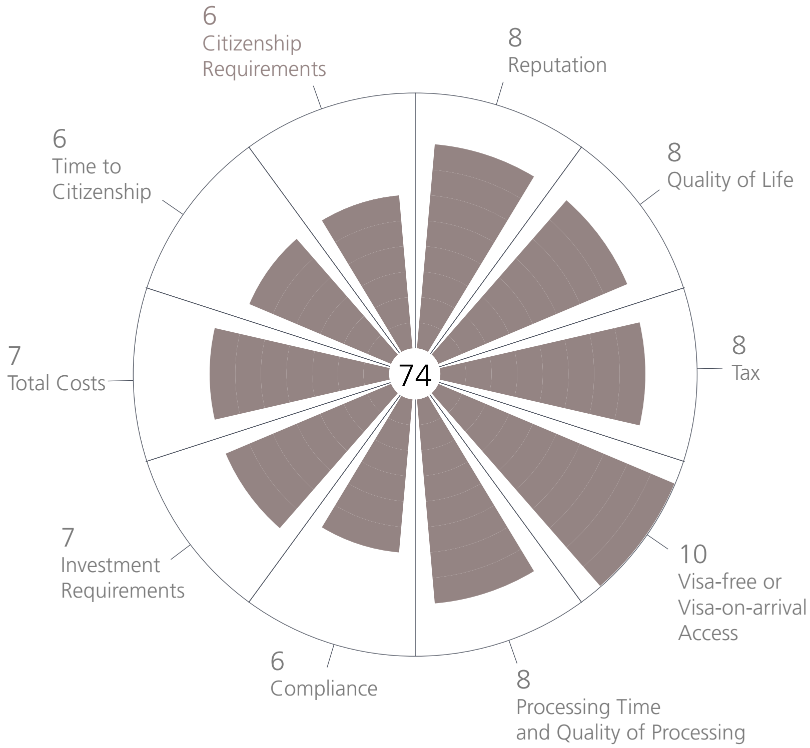



Figure 7. The total score for Italy is 74/100, ranking it joint 2nd out of 26 programs

# Joint 2nd | Italy

*Home to many great works of art and architecture, Italy's strategic location in the heart of the Mediterranean Sea makes it an ideal place to live. Italy is a founding member of the EU and NATO and has over 50 UNESCO World Heritage Sites. Italian residents enjoy high standards of living, education, and healthcare.*

The Ministry of Economic Development launched its residence by investment visa program, the Investor Visa for Italy, in December 2017. The program offers a two-year visa to non-EU citizens who choose to stay in Italy and invest in strategic assets. The investment must be made within three months of entry into the country. To obtain the visa, investors must have purchased or rented residential real estate in Italy. The two-year visa can be renewed for an additional three-year period until permanent residence is granted after five years.

Applicants must satisfy one of the following three requirements:

- Invest a minimum of EUR 500,000 in Italian shares (reduced to EUR 250,000 if investing in innovative start-ups). Listed or publicly traded shares are also an eligible investment but they must be deposited in a local financial institution†
- Make a non-refundable donation of a minimum of EUR 1 million in projects of public interest in Italy, such as culture, education, ecology, immigration management, research and development, arts, and heritage
- Invest a minimum of EUR 2 million in Italian Government bonds†

†The investments must be maintained for the duration of the validity of the visa.

To obtain an investor visa, potential applicants first need a *Nulla Osta* (certificate of no impediment). They can then apply for a two-year investor visa at the Italian representation in their country of residence. Formal documentation and certificates are required to complete the process.

Italy is one of the leading countries in the world when it comes to pushing the global transparency agenda and boasts very high compliance standards. The Investor Visa for Italy Committee reviews complete applications within 30 days but may request further documentation, extending the period. Applicants should allow 90 to 120 days.

For high-net-worth individuals there are special tax benefits. These are in the form of an optional tax regime that allows new residents to substitute regular taxation on income generated outside Italian territory for an annual lump sum payment of EUR 100,000. Italy also recently introduced a pensioner tax regime that grants significant benefits to new tax residents who receive foreign income.

The investor visa enables visa-free access to Europe's Schengen Area. The spouse, children, and dependent parents of the main applicant may also request a visa without additional investment. The program leads to permanent residence in Italy after five years, provided the applicants have actually relocated and lived in Italy.

### Residence Required

None for a residence visa, but permanent residence requires relocation

### Nature of Contribution

Investment and/or donation

### Minimum Contribution

EUR 250,000

### Time to Citizenship

10 years

### Key Advantages

- Visa-free travel in Europe's Schengen Area
- Residence in a country with a rich culture, attractive industries, and major global cities
- No permanent stay in Italy required
- Attractive tax regime
- Access to excellent medical care and education facilities

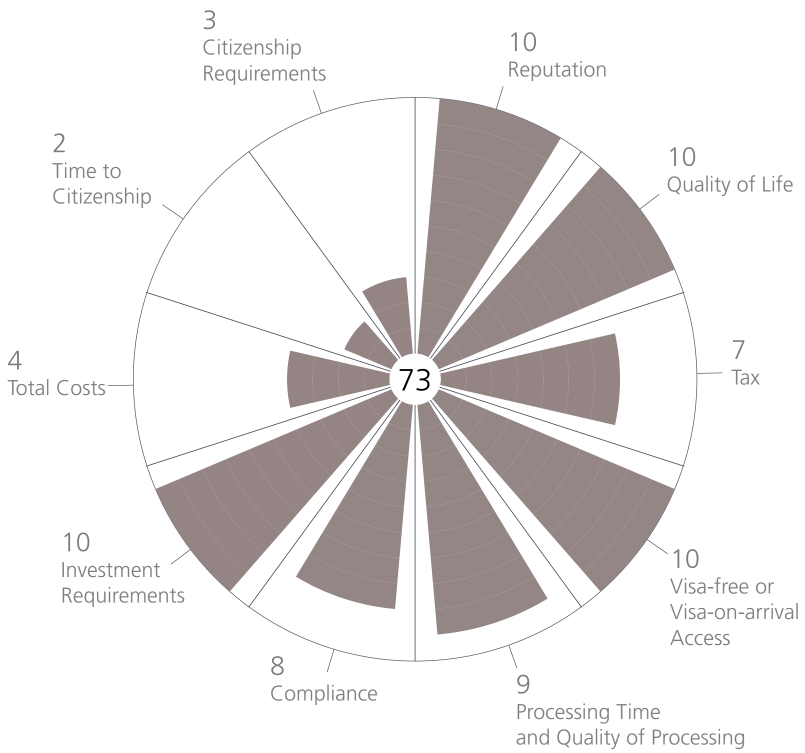



Figure 8. The total score for Switzerland is 73/100, ranking it 3rd out of 26 programs

# 3rd | Switzerland

*Switzerland offers its residents political and economic stability and an excellent quality of life and it ranks among the world's top countries in which to live. It is home to many international organizations and is noted for its multi-cultural and plurilingual society.*

Residence in Switzerland allows visa-free access to Europe's Schengen Area. EU and EFTA nationals can obtain a residence permit with ease if they have an employment agreement with a Swiss employer, become self-employed in Switzerland, or can prove that they are financially independent, with sufficient income or wealth to cover their living costs.

The process for obtaining residence for non-EU and non-EFTA nationals is complex, since applications are administered at canton level and at the federal immigration department. The typical processing time for applications is three to six months, depending on the canton and on individual circumstances.

Based on current Swiss immigration and tax laws and regulations, Henley & Partners designed the Swiss Residence Program for non-EU and non-EFTA nationals. Financially independent individuals who are not gainfully employed in Switzerland but who agree to pay a certain minimum in net annual taxes can acquire a residence permit. This is seen as granting residence to a potential taxpayer and therefore in the 'fiscal interest' of the canton of residence.

In addition to the Swiss Residence Program, there are further immigration categories under which non-EU persons may become resident in Switzerland:

- Foreign nationals may acquire residence and work permits to become gainfully employed in Switzerland if their Swiss employers can prove that they are indispensable for a specific function in the company, that they possess the relevant qualifications for this function, and that no suitable candidate can be found in the Swiss or European labor markets
- If a foreign national establishes and is employed in a senior position by a company in Switzerland, a residence and work permit may be issued under the economic promotion program
- To obtain a permit as a retired person, a foreign national must be at least 55 years of age, show close ties with Switzerland, and have sufficient funds

The Swiss taxation system is consistent with the country's reputation as a center of international trade and finance. Foreign nationals who are not gainfully active in Switzerland may qualify for lump-sum taxation, throughout the country apart from in five cantons, including that of Zurich, which effectively caps income and net wealth tax for qualifying foreign citizens.

Swiss citizenship is difficult to acquire. In addition to other requirements, there is a minimum residence time of 10 years.

| Residence Required |
|---|
| Minimum 180 days per year |
| **Nature of Contribution** |
| Employment, tax commitment, or self-sufficiency |
| **Minimum Contribution** |
| Annual taxes from CHF 250,000 |
| **Time to Citizenship** |
| 10 years |

**Key Advantages**

- Visa-free travel to Europe's Schengen Area
- Political, social, and economic stability
- Multi-lingual society, with English widely spoken
- First-class infrastructure and excellent banking facilities
- Attractive lifestyle and healthy environment
- World-renowned schools and excellent education system
- Favorable lump-sum taxation regime available

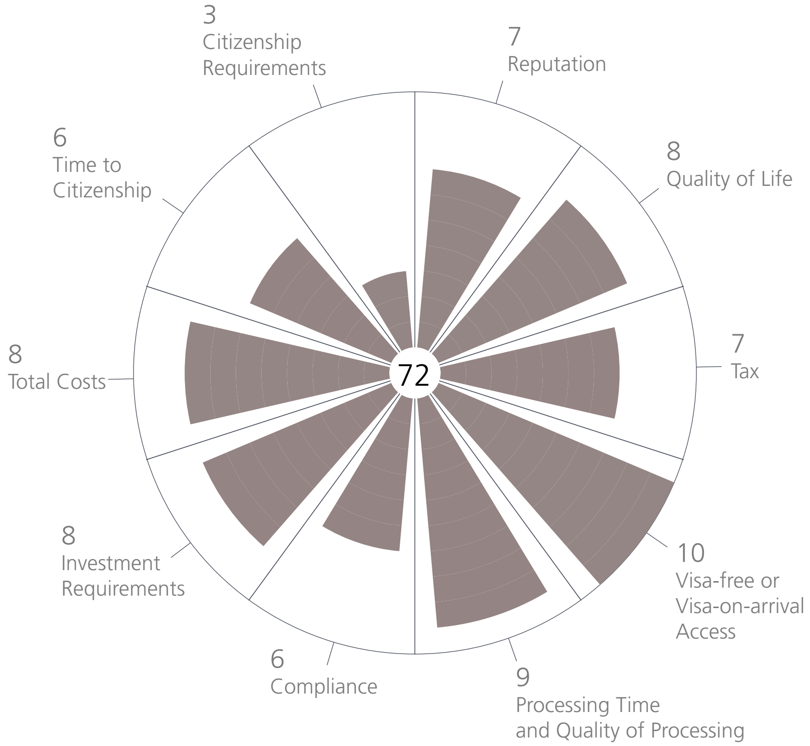



Figure 9. The total score for Greece is 72/100, ranking it 4th out of 26 programs

# 4th | Greece

*Greece is a country strategically located at the crossroads of Europe, Asia, and Africa. It is known for its beauty, and for being the birthplace of democracy, Western philosophy, the Olympic Games, and important scientific and mathematical principles. Greece offers a good quality of life to its residents.*

The qualifying options for the Greece Golden Visa Program are:

**Real Estate Acquisition**

- Investment in real estate property with a minimum value of EUR 250,000 plus taxes
- 10-year time sharing or lease agreement for hotel accommodation or furnished tourist residences

**Capital Contribution**

A capital contribution of at least EUR 400,000 to:

- A company that has its registered office or establishment in Greece for acquiring shares in a share capital increase or bonds admitted for trading on regulated markets or multi-lateral trading mechanisms operating in Greece
- A real estate investment company, which aims to invest exclusively in Greece, for acquiring shares in a share capital increase
- A venture capital company in approved shares or stocks

**Shares, Bonds, and Government Bonds**

Acquisition of one of the following:

- Greek government bonds with a minimum value of EUR 400,000 from a credit institution in Greece
- Shares with a minimum value of EUR 400,000 in an approved mutual fund investing exclusively in stocks, corporate bonds, or Greek government bonds
- Shares with a minimum value of EUR 400,000 in an alternative investment fund investing exclusively in real estate in Greece
- Stocks, corporate bonds, or Greek government bonds with a minimum value of EUR 800,000, which are listed for trading or are traded in regulated markets or in multi-lateral trading facilities

**Capital Transfer**

- Term deposit for at least one year of a minimum of EUR 400,000 at a domestic credit institution

Spouses, unmarried children up to 21 years of age, and the parents and parents-in-law of main applicants and their spouses may be included in one application. Minors may submit an application for a Greek Golden Visa as a main applicant by purchasing real estate. A main applicant requires a visa to enter Greece, health insurance, and all documentation must be certified and translated into Greek.

No physical residence is required, and for the real estate option, the property may be sub-let.

Holders of residence permits enjoy visa-free access to Europe's Schengen Area, and they may apply for citizenship after seven years of lawful residence.

| Residence Required |
|---|
| None |
| **Nature of Contribution** |
| Real estate, capital contribution, shares, bonds, government bonds, or capital transfer |
| **Minimum Contribution** |
| EUR 250,000 |
| **Time to Citizenship** |
| 7 years (under certain conditions) |

**Key Advantages**

- Visa-free travel in Europe's Schengen Area
- No requirement to reside in Greece
- Residence permits acquired within 30 to 60 days
- Opportunity to rent out investment real estate
- Residence includes family members
- Access to Greek public healthcare and education
- Opportunity to hold shares and receive income from the dividends of a company registered in Greece (but not to be employed in Greece)

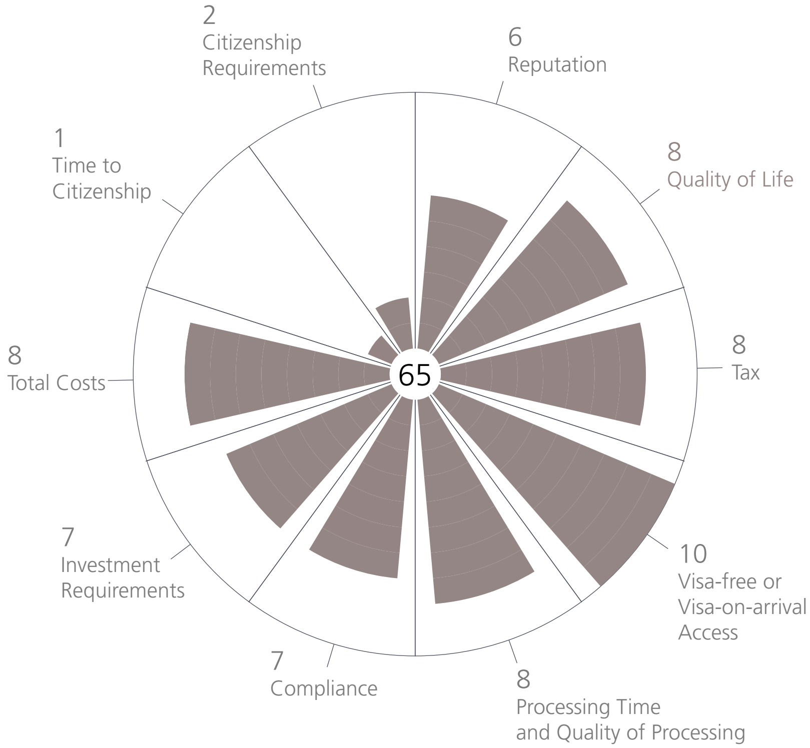



Figure 10. The total score for Malta is 65/100, ranking it 5th out of 26 programs

# 5th | Malta

*The small, highly advanced nation of Malta has risen to be one of Europe's leading investment locations, driven by its reputation for stability, predictability, and security. The island nation's spectacular natural beauty and Mediterranean lifestyle make it a desirable place of residence for wealthy individuals and families.*

Strategically placed in the Mediterranean Sea, with excellent air links, Malta's congenial location for private residence in a forward-thinking, innovation-driven economic environment includes the opportunity, for those who qualify to apply, to obtain a Maltese residence permit. The Maltese certificate of residence gives the right to freedom of movement to Malta and visa-free travel to Europe's Schengen Area and all EU countries.* Approved applications, incorporating full medical insurance valid throughout the EU for applicants and all dependents, are processed in four to six months.

Requirements and procedures are reasonable and straightforward. Applications are submitted to the Residency Malta Agency for stringent due diligence checks. Qualifying main applicants must be at least 18, have no police record (dependents must meet this requirement too), and have proof of EUR 500,000 in capital, of which a minimum EUR 150,000 should be in financial assets. Further minimum requirements are:

- A property purchase of EUR 350,000 (EUR 300,000 in South Malta or Gozo) held for five years, or a property lease of EUR 12,000 per annum (EUR 10,000 in South Malta or Gozo) held for five years
- A contribution of EUR 28,000 to the Maltese economy if residential property is purchased, or EUR 58,000 if leased
- A donation of EUR 2,000 to a non-governmental organization
- A non-refundable administration fee of EUR 40,000

Please see page 145 for information regarding Malta's Granting of Citizenship for Exceptional Services by Direct Investment Regulations (Regulations S.L. 188.05), which allow for the granting of citizenship by a certificate of naturalization to foreign persons and their families who contribute to the country's economic development. A valid residence certificate is a prerequisite for naturalization.

| Residence Required |
| --- |
| None |
| **Nature of Contribution** |
| Mixed capital contribution, and real estate purchase or lease |
| **Minimum Contribution** |
| EUR 175,000 |
| **Time to Citizenship** |
| Not applicable |

### Key Advantages

- Visa-free access to all the countries in Europe's Schengen Area
- Residence in Malta, an EU member state that is neutral, stable, and highly respected
- The right to reside, settle, and stay in Malta
- The opportunity to include parents, a spouse, and children in the main application
- A Mediterranean climate
- Conveniently located, with excellent sea and air links to Europe, Asia, and North Africa

*Source: 2022 Henley Passport Index ranking, as of 11 January 2022

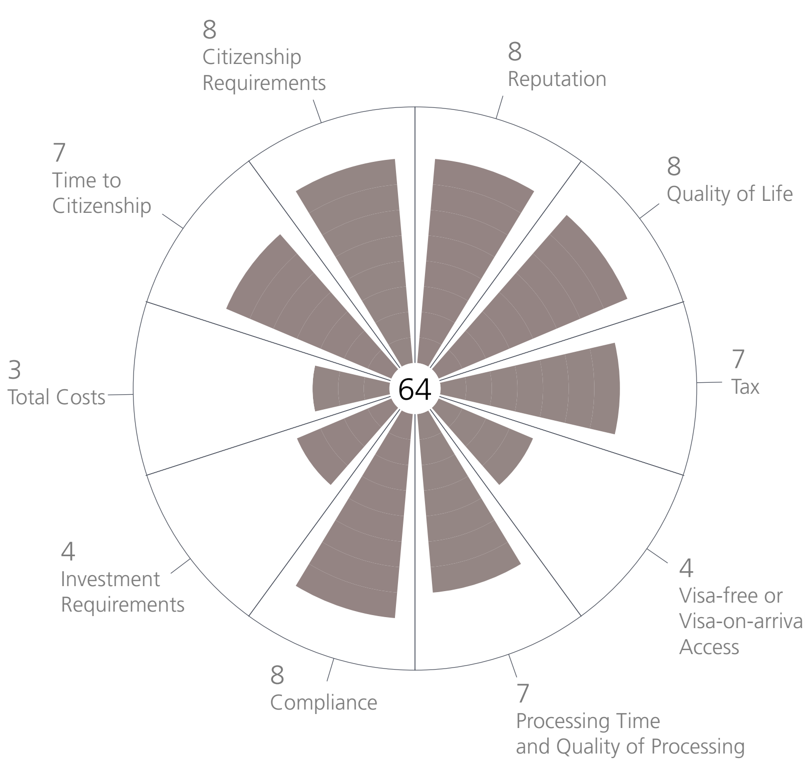



Figure 11. The total score for Jersey is 64/100, ranking it joint 6th out of 26 programs

# Joint 6th | Jersey

*Jersey is the largest of the Channel Islands. Situated between Britain and France, it provides a convenient location and a relaxed lifestyle. It has a stable economy, an attractive tax system, and is an idyllic place to raise a family. Its residents enjoy a high standard of living and there are excellent flight connections.*

From a tax perspective, Jersey is popular for its low rate of income tax and lack of estate duties. The application procedures for residence in Jersey are extremely efficient and the entire application process can usually be completed in as little as one month unless additional information is required.

Buying and occupying residential real estate in Jersey is controlled by the government through its Housing Committee. Fundamentally, only those who possess Jersey housing qualifications are given permission to purchase property. It is possible, however, for high-net-worth individuals to obtain a license, namely a 2(1)E, which takes its name from Jersey's current housing law. To achieve High Value Residency (HVR) status and be eligible to purchase property in Jersey, a prospective applicant must make a major contribution to the island's tax revenues. At the present tax rates, the required annual tax contribution would be around GBP 145,000, calculated on a sliding scale — 20% of the first GBP 725,000 of worldwide income and 1% on all income thereafter. Applicants are required to provide documentation in support of their application to take up residence in Jersey, showing enough capital to produce in excess of GBP 145,000 in tax revenues for the island.

Once HVR status has been granted, the applicant may apply for consent to purchase property and will be granted the same status as other residentially qualified islanders. They can be employed, employ others, set up their own businesses on the island, and are expected to purchase or lease a single residential property worth more than GBP 1.75 million.

Jersey is a low tax jurisdiction and derives its income principally from income tax, goods and services tax, excise tax, and duties. No taxes are levied on capital, capital gains, inheritance, or gifts.

The regulations for citizenship are the same as in the UK, and the British Government is responsible for administering the laws covering British citizenship through the British Nationality Act 1981, which also applies to Jersey.

### Residence Required

More time spent in Jersey than anywhere else

### Nature of Contribution

Tax contribution and real estate

### Minimum Contribution

GBP 145,000 in annual taxes and real estate of GBP 1.75 million

### Time to Citizenship

6 years*

### Key Advantages

- Long-established economic and political stability
- Excellent reputation for integrity, high quality of life, and expertise
- Well-regulated and mature finance and trust industry
- Major banking center
- Convenient location in Western Europe

*Indefinite Leave to Remain after 5 years, and a further 12 months to citizenship.

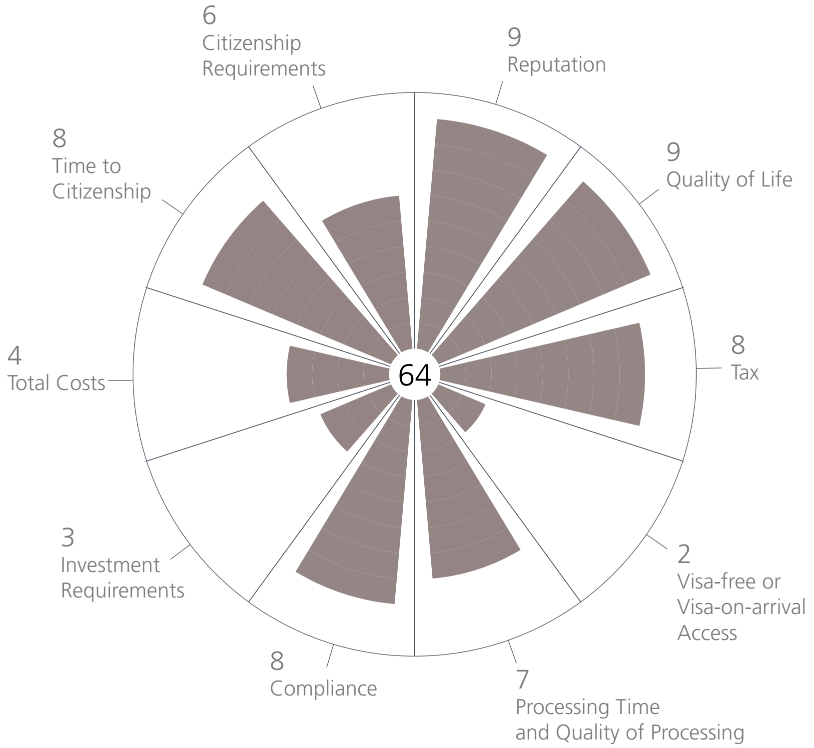



Figure 12. The total score for Singapore is 64/100, ranking it joint 6th out of 26 programs

# Joint 6th | Singapore

*Singapore is frequently voted the best Asian city in which to live due to its excellent infrastructure and public services. It has one of the lowest crime rates in the world and offers a high quality of life to its residents. Globally, it is rated one of the wealthiest countries when measured by GDP per capita.*

Singapore has emerged as a world-class destination with a harmonious multi-racial and multi-cultural community. The country is politically stable and economically prosperous, with a reputable education system and a reliable healthcare system.

The country has a friendly tax regime and has continued to introduce tax regulations favoring foreign investors. Singapore's taxation system operates on a territorial basis. A Singaporean residence permit does not, however, provide as many visa-free or visa-on-arrival travel privileges as other countries in the Global Residence Program Index.

The procedure to gain permanent residence under the Singapore Global Investor Program takes a considerable length of time. Applicants must submit a personal profile and a proposed investment plan. They are required to attend an interview within three to four months of submitting the application. If an application meets all the criteria, the applicant will be issued with an Approval-in-Principle. This is valid for six months during which applicants must make the chosen investment and submit proof of doing so.

The GIP offers three investment options:

- **Option A** – an investment of at least SGD 2.5 million in a new or existing business
- **Option B** – an investment of SGD 2.5 million in an approved venture capital fund that invests in Singapore-based companies, plus the implementation of a business plan in Singapore
- **Option C** – (Family Office option) an investment of SGD 2.5 million to establish a single family office in Singapore, which is required to manage assets of at least SGD 200 million (minimum SGD 50 million in assets in Singapore plus SGD 150 million in offshore assets)

These options require significant investment and involve higher total costs than for many other Global Residence Program Index countries. Singapore achieves a high score for compliance standards and due diligence. After a final approval letter is issued, applicants must formalize their permanent residence status within 12 months.

It is possible to apply for citizenship after two years of permanent residence, but Singapore is a strictly single-citizenship country, so applicants must give up their existing citizenships before naturalization is possible. Male citizens and male permanent residents must complete two years of compulsory National Service.

| Residence Required |
|---|
| Present for at least 50% of the time |
| **Nature of Contribution** |
| Investment |
| **Minimum Investment** |
| SGD 2.5 million |
| **Time to Citizenship** |
| Minimum 2 years |

| Key Advantages |
|---|
| • Political, social, and economic stability |
| • Safety, with a high standard of living |
| • World-class education, healthcare, and transport systems |
| • Leading international financial center with favorable tax laws |
| • State of the art telecommunications and business facilities |
| • Multi-cultural environment |

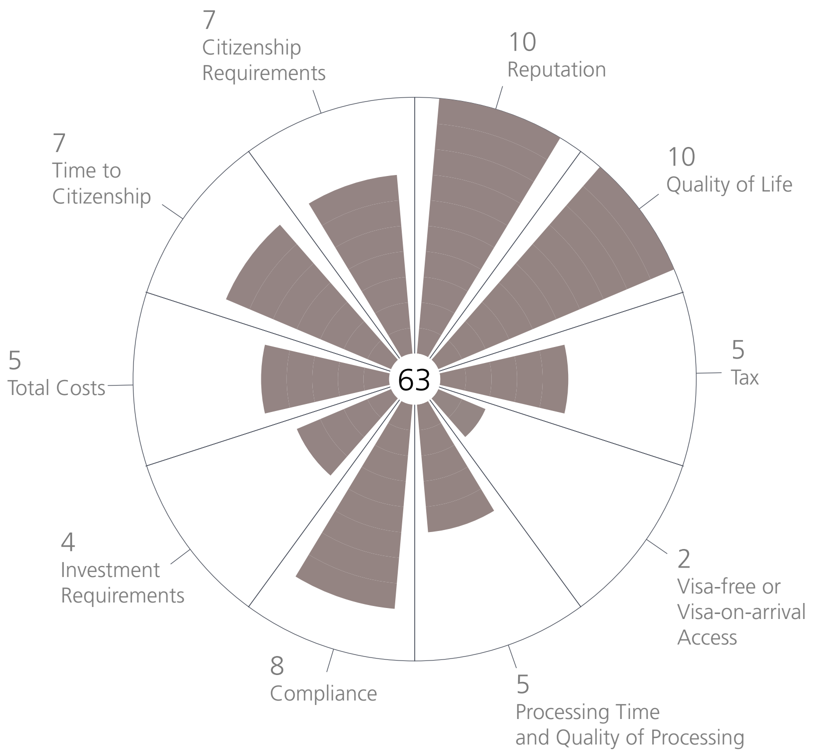



Figure 13. The total score for Australia is 63/100, ranking it 7th out of 26 programs

# 7th | Australia

*Australia is one of the wealthiest countries in the world and has an excellent reputation. It is a developed, multi-cultural country with an extremely high Human Development Index* ranking and offers its people an excellent quality of life, economic freedom, and good protection of civil liberties and political rights.*

The immigration system is objective and merit-based with predictable outcomes. To maintain their residence status, permanent residents must spend at least two years in five in Australia or demonstrate significant ties. From July 2021, the four main streams of the Business Innovation and Investment Program that lead to permanent residence are:

- **Business Innovation Stream** – applicants must commit to genuine involvement in a new or existing business in Australia, be under 55, pass a points test, have a successful career as the owner of a business with a minimum turnover of AUD 750,000, reside in Australia for at least a year and have net assets of AUD 1.25 million. They must obtain and maintain substantial ownership and management of an Australian business
- **Investor Stream** – applicants must be under 55, pass a points test, have a successful record of investment or business experience, invest AUD 2.5 million into complying Australian investments with a commitment to continuing after the investment period
- **Significant Investor Stream** – applicants must commit at least AUD 5 million to a complying Australian investment with a commitment to continue after the required period. This stream is the most popular since there is no age limit or points test, and physical presence requirements are much less onerous than other streams
- **Entrepreneur Stream** – suitable for a small number of highly talented individuals with business ideas of high potential and high value, who have been endorsed by a State or Territory government in Australia

These streams involve a two-stage visa process. Applicants initially obtain a five-year provisional (temporary) visa. After demonstrating a certain level of business or investment activity and meeting residence requirements, investors are then eligible to apply for a permanent Business Innovation and Investment visa.

Application processing takes 12 months, with applications capped at 13,500. Residence includes spouse, de facto or civil partner, and dependent children under 23, the right to live, work and study in Australia, free or subsidized primary healthcare, and free education at public schools.

Despite higher taxes and relatively onerous due diligence and compliance checks, Australia requires minimal additional conditions for citizenship, permits dual citizenship, and passport holders may travel visa-free or visa-on-arrival to 185 destinations.

| Residence Required |
| --- |
| 2 years in a 5-year period, or significant ties |
| **Nature of Contribution** |
| Investment or business |
| **Minimum Contribution** |
| AUD 2.5 million |
| **Time to Citizenship** |
| 4 years of lawful residence including 1 year of permanent residence |

| Key Advantages |
| --- |
| • High standard of living |
| • Multi-cultural |
| • Political, social, and economic stability |
| • Objective, merits-based immigration system with predictable outcomes |
| • Compulsory 10% superannuation or pension payable by employers |
| • Few additional requirements for citizenship |

*The UN Development Program Human Development Index ranks non-economic development, namely health, education, and standard of living

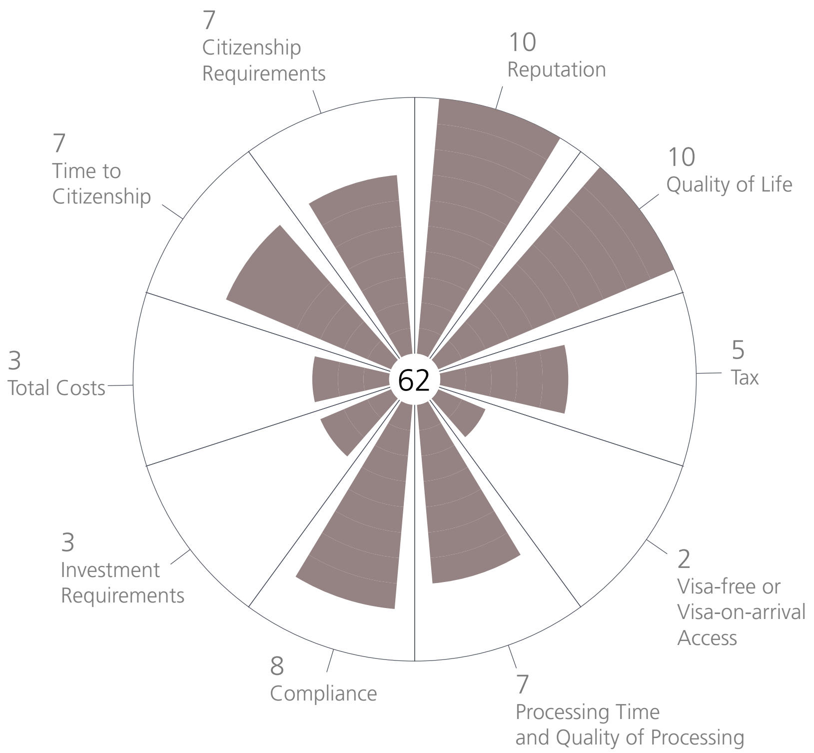



Figure 14. The total score for New Zealand is 62/100, ranking it joint 8th out of 26 programs

# Joint 8th | New Zealand

*New Zealand offers a great work-life balance, world-class education and healthcare, is an attractive destination for investment, business, and raising a family, and consistently ranks in the top 10 in terms of protecting investors and entrepreneurs.*

The Investor 1 and Investor 2 resident visa programs allow applicants to live, work, and study in New Zealand. Residence can be obtained through investing at least NZD 3 million (Investor 2 resident visa) or NZD 10 million (Investor 1 resident visa) and maintaining these investments in New Zealand for a minimum of four and three years, respectively.

Applicants may include their spouses and dependent children (up to the age of 24); once applicants have obtained residence, their parents may apply under the Parent Retirement program.

Successful applicants must commit to one of the following Investor programs:

**Investor 1 Resident Visa**

- No maximum age limit and no business experience or language requirement
- Minimum investment of NZD 10 million in an acceptable investment for three years
- Residence requirement: at least 44 days per year in years two and three of the three-year investment period; or, if investing at least NZD 2.5 million in growth investments,† at least 88 days over the entire three-year period
- Applications processed in six to eight months

**Investor 2 Resident Visa**

- For experienced businesspeople aged 65 years or younger, with at least NZD 3 million in available funds or assets
- Minimum investment of NZD 3 million in an acceptable investment for four years
- Submit an Expression of Interest with fee payment
- Applicants must have an English-speaking background, an acceptable International English Language Testing System score, or be competent English speakers
- Residence requirement: at least 146 days per year in each of the final three years of the four-year investment period; or, if investing at least NZD 750,000 in growth investments,† at least 438 days over the entire four-year investment period
- Applications processed in nine to twelve months

†Growth investments can be anything other than bonds and philanthropic investments.

Acceptable investments include government and corporate bonds, equities of public and private firms, commercial real estate, residential real estate development, and philanthropic investments.

New Zealand's Investor 1 and Investor 2 resident visas allow investors to live in the country for three and four years, respectively, after which they may apply for permanent residence visas.

**Residence Required**

Investor 1: 44 days per year in the last 2 years
Investor 2: 146 days per year in the last 3 years

**Nature of Contribution**

Investment

**Minimum Contribution**

Investor 1: NZD 10 million
Investor 2: NZD 3 million

**Time to Citizenship**

5 years from resident visa status

**Key Advantages**

- High standards of living, multi-cultural population, and low population density
- Political, social, and economic stability
- Solid legal system based on English law
- Strong tax treaty network with many counter parties


Figure 15. The total score for Spain is 62/100, ranking it joint 8th out of 26 programs

# Joint 8th | Spain

*Spain has one of the most important economies in Europe and is a full member of Europe's Schengen Area, the EU and the Eurozone. It is a vibrant country admired for its majestic landscapes and excellent quality of life, a nation with a rich history and unique culture and traditions.*

The Spain Residence by Investment Program allows foreigners to make a significant investment and apply for an investor visa. A residence permit may be obtained through investment in one of the following options:

- **Real Estate** – acquiring real estate with a minimum value of EUR 500,000 per applicant
- **Business Projects** – creating and developing a business project that is recognizably of general interest to Spain
- **Investment** – a minimum commitment of EUR 2 million to government bonds or EUR 1 million into an active company's shares or bank deposits

Documentary evidence of the investment must be provided as part of the application process. In the first phase, applicants apply in their home country for a Spanish residence visa that allows them to reside and work in Spain for one year.

In the second phase, applicants apply for a Spanish residence permit. If they have come to Spain on an ordinary tourist visa, they may apply for the residence permit directly, thus omitting the first phase. The residence permit has an initial duration of two years, renewable thereafter every five years upon request, provided that a minimum investment in Spain is maintained by the applicant. Residence permits are usually issued after a 20-day consideration period. The residence permit includes a spouse or partner (including unmarried or same-sex unions), all economically dependent descendants, and parents (over the age of 65).

There is no minimum stay requirement to maintain residence status but obtaining the first residence permit requires a visit to Spain. Residents may apply for citizenship only in the 10th year of residence in Spain, a comparatively lengthy wait, although citizens of 22 Ibero-American countries as well as of Equatorial Guinea and the Philippines need only wait for two years.

Residents by investment do not become tax residents unless they spend more than 183 days per year in Spain. Non-residents are taxed in Spain only on Spanish-sourced income, in accordance with applicable 'tax treaty' provisions, which may result in lower tax rates on dividends, interest, royalties, and capital gains. Taxation depends on the nature of the income and on the investor's tax residence status.

### Residence Required

1 visit

### Nature of Contribution

Real estate, business, investment

### Minimum Contribution

EUR 500,000

### Time to Citizenship

10 years (2 years for Sephardic Jews and nationals of Equatorial Guinea, Latin America, and the Philippines)

*Source: 2022 Henley Passport Index ranking, as of 11 January 2022

### Key Advantages

- Visa-free travel to 189* countries, including Europe's Schengen Area and the EU, and the right to live, work, and study in Spain
- Excellent links to Europe, Latin America, and North Africa
- No set minimum investment requirement for business option
- Investment recoverable after mandatory holding period
- Investment properties may be rented out

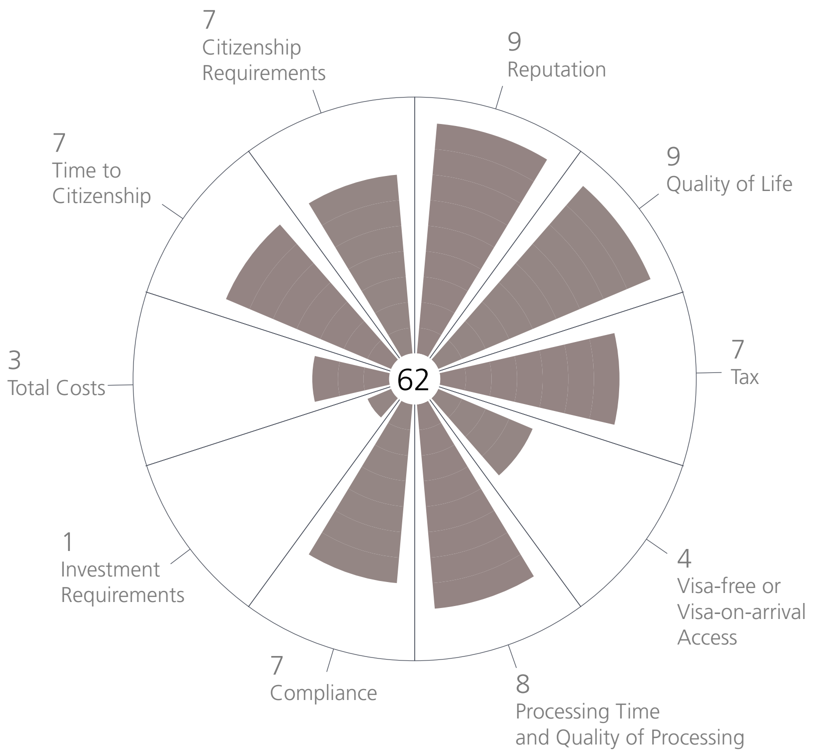



Figure 16. The total score for the UK is 62/100, ranking it joint 8th out of 26 programs

# Joint 8th | United Kingdom

*The UK has long been a significant world power, both economically and politically. London is the financial capital of the world, offering an international business environment. The UK is also renowned for having some of the best educational institutions in the world and an open, international culture.*

The Tier 1 Investor visa requires an individual to make a substantial financial commitment in the UK. To qualify, applicants must have held no less than GBP 2 million under their control for two years in advance of the initial application.

Within three months of entry into the UK, applicants are required to invest at least GBP 2 million, which must be maintained throughout the five-year period until permanent residence is granted. Applicants must invest in UK share capital or loan capital in active and trading UK-registered companies other than those principally engaged in property investment. Investment in government bonds and offshore companies is not permitted. This financial commitment must be maintained for five years.

The initial visa is valid for three years. When it expires, applicants and dependent family members must apply for an 'extension of stay' from within the UK. The UK government will grant a two-year extension if the applicant has maintained the required financial commitment throughout the term and met the other residence requirements.

The application and supporting documentation must be submitted to the diplomatic post in the applicant's country of residence. The time taken depends on the embassy receiving the application, and approval may take between two and four weeks. Applicants from certain countries are required to register with the police within seven days of arrival in the UK.

On being granted settlement and after a minimum of five years of continuous lawful residence in the UK, indefinite leave to remain in the UK will be granted. Thereafter, it is possible to apply for British citizenship. The minimum time necessary to become eligible for citizenship, assuming an applicant has met all the requirements, is thus six years.*

The Tier 1 Investor visa has two other options:

- Main applicants who increase their financial commitment in the UK to GBP 5 million may apply for settlement after three years in the UK
- Main applicants who increase their financial commitment in the UK to GBP 10 million qualify for accelerated route settlement in two years

| Residence Required |
|---|
| 185 days per year |
| **Nature of Contribution** |
| Investment for 5 years |
| **Minimum Contribution** |
| GBP 2 million |
| **Time to Citizenship** |
| 6 years* |

**Key Advantages**

- International business environment — London is the financial capital of the world
- Attractive tax regime for high-net-worth individuals who are resident, not domiciled
- Direct international flights to most major cities
- World-renowned schools and universities
- Fast processing of immigration applications
- No business or management experience required
- Objective entry criteria, with predictable outcomes

*Indefinite Leave to Remain after 5 years, and a further 12 months to citizenship.

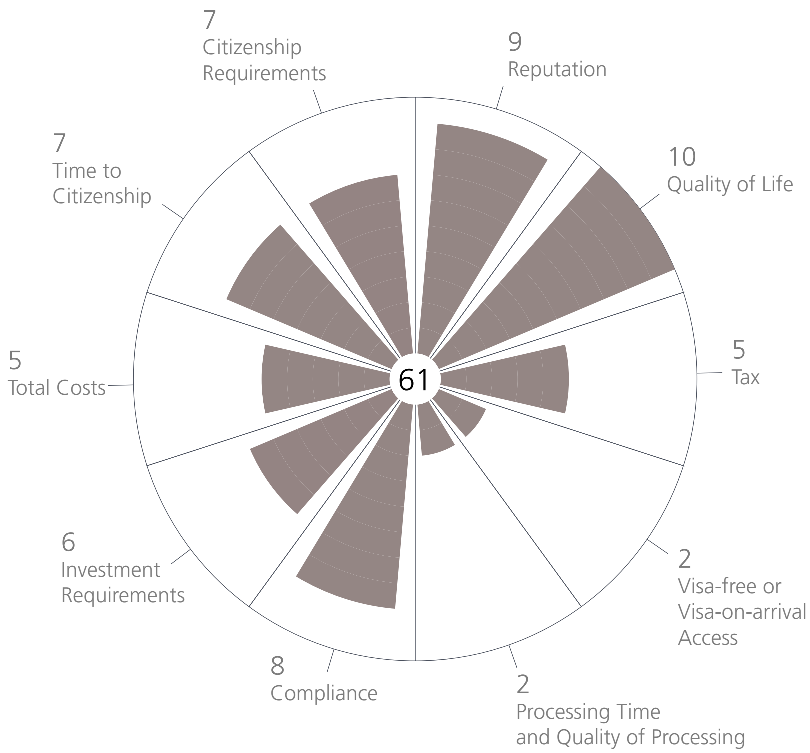



Figure 17. The total score for Canada is 61/100, ranking it joint 9th out of 26 programs

# Joint 9th | Canada

*Canada is frequently voted one of the best countries in the world in which to live. It is well known for its high standard of living, clean environment, low crime rate, and outstanding infrastructure. By area, Canada is the world's second largest country, with exquisite physical geography and tolerant, multi-cultural, and vibrant cities.*

There are several ways to become a permanent resident in Canada. Each program has different conditions. Three key programs are:

- **The Canada Start-Up Visa Program** – the first of its kind worldwide, linking immigrant entrepreneurs with experienced private-sector organizations with expertise in start-ups
- **The Provincial Nominee Programs** – a special category specific to a province or territory that nominates a particular person who wants to settle and work in that province or territory, based on employment or a business investment
- **The Quebec Immigrant Investor Program*** – for business applicants who want to settle and make a passive investment in Quebec province

Applicants to the Canada Start-Up Visa Program must be proven successful entrepreneurs, have a qualifying business, and obtain a letter of support from a designated organization. The program links main applicants with private sector entities that provide funding and guidance for establishing and operating a business in Canada. Financial contributions vary. A Canadian Language Benchmark level 5 for English or French must be demonstrated. Applicants must bring sufficient money to settle, as prescribed.

The requirements of Provincial Nominee Programs vary by province. For example, in Nova Scotia, the minimum capital requirement for the Entrepreneur stream is CAD 150,000, while in Ontario the requirement is CAD 600,000, if the business is in Toronto. Main applicants are expected to have business or senior management experience and must actively manage their businesses in Canada.

Canada taxes residents on their worldwide income. Express Entry processing expedites applications, but times differ per category, and there are extensive compliance and due diligence procedures. Strict physical presence is required to qualify for citizenship: applicants must be permanent residents, over the age of 18, who have lived in Canada for at least three full years out of the five years preceding the application, and have adequate knowledge of English or French.

| Residence Required |
|---|
| 2 years in a 5-year period |
| **Nature of Contribution** |
| Investment and/or job creation |
| **Minimum Contribution** |
| CAD 150,000 |
| **Time to Citizenship** |
| 3 years after obtaining permanent residence |

**Key Advantages**

- Among the highest standards of living in the world
- Affordable, high quality education
- Multi-cultural, tolerant, and vibrant cities
- Excellent place to do business, with access to the entire North American market
- Eligibility to apply for citizenship after the third year of the 5-year residence period

*On 31 March 2021, the Ministry of Immigration, Francisation et Intégration announced the extended suspension of the Quebec Immigrant Investor Program. The program will not reopen before 1 April 2023.

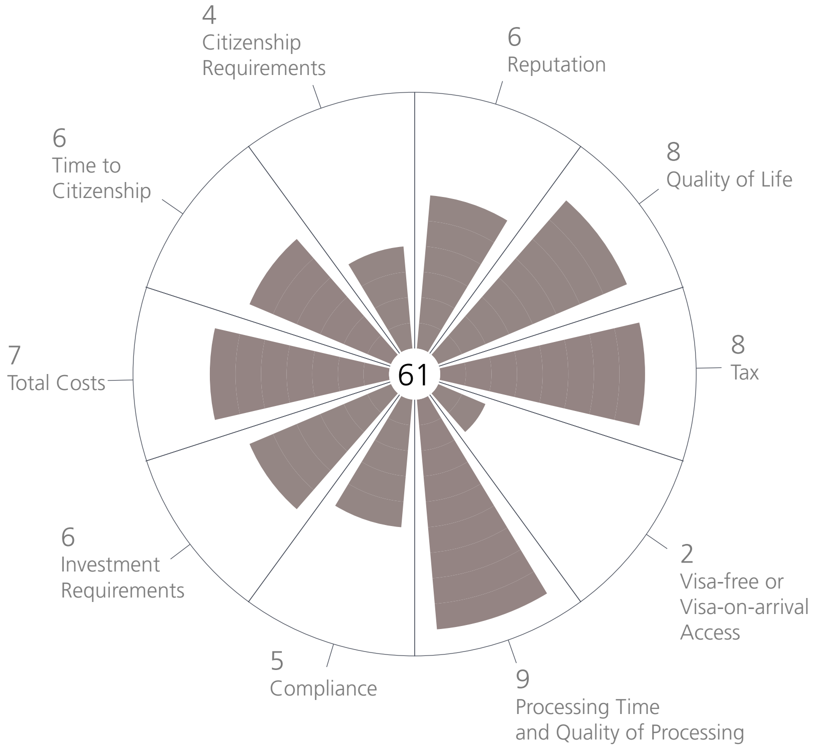



Figure 18. The total score for Cyprus is 61/100, ranking it joint 9th out of 26 programs

# Joint 9th | Cyprus

*Cyprus is a beautiful tourist destination and a hub for international trade. It enjoys a Mediterranean climate and the lowest crime levels in the EU. The island offers a good quality of life, an excellent healthcare system for its residents, and diverse options for education at its private English schools and universities.*

To stimulate foreign investment and spur economic development, the Government of Cyprus has simplified its processes for issuing residence permits to applicants from non-European countries.

The main requirement is the investment of at least EUR 300,000 (plus VAT on the real estate option) in one of the available routes. These are, firstly, an investment in a Cypriot company, secondly, an investment in an approved Alternative Investment Fund, Registered Alternative Investment Fund or Alternative Investment Fund with Limited Number of Persons, or, thirdly, an investment in real estate. Buying one or two new residential units, or buying new or existing commercial units, would qualify as a real estate investment.

Applicants must provide supporting evidence of a secured annual income of at least EUR 30,000 from abroad. This income must increase by EUR 5,000 for a spouse and for each child, and by EUR 8,000 for each dependent parent, and it may include salaries derived from employment, rents, pensions, dividends from shares, and so on.

On completion of these steps, the residence permit generally becomes available in approximately two months. An applicant, spouse, and dependents must visit the migration office in Nicosia to capture their biometrics on submission of the application, during the application process, or immediately after it has been approved.

Once approval has been granted, applicants and all family members included in the application must visit Cyprus within one year to obtain the actual permit. The residence permit is of unlimited duration and is considered permanent if the applicant remains the owner of the purchased property.

Residence permit holders may apply for Cypriot citizenship through naturalization after holding a residence permit for five years, if they have resided in Cyprus for five years prior to their application. In this period of five years, residence should be on a continuous basis. They will then be granted a Cypriot passport.

| Residence Required |
| --- |
| 1 visit required every 2 years |
| **Nature of Contribution** |
| Real estate or investment |
| **Minimum Contribution** |
| EUR 300,000 plus VAT where applicable |
| **Time to Citizenship** |
| 5 years |

**Key Advantages**

- Efficient application procedure usually completed within 2 months
- High approval rate if all criteria are met
- Top quality private schools offering English language courses
- Residence granted to spouse, children under 25 years, parents, and parents-in-law of the main applicant
- No presence in Cyprus required except for biometric capturing

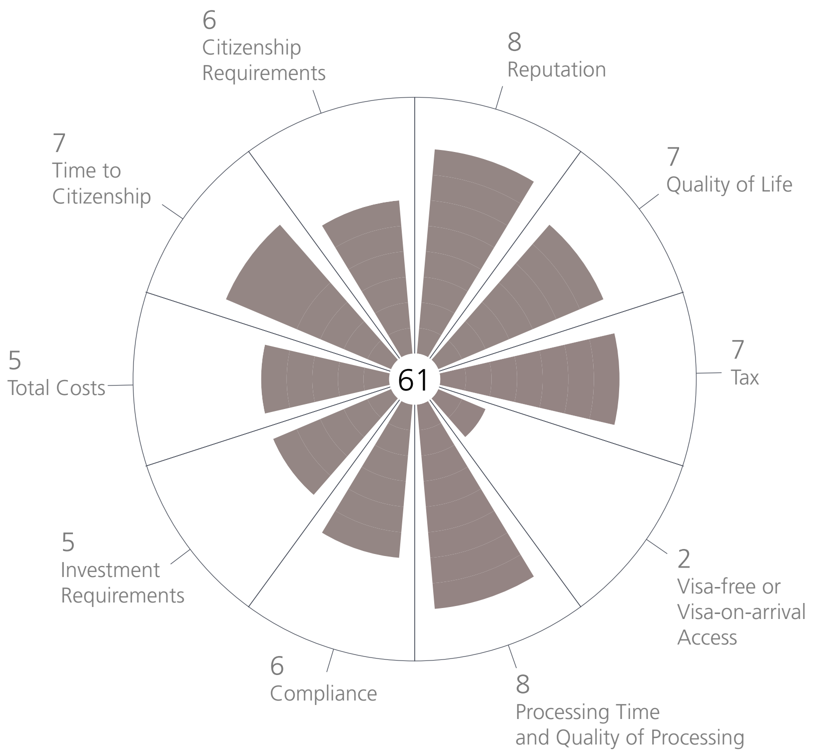



Figure 19. The total score for Ireland is 61/100, ranking it joint 9th out of 26 programs

# Joint 9th | Ireland

*A member of the EU since 1973, Ireland has one of Europe's fastest growing economies, with one of the highest GDP per capita in the world in 2021. In 2020, Ireland was ranked the 2nd most developed country in the UN's Human Development Index.**

In 2012, the Irish Government introduced its Immigrant Investor Program (IIP) to encourage investors and business professionals around the world to invest and situate their business interests in Ireland, and acquire a secure residence status.

The IIP requires primary applicants to be at least 18 years old. The primary applicant's legal spouse, children under the age of 18, and unmarried, financially dependent children between the ages of 18 and 24 years may apply as ancillary applicants. Primary applicants must produce evidence of a minimum net worth of EUR 2 million and a statement of character from police authorities from every country in which they have resided for more than six months during the previous ten years. A loan is not an accepted source if taken for the purpose of making an application. Enhanced, stringent due diligence processes include: anti-money laundering, Know Your Client, Politically Exposed Persons, Sanctions, and international tax reporting.

The program offers four investment options to successful applicants, who are required to commit to one of the following:

- **Investment Fund** – EUR 1 million† invested in an approved investment fund conducting regulated business in Ireland
- **Enterprise Investment** – EUR 1 million† invested in an enterprise supporting employment creation
- **Real Estate Investment Trusts (REITs)** – EUR 2 million invested in an approved REIT, 50% of which can be withdrawn after three years, 25% in the fourth year, and 25% in the fifth year
- **Endowment** – EUR 500,000 to a philanthropic cause of public benefit. Five investors may donate EUR 400,000 each

†These investments must be held for three years.

Applicants submit all supporting documentation, authenticated by the Ministry of Foreign Affairs and the Irish Embassy in the applicant's country of residence, including a plan detailing the investment, for the approval of the IIP, and pay a non-refundable application fee of EUR 1,500. The application process, usually three to four months, can take up to six months. On receipt of pre-approval from the Irish Naturalisation and Immigration Services, applicants are required to complete their investments within 90 days, after which residence permits are issued. Successful applicants can add members of their nuclear families to their permits at no extra cost. Application for a renewal of residence status for a further five years can be made after three years.

### Residence Required

1 day per year

### Nature of Contribution

Investment or donation

### Minimum Contribution

EUR 500,000, or EUR 400,00 for each of 5 investors

### Time to Citizenship

5 years (1 year prior to application, and 4 of the previous 8 years)

### Key Advantages

- Fast approval times
- Investment payable after pre-approval
- 1 day residence per year required for renewals
- Residents gain unlimited access to the UK and Common Travel Area
- Citizenship (after 5 years of personal residence) brings visa-free access to 187** countries

*Source: Human Development Reports (2020) *hdr.undp.org/en/countries/profiles/IRL* accessed 6 November 2021

**2022 Henley Passport Index ranking, as of 11 January 2022

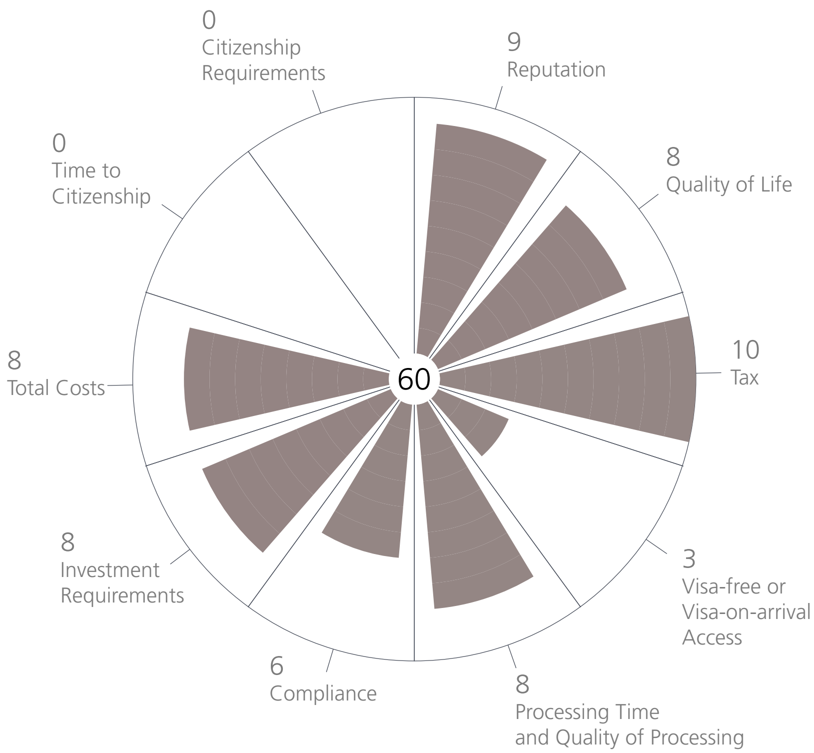



Figure 20. The total score for Dubai (UAE) is 60/100, ranking it joint 10th out of 26 programs

# Joint 10th | Dubai (UAE)

*The UAE is a key country in the Arabian Gulf and offers modern infrastructure, transport, and communications. It is an excellent place in which to conduct business, with easy global access. Dubai is the second largest of the seven emirates and ranks as the UAE's most important international city and financial and commercial center.*

Many initiatives have been taken to expand the UAE's strength in innovation and entrepreneurship while creating areas dedicated to progress in art, culture, and education. The country maintains a good quality of life for its residents.

Citizens and residents of the UAE are not subject to personal income tax, capital gains taxes, or net worth taxes; however, VAT was introduced in 2018.

The UAE offers three options for long-term residence visas:

- **Option 1** – a five-year visa can be obtained by investing in real estate with a minimum value of AED 5 million (approximately USD 1.4 million)
- **Option 2** – a five-year visa can be obtained by entrepreneurs who have an existing project with minimum capital of AED 500,000 (approximately USD 136,000) or those who have the approval of an accredited business incubator in the UAE
- **Option 3** – a 10-year visa can be obtained by making public investments of at least AED 10 million (approximately USD 2.7 million). This can take the form of:
    - Depositing at least AED 10 million in an investment fund in the country
    - Establishing a company in the UAE with a minimum capital investment of AED 10 million
    - Partnering an existing or new company with a share value of at least AED 10 million
    - Having a total investment of at least AED 10 million across all categories on condition that no more than 40% of the investment is in real estate

The applicant's spouse and children, one executive director, and one advisor can be added to the visa at no extra cost. The visa can also be extended to business partners on condition that each partner contributes AED 10 million (approximately USD 2.7 million) or more.

For options 1 and 3, the amount invested may not be loaned, and the investment must be retained for at least three years with solvency up to AED 10 million (approximately USD 2.7 million).

Once applicants have an entry visa, they must travel to the UAE, apply for an ID card, and pass a series of medical checks. Once approved, residence permit holders may settle in any of the seven emirates and must ensure that no more than six consecutive months are spent outside the UAE.

| Residence Required |
|---|
| No more than 6 consecutive months spent outside the UAE |
| **Nature of Contribution** |
| Real estate, business, or investment |
| **Minimum Contribution** |
| AED 5 million (USD 1.4 million) |
| **Time to Citizenship** |
| Not applicable |

| Key Advantages |
|---|
| • Streamlined, efficient residence permit system |
| • Good value from real estate investments |
| • Safe, secure environment |
| • High standard of services and good quality of life |


Figure 21. The total score for Latvia is 60/100, ranking it joint 10th out of 26 programs

# Joint 10th | Latvia

*Latvia is situated within Europe's Schengen Area, on the Baltic coast. Riga, its capital, was founded in 1201 and is a UNESCO World Heritage Site. Approximately half of Latvia's territory is covered by forests, offering many nature trails and parks. Latvia offers excellent transport and cultural links with both Western Europe and Russia.*

The Latvia Residence by Investment Program was launched on 1 July 2010 as an initiative to sustainably overcome the economic crisis of 2007–2009. Foreign nationals may apply for a residence permit in Latvia through one of these options:

- Commit EUR 50,000 as equity capital of a Latvian company (provided that the company pays at least EUR 40,000 in taxes annually) plus make a lump-sum payment of EUR 10,000 to the state budget
- Commit EUR 280,000 in a subordinated loan (deposit) in one of the Latvian banks plus make a lump-sum payment of a government fee of EUR 25,000

Applicants should also demonstrate the availability of funds (EUR 15,480 per year for a single principal applicant, EUR 20,640 per year for a principal applicant and spouse, and EUR 22,188 per year for a married couple with one child) to maintain the family's standard of living without having to seek social assistance from the Latvian government.

Processing applications takes approximately 30–90 days. Applicants' family members, such as their spouse and children under the age of 18, may apply for a residence permit with them. Applicants should visit Latvia within three months of approval by the Office of Citizenship and Migration Affairs of the Republic of Latvia to collect their temporary residence permit, in the form of an ID card, in person. The residence permit is valid for five years with a requirement to renew the ID card annually. There is no requirement for a minimum number of days' presence in Latvia in order to renew a residence permit.

After holding a temporary residence permit for five years, applicants may apply for a permanent residence permit. They must have resided in the country for four out of the five years, have passed a Latvian language test at Level A2, and have a proven knowledge of the general history of Latvia and the country's national anthem. When compared to other countries on the Global Residence Program Index, Latvia's taxes are low. It is possible to apply for citizenship in Latvia after 10 years of legal residence. Applicants must renounce their former citizenship in order to be granted Latvian citizenship, although exceptions may apply. Latvia has improved its due diligence and compliance standards recently.

| Residence Required |
| --- |
| None |
| **Nature of Contribution** |
| Investment |
| **Minimum Contribution** |
| EUR 60,000 |
| **Time to Citizenship** |
| 10 years |

**Key Advantages**

- Visa-free access to Europe's Schengen Area
- No minimal presence required to be eligible for renewal of a residence permit
- Fast-track application procedure
- Attractive tax system
- Russian widely spoken
- Major transport hub connecting Western Europe with Eastern Europe and Russia


Figure 22. The total score for the USA is 60/100, ranking it joint 10th out of 26 programs

# Joint 10th | United States of America

*The USA is the third largest country on the globe and has been the leading economic and military power for the last century. Dominating the global economy, it accounts for nearly a quarter of the world's GDP. The USA offers a wide range of choices when it comes to lifestyle, culture, geography, and climate.*

The USA remains one of the most sought-after destinations for investors. The US EB-5 Immigrant Investor Program offers an efficient route to permanent resident status (a Green Card) in a short period of time.

The US EB-5 Immigrant Investor Program sets aside EB-5 visas for participants who invest in commercial enterprises associated with government-approved regional centers based on proposals for promoting economic growth.

Foreign individuals are required to invest USD 1 million in a non-targeted employment area project or USD 500,000 in a targeted employment area project in a rural area or an area with high unemployment. The investment must be made in a new commercial enterprise and plan to create or preserve 10 permanent full-time jobs for qualified USA workers. After a Green Card is issued, funds must stay invested and be at risk for at least five years.

There are no formal requirements regarding age, language, or business experience in order to qualify, though applicants judged likely to become a burden on the state may be inadmissible. Individual applicants must have a net worth in excess of USD 1 million and provide proof that their funds come from legal sources. They must intend to reside in the USA sufficiently to maintain their Green Cards. The best approach is to be present in person in the USA for at least 180 days per year and create ties with the USA. USA citizens and residents holding Green Cards are subject to tax on their worldwide income regardless of how much time they spend in the USA. Taxes are levied at federal and state levels. In general, the USA's tax system is onerous and complicated, with comprehensive reporting requirements.

All applicants must submit certified police and court records of any criminal charges, arrests, or convictions they may have. Medical reports and vaccination records are also required.

Investors' spouses and unmarried children under 21 years of age may apply for Green Cards as derivative applicants. They are not required to make further financial contributions, but must submit their own paperwork, including medical reports, vaccination records, and police and court records (when applicable).

Permanent residents can settle anywhere in the USA, but they are limited in their visa-free or visa-on-arrival access when compared to other countries. To be eligible for citizenship, persons must have lived continuously in the USA for five years and must not have gone on trips lasting six months or longer. Other than a civics test, minimal additional conditions are required in order to obtain citizenship.

### Residence Required

2.5 years in a 5-year period

### Nature of Contribution

Investment

### Minimum Contribution

USD 500,000

### Time to Citizenship

5 years, provided a permanent Green Card has been issued

### Key Advantages

- EB-5 Green Cards for investors, spouses, and unmarried children under 21
- Unrestricted employment for Green Card holders
- Visa-free international travel to and from the USA
- EB-5 brings permanent residence efficiently and quickly
- Regional Center Program frees investors to reside anywhere in the USA

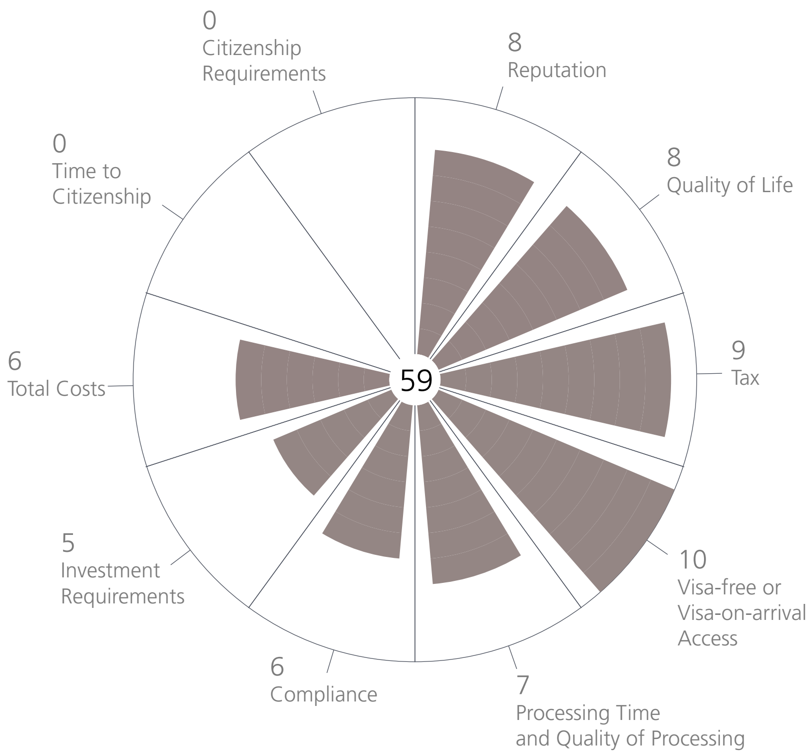



Figure 23. The total score for Monaco is 59/100, ranking it 11th out of 26 programs

# 11th | Monaco

*Located on the Mediterranean Sea, with France as its only neighbor, the Principality of Monaco is the second smallest country in the world. Monaco offers a high standard of living, temperate weather, a high level of personal security, a modern and efficient infrastructure, and an absence of income or capital gains tax.*

The Principality of Monaco is an independent sovereign state and a full member of the UN. French is the official language, with Italian and English also widely spoken. It is in a customs and monetary union with France, and French VAT applies.

The requirements to become resident in Monaco are not as strict as commonly thought, but it is nevertheless advisable to employ a consultant or a lawyer to handle the application for residence. To become a resident, an applicant must be at least 16, have a clean police record for the preceding five years, and demonstrate the means to afford the lifestyle including the rent or purchase of real estate, the cost of which is comparable to large capital cities.

Residents of Monaco (except for French citizens) are not subject to income tax, capital gains tax, or wealth tax, giving Monaco an excellent Tax score in comparison with other European jurisdictions. A residence permit in Monaco allows visa-free access to Europe's Schengen Area.

Unless an individual is an EU national, a holder of a French residence permit, or a national of Iceland or Norway, they must obtain a long-stay visa to reside longer than three months in a year or set up home in Monaco. Once a visa application is submitted to the relevant French consulate, approval can take up to three months. After obtaining the visa, an individual must apply for a *carte de résident* at the *Service des Étrangers* (Foreigners' Section) of the central Monaco police station. To obtain a *carte de résident*, a visa-holder must complete an application form online and present it, with other supporting documents, at an interview at the *Service des Étrangers*. The process takes eight to ten weeks.

The required documentation includes proof of accommodation (a lease or purchase agreement) and proof of sufficient funds to live in Monaco (either a letter from a bank in Monaco, proof of employment in Monaco, or proof of a business having been set up in the Principality) as well as non-conviction self-certification.

Acquiring citizenship is extremely difficult because, before qualifying, one must have held a Monegasque residence permit for at least 10 years as an adult over the age of 21. Applicants are also not permitted to perform national service abroad and must submit an official letter to the Prince renouncing any other sovereign nationality they hold.

| Residence Required |
|---|
| Proof of presence such as utility bills |
| **Nature of Contribution** |
| Business or proof of funds to live in Monaco |
| **Minimum Contribution** |
| Not applicable |
| **Time to Citizenship** |
| 10 years |

**Key Advantages**

- High confidentiality
- Stable real estate market offering significant opportunities to investors
- Secure environment, attractive lifestyle, and ideal location on the Riviera
- Excellent access by road, sea, and air via Nice's international airport
- High quality of sports, cultural, and education facilities, and multi-cultural society

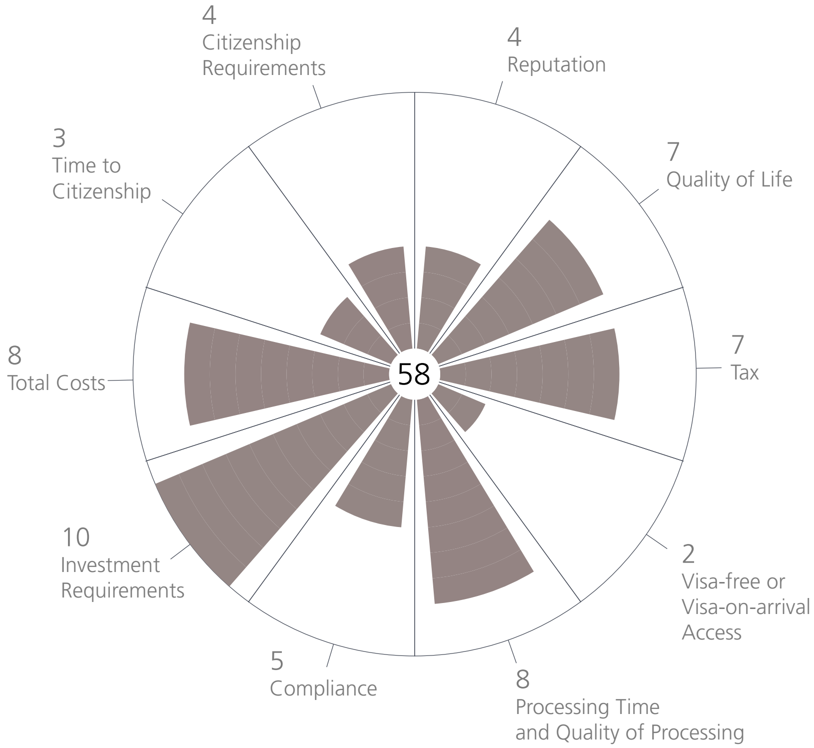



Figure 24. The total score for Hong Kong is 58/100, ranking it joint 12th out of 26 programs

# Joint 12th | Hong Kong

*Hong Kong is a diverse, leading metropolis offering a unique blend of Eastern and Western traditions. It is one of the world's most business-friendly cities and has a world-class infrastructure. Hong Kong enjoys an open economy with a free market and low taxation. It is an important international finance and trade center.*

The Hong Kong Special Administrative Region (HKSAR) is one of the most cosmopolitan cities in the People's Republic of China. Its global reputation and strong links to the rest of the Asia–Pacific region make Hong Kong a hub of global talent and expertise, and a popular location for the regional headquarters of multinational companies. Its Capital Investment Entrant Scheme was suspended in 2015, but Hong Kong offers several other residence programs:

- **Quality Migrant Admission Scheme** – a points-based entrant system allowing qualified applicants aged 18 and over to settle in Hong Kong

There are various categories in the employment-investment tier, including:

- **General Employment Policy (GEP)** – applicants must have a good education and fill a genuine job vacancy or have a confirmed offer of employment in a job relevant to their academic qualifications that cannot be taken up by the local workforce. Remuneration must be commensurate with the prevailing market for professionals in Hong Kong
- **Admission Scheme for Mainland Talents and Professionals** – an entry permit for Chinese residents of mainland China possessing special skills, knowledge, or experience of value. Applicants' specific skills or experience must not be available locally, and they must show a confirmed offer of employment relevant to their experience
- **Investment as Entrepreneurs** – applicants must have a good education, establish or join a start-up, and be able to make a substantial contribution to Hong Kong. An overseas Chinese national with a People's Republic of China passport who meets the criteria and normal immigration requirements may apply if they have permanent residence overseas or have been residing overseas for at least one year before applying

Applicants must meet the eligibility criteria of the Immigration Department. An individual who has ordinarily resided in Hong Kong for a continuous period of no less than seven years before or after the establishment of the HKSAR is eligible to apply for permanent residence. It usually takes four to eight months to process visa or entry permit applications. Successful applicants are usually granted an extended stay of 24 months to fulfill conditions of entry. Extensions are considered if the applicant continues to meet the eligibility criteria.

| Residence Required |
|---|
| A continuous period of no less than 7 years |
| **Nature of Contribution** |
| Not applicable |
| **Minimum Contribution** |
| Not applicable |
| **Time to Citizenship** |
| Not applicable |

| Key Advantages |
|---|

- Straightforward, efficient residence program
- Well-established legal system based on common law and with transparent regulations
- Strategic location, premier gateway for trade and investment with mainland China
- Most free economy in the world, with limited corporate and personal taxes
- World-class medical facilities and educational institutions
- Safe, convenient, and comfortable living environment for residents

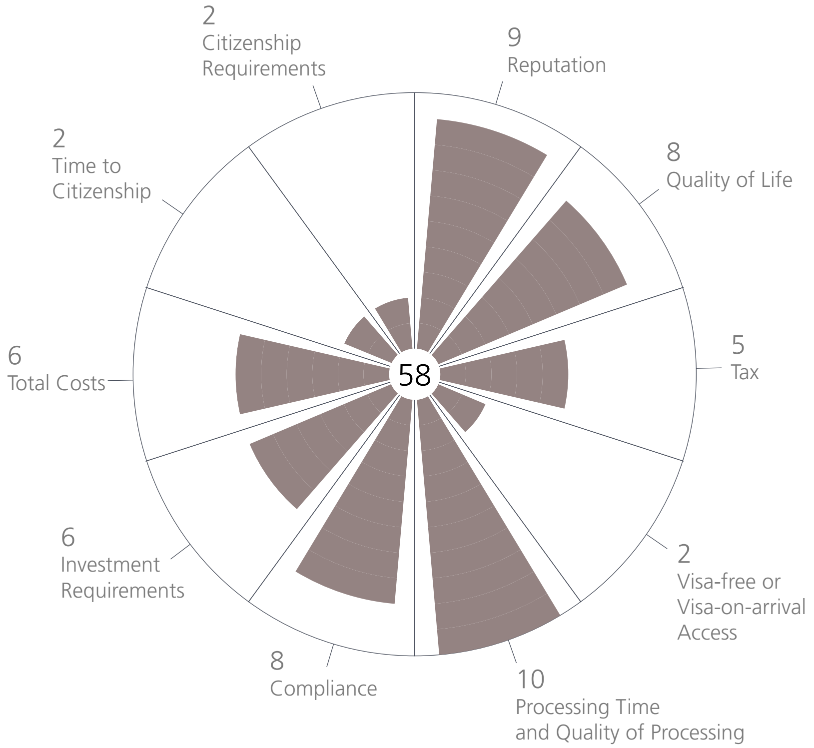



Figure 25. The total score for South Korea is 58/100, ranking it joint 12th out of 26 programs

# Joint 12th | South Korea

*Located in East Asia, South Korea , a member of the UN and the G20, is an urban business and lifestyle hub. Its capital, Seoul, boasts excellent infrastructure, including transport, allowing residents easy access throughout the country. This future-focused nation's economy, the third largest in Asia, is highly industrialized.*

A highly sought-after location for investors, South Korea is one of the most desirable destinations in Asia and worldwide. For those who wish to reside in this attractive, forward looking country, the South Korea Residence by Investment Program is the most efficient way to acquire such status. The South Korean government has allowed for a substantial number of visas for individuals who wish to invest in the country, boosting the economy through foreign direct investment. Under this program, individuals can become residents of South Korea in less than a month and permanent residents after five years.

To be eligible for residence, the South Korea Residence by Investment Program requires that a foreign individual makes a bank deposit investment in the country, in one of three options:

- **Applicants 55 years and older** – KRW 300 million (approximately USD 250,000) to receive an F-2 residence permit immediately upon payment. Applicants must prove they have assets worth an additional KRW 300 million
- **Applicants under 55 years** – KRW 500 million (approximately USD 420,000) to receive an F-2 residence permit immediately upon payment
- **Applicants of any age** – KRW 1.5 billion (approximately USD 1.26 million) to receive a permanent residence (F-5) permit immediately upon payment

Under the first two options, F-2 residence permits have an initial validity of one to three years, renewable for the same period as the initial validity (up to a maximum of 5 years) provided the initial minimum investment is maintained. After maintaining the required investment for five years, F-2 residents are eligible to receive permanent residence (F-5) — a comparatively short time. Documentary evidence of the investment must be provided as part of the application.

Applications must use the prescribed forms and be accompanied by the appropriate fees and supporting documents. Residence permits are usually issued after a 20-day consideration period. To apply under the program, applicants must follow prescribed steps, namely: visit South Korea, open a bank account in South Korea and deposit the appropriate minimum investment, receiving an F-2 or F-5 resident status immediately upon payment. Note that South Korea does not allow dual citizenship.

### Residence Required

5 visits (one per year) while holding F-2 visa

### Nature of Contribution

Investment

### Minimum Contribution

KRW 300 million (F-2 residence)
KRW 1.5 billion (F-5 permanent residence)

### Time to Citizenship

Permanent residents eligible to apply for citizenship

### Key Advantages

- Highly industrialized, high-tech, service-based economy, perfect for investment
- Economically stable, with a successful job market and a vibrant capital city
- Very quick immigration processes
- The right to live, work, and study in South Korea
- Universal healthcare and mandatory education for residents, with excellent schools, and tuition available in English

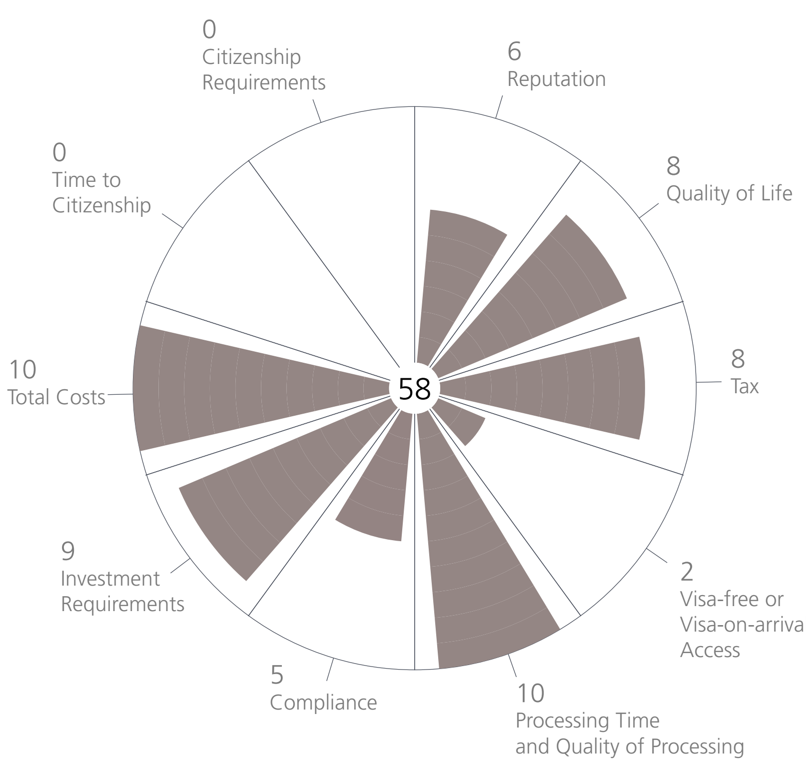



Figure 26. The total score for Thailand is 58/100, ranking it joint 12th out of 26 programs

# Joint 12th | Thailand

*Thailand is a sought-after destination in southeast Asia. The country offers an affordable and high standard of living. Its attractions include spectacular ancient ruins, scuba-diving sites, tropical islands, an exciting nightlife, palaces, Buddhist temples, and several UNESCO World Heritage Sites.*

The Thailand Elite Residence Program offers applicants the right to live in the country for up to 20 years and access privileged services and benefits. To receive the Thailand Elite privilege entry visa, foreigners must join an exclusive program called Thailand Elite, offered by the Thailand Privilege Card Company Limited.

The program was initiated in 2003 to attract wealthy global citizens who wish to spend extended time in the country. The most popular options, with no annual fees or age restrictions, are:

- **Elite Easy Access** – for expats or businesspeople. With a five-year privilege entry visa, the one-time fee is approximately USD 19,000. This visa cannot be transferred but can be upgraded to the Elite Ultimate Privilege option for approximately USD 50,000 or the Elite Superiority Extension option for approximately USD 13,000
- **Elite Family Excursion** – for a minimum of two people with a five-year privilege entry visa for each member. The one-time fee of approximately USD 25,000 covers both applicants, with an additional charge of approximately USD 10,000 per dependent. Dependents may include legitimate parents, stepparents, a spouse (including by civil union), children, and stepchildren. The privilege entry visa cannot be transferred
- **Elite Superiority Extension** – 20-year privilege entry visa for individuals who pay a one-time fee of approximately USD 32,000

The Thailand Privilege Card Company Limited provides an efficient application process. Visas are issued up to four months after applying, following which the member may make an appointment to have the visa affixed to their passport. Once a visa has been affixed, a holder may stay or reside in Thailand for as long as they wish under the terms of their chosen package. They must report their current address to the Thai Immigration Department every 90 days if they stay in the country for a continuous period of more than 90 days, or Thailand Elite staff may conduct 90-day reporting on their behalf, when residing in Bangkok, Phuket, Chiang Mai, or Chonburi.

The privilege entry visa obtained through the Thailand Privilege Card Company Limited does not lead to permanent resident status or citizenship. Permanent residence can be obtained only when an individual has had a Thai non-immigrant visa for at least three years prior to the submission of the application.

It is possible to apply for citizenship after holding permanent resident status in Thailand for 10 consecutive years.

### Residence Required

None

### Nature of Contribution

Single fee; except for the Elite Ultimate Privilege and Elite Family Premium options

### Minimum Contribution

USD 19,000

### Time to Citizenship

Not applicable

### Key Advantages

- A range of residence options are available
- No minimum stay requirement
- Attractive tax regime
- Complimentary VIP services including a dedicated Thailand Elite personal assistant for fast-track immigration, assistance with opening a local bank account and obtaining a Thai driving license, as well as a 24-hour multi-lingual member contact center
- A low-cost yet high standard of living

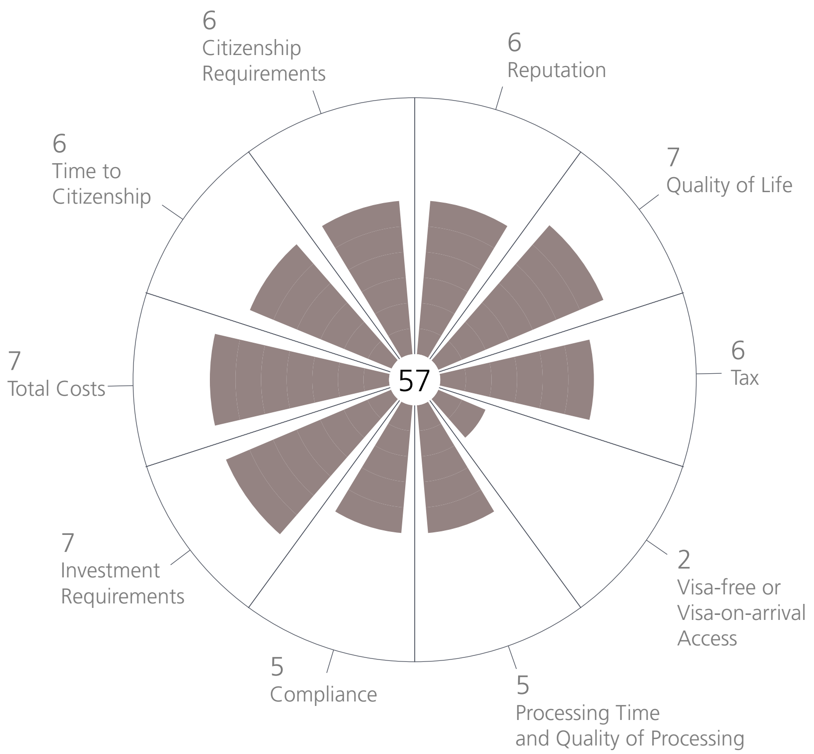



Figure 27. The total score for Panama is 57/100, ranking it 13th out of 26 programs

# 13th | Panama

*Strategically positioned between Central and South America, Panama is a global center for offshore banking. Significant seaborne trade — the result of the Panama Canal, connecting Atlantic and Pacific oceans — offers investors access to the international commercial goods markets, from the USA to East Asia, Europe, and Oceania.*

The government's new residence by investment program gives global investors the opportunity to contribute to Panama's national development and acquire permanent residence status by participating in the investment opportunities that abound in Panama's well-developed, service-based economy. Residence status includes freedom of movement to well-located Panama with its engineering marvel, the Panama Canal, providing entry to Central, South, and North American markets. There are also business opportunities with Colombia, Ecuador, and Venezuela owing to their proximity.

Eligible applicants must follow one of the following investment routes:

- **Direct Real Estate Investment** – PAB 500,000† (reduced to PAB 300,000† until 14 October 2022††)
- **Real Estate Purchase Sale Agreement** – PAB 500,000† trust deposit, handled by a licensed bank or local trust (reduced to PAB 300,000† until 14 October 2022††)
- **Securities House Investment** – PAB 500,000† in securities, with an approved licensee from the Panama Stock Exchange Superintendence, or issuers whose businesses affect the national territory
- **Time Deposit Investment** — PAB 750,000† lodged with any general licensed bank authorized to operate in the national territory

†The Panama balboa is equivalent in value to the US dollar.
††Executive Decree 722 having come into effect on 15 October 2020, the reduction is for the 24 months immediately following that date.

Applications (consisting of completed application forms, appropriate fees, and supporting documents) must include details of the investment chosen and all pertinent official documentation. Applicants are also required to submit proof of the source of their funds, such as a letter from a foreign or local bank and a foreign bank statement and must pay additional government fees, for example depending on the number of dependents included.

Approved applications are processed in 30 days, at which time permanent residence permits are issued to the main applicant and family (subject to review by the National Immigration Service). To keep the status of permanent resident it is important to maintain the investment or deposit for a minimum of five years. Naturalized Panamanians are not permitted to have dual or multiple nationalities.

| Residence Required |
|---|
| 1 visit every 2 years |
| **Nature of Contribution** |
| Real estate, securities, or time deposit |
| **Minimum Contribution** |
| PAB 500,000 (PAB 300,000 for 24 months after Executive Decree 722 effected) |
| **Time to Citizenship** |
| 5 years (1 to 3 years for citizens of some Latin American countries and Spain) |

| Key Advantages |
|---|
| • Access to the Central, South, and North American markets<br>• Business proximity to the world's most strategic waterway and the world's major commodities (motor vehicles, products and grains, petroleum, and coal)<br>• Access to business opportunities in Colombia, Ecuador, and Venezuela<br>• The right to live, work, and study in Panama<br>• Residence status for the whole family |

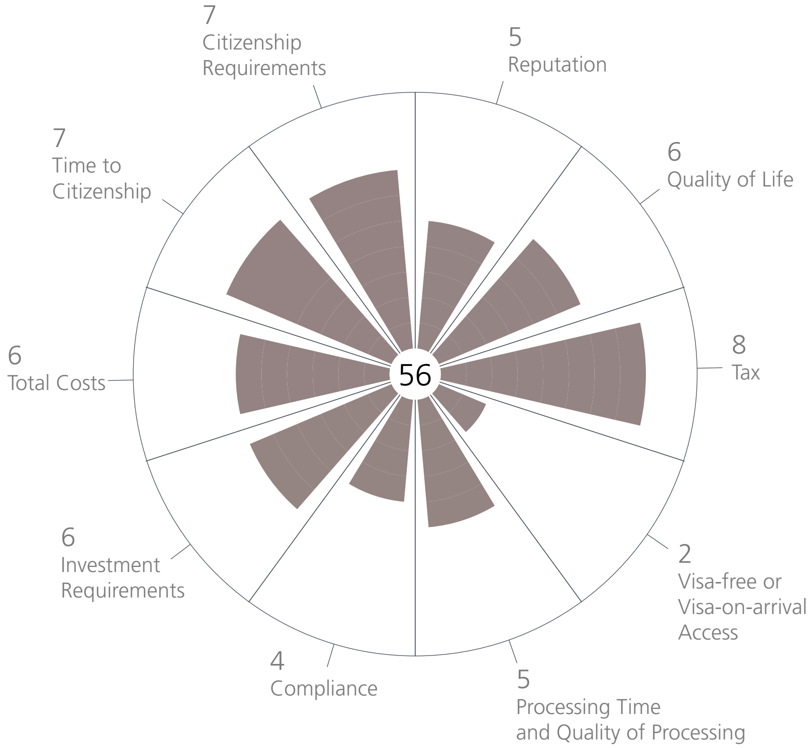



Figure 28. The total score for Mauritius is 56/100, ranking it 14th out of 26 programs

# 14th | Mauritius

*Mauritius is an Indian Ocean island nation attracting considerable foreign investment. With steady growth for decades, Mauritius is one of the most business-friendly countries in Africa. Residence brings many benefits, including lifestyle advantages, with additional benefits for Southern African Development Community citizens.*

With a competitive, broad-based economy in the top 20 worldwide for ease of doing business, Mauritius is an ideal destination for property investment, culture, and lifestyle, in a pleasant tropical climate. The country offers two main routes to long-term residence: real estate investment and 20-year permanent residence. For the **real-estate** option, applicants choose from four main options:

- **Integrated Resort Scheme** — Luxury residential property, minimum value USD 375,000, on land exceeding 10 hectares
- **Real Estate Scheme** — Luxury residential property, minimum value USD 375,000, on freehold land not exceeding 10 hectares
- **Property Development Scheme** — Luxury residential property, minimum value USD 375,000, for an integrated project of social benefit to the neighboring community. Subject to strict controls regarding respect for the environment and a focus on ecology
- **Smart City Scheme** — Luxury residential property, minimum value USD 375,000. Projects must be environmentally friendly living, working, or leisure spaces that generate their own energy and water resources, provide state-of-the-art connectivity, and create smart modern transportation, reducing traffic congestion

Alternatively, applicants invest in a **20-year permanent residence** option, subject to certain investment requirements geared for general investors, high-tech investors, innovative start-up investors, professional investors, self-employed investors, and retired non-citizen investors.

The real estate investment must be maintained for the duration of the residence permit and be financed from outside funds transferred to Mauritius through a bank recognized by the Bank of Mauritius.

Dependents include spouses or partners, children or stepchildren, adopted children (under 24 years of age, or over 24 years of age who are in full-time education and dependent on the applicant), and parents. Application forms should be accompanied by fees, supporting documents, a recent medical certificate, and a morality certificate. Once approved in principle, the investment can be made and all documents submitted to the Economic Development Board of the Republic of Mauritius. It takes three to six months for a residence permit to be issued.

| Residence Required |
| --- |
| None |
| **Nature of Contribution** |
| Real estate or investment |
| **Minimum Contribution** |
| USD 375,000 |
| **Time to Citizenship** |
| Not applicable |

### Key Advantages

- A competitive, broad-based economy
- Political, social, and economic stability, a safe environment, and residence for the whole family to live, work, and retire
- Sophisticated, transparent, and well-regulated international financial center
- A manufacturing hub with cutting-edge technology
- Owners may rent out investment properties

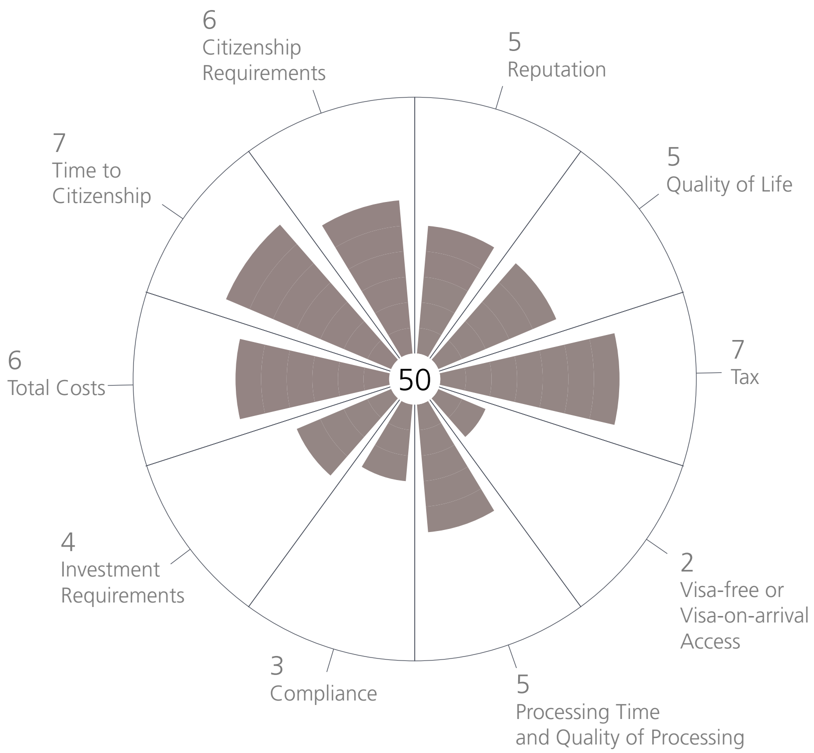



Figure 29. The total score for Bulgaria is 50/100, ranking it joint 15th out of 26 programs

# Joint 15th | Bulgaria

*Bulgaria is strategically located in the center of southeast Europe. A member of the EU, NATO, the UN, and the World Trade Organization, and a founding state of the Organization for Security and Co-operation in Europe, Bulgaria has a high Human Development Index score, ranking 56th* in the world.*

Conveniently situated where the main roads linking Europe and Asia pass through, Bulgaria offers a combination of incentives for doing business, with the lowest tax rate and one of the lowest labor costs in the EU.

Foreigners wanting to stay in Bulgaria for more than three months must apply for a Bulgarian residence permit. Residence permits for foreign citizens are issued according to the Foreigners of the Republic of Bulgaria Act.

Permanent residence affords the same rights as those enjoyed by Bulgarian citizens, except the right to vote. Permanent residents are also not able to travel visa-free to Europe's Schengen Area, since Bulgaria is not party to the Schengen Agreement. Five years of residence entitles foreign citizens to apply for Bulgarian citizenship if they have a Permanent Residence Permit at the time of application.

Foreign investors from outside the EU may obtain a permanent residence permit under the provisions of the Bulgaria Investment Immigration Program (BIIP). This means they do not require a five-year preliminary temporary residence in the country and leads to a fast-track citizenship application option. The minimum investment amount required under the BIIP is BGN 1 million (approximately EUR 512,000). This can be invested in:

- Shares in Bulgarian commercial companies
- Shares and treasury bonds and derivative instruments issued by the state or by municipalities, with a residual maturity of not less than six months
- Ownership rights over an isolated part of the property of a Bulgarian commercial company with more than 50% state or municipal participation in the capital
- Shares or stocks in a Bulgarian commercial company that is owned by municipalities or the state
- Bulgarian intellectual property
- Rights under concession contracts on Bulgarian territory

According to Article 14a of the Citizenship Act of the Republic of Bulgaria, foreign investors who would like to become Bulgarian citizens, who have obtained permanent residence permits through the BIIP not less than one year before application date, and have increased their investment under the same terms of the law to a value of at least BGN 2 million (approximately EUR 1,025,000) may acquire Bulgarian citizenship, if they have clean police records.

| Residence Required |
| --- |
| None |
| **Nature of Contribution** |
| Investment |
| **Minimum Contribution** |
| EUR 512,000 |
| **Time to Citizenship** |
| 5 years (ordinary), 1 year (fast track) |

**Key Advantages**

- Strategic location
- Favorable tax policies and low labor costs
- Residence affords all citizenship rights other than voting
- Fast-track option to citizenship within 2 years
- No residence or language requirements

*Source: Human Development Reports (2020) *hdr.undp.org/en/countries/profiles/BGR* accessed 6 November 2021

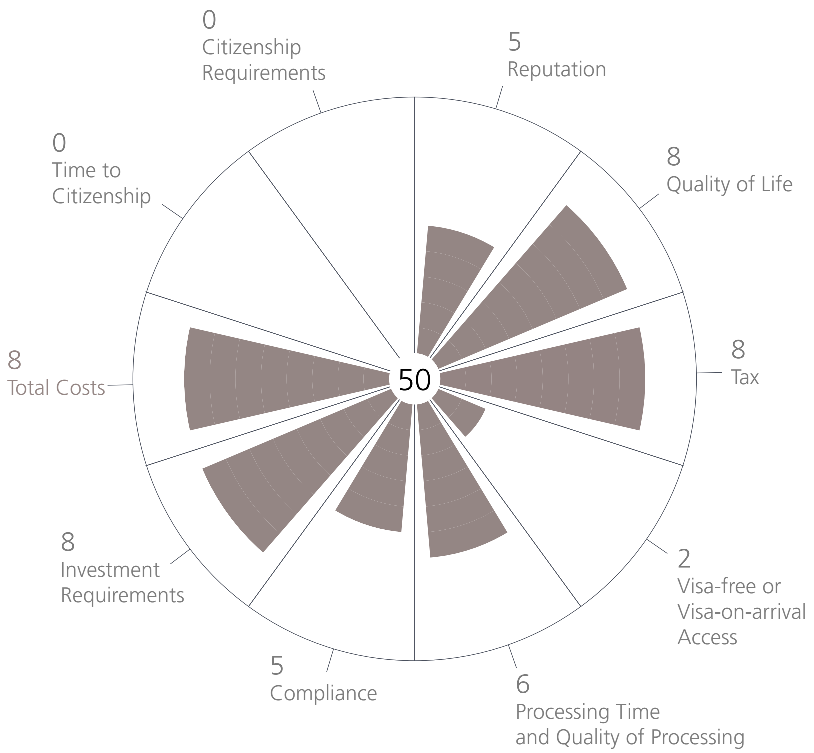



Figure 30. The total score for Malaysia is 50/100, ranking it joint 15th out of 26 programs

# Joint 15th | Malaysia

*Malaysia is one of Asia's most vibrant economies due to its continued industrial growth and political stability. After gaining independence, Malaysia joined the British Commonwealth. A member of the UN and APEC, it is also a founding member of ASEAN. Malaysia offers excellent beaches, breathtaking scenery, and dense rainforests.*

The Malaysia My Second Home Program,* started in 2002, allows foreign nationals who fulfill certain criteria to stay in Malaysia on a multiple-entry social visit pass. Successful applicants and their dependents are granted a 10-year multiple-entry visa. This visa is effectively a residence permit, enabling successful applicants and their families to live in Malaysia, but not to work. It does not lead to permanent residence.

Applicants are required to demonstrate the ability to support themselves financially in Malaysia without seeking employment or government assistance. The Malaysia My Second Home Program sets out different criteria depending on the age of the person applying.

Applicants under the age of 50 must meet both of the following financial requirements:

- Proof of bankable assets of at least MYR 500,000 (approximately USD 114,000)
- Proof of income of at least MYR 10,000 (approximately USD 2,300) per month

Applicants over the age of 50 must meet both of the following financial requirements:

- Proof of bankable assets of at least MYR 350,000 (approximately USD 80,000)
- Proof of income of at least MYR 10,000 (approximately USD 2,300) per month

The Ministry of Tourism and Culture processes all applications. The Immigration Unit will issue a conditional approval letter to each approved applicant. During the processing period (approximately six to nine months), applicants must open a bank account in Malaysia, transfer the fixed deposit of approximately USD 68,000 (or USD 34,000 if over the age of 50), buy medical insurance from any provider in Malaysia, and get a medical report from any private hospital or registered clinic in the country. After fulfilling these conditions, applicants may collect their visas.

Malaysia's territorial taxation system means that residents are taxed on Malaysian-sourced income only. Among other favorable elements of Malaysia's tax framework, the country has an extensive network of double tax agreements with other countries, which means a resident may be able to claim a tax refund on foreign income taxed in overseas countries.

| Residence Required |
|---|
| None |
| **Nature of Contribution** |
| Transfer of minimum amount into Malaysian bank account; proof of income |
| **Minimum Contribution** |
| Not applicable |
| **Time to Citizenship** |
| Not applicable |

**Key Advantages**

- Straightforward, efficient residence program
- 10-year, multiple-entry visa that enables applicants and their families to live in Malaysia
- Significant economic benefits for offshore investments and property ownership
- No minimum stay requirement
- Multi-cultural, contemporary way of life

*The Government of Malaysia announced that the Malaysia My Second Home Program was suspended from 4 August 2020. The information above is based on previous requirements.

# The Global Citizenship Program Index


138 The Global Citizenship Program Index 2022

144 Citizenship Programs

# The Global Citizenship Program Index 2022

*The purpose of the Global Citizenship Program Index is to arrive at a comprehensive standard for assessing and comparing the attractiveness of citizenship by investment programs to enable prospective applicants, their advisors, and policymakers in governments to make informed decisions.*

Devising a composite indicator to be a comprehensive benchmark entails considering multiple variables (or sub-indicators) aggregated to comprise relevant factors (or indicators). To identify the variables, devise appropriate categories, and aggregate the indicators into an index to facilitate ranking it has been necessary to rely on multiple sources, and a panel of experts that has developed surveys and interviews, and conducted the subsequent analysis.

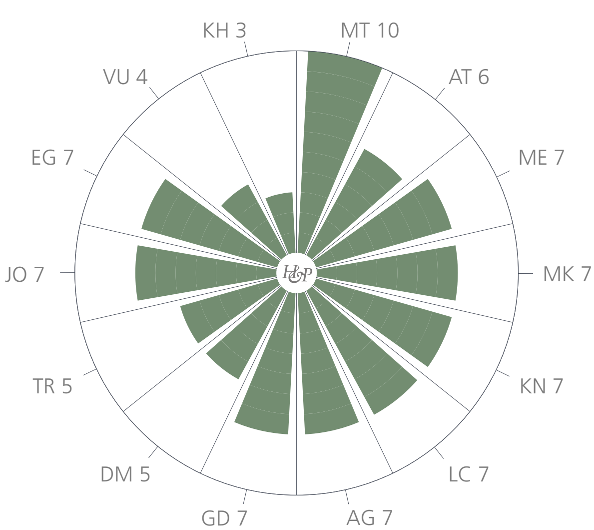
The data has been consistently collected from a representative sample that includes existing and potential investors, their advisors, practitioners involved in the design of qualitative research in global mobility and related spaces, and government officials in countries that either already have, or are in the process of establishing, investment migration programs.

A score on a scale of 10 was calculated for each factor or indicator. Subsequently, each indicator was assigned equal weight (10%) in order to arrive at a composite score. The factors analyzed in the Global Citizenship Program Index are as follows:

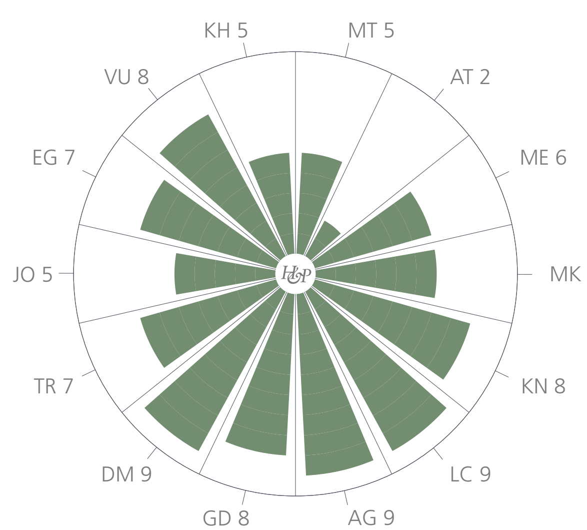
- Reputation
- Quality of Life
- Visa-free or Visa-on-arrival Access
- Processing Time and Quality of Processing
- Compliance
- Investment Requirements
- Residence Requirements
- Relocation Flexibility
- Physical Visit Requirements
- Transparency

*see pages 174 to 184 for detailed explanations

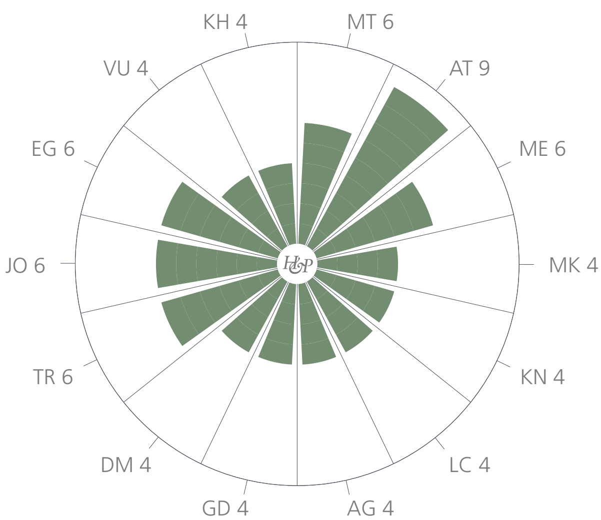
Compliance



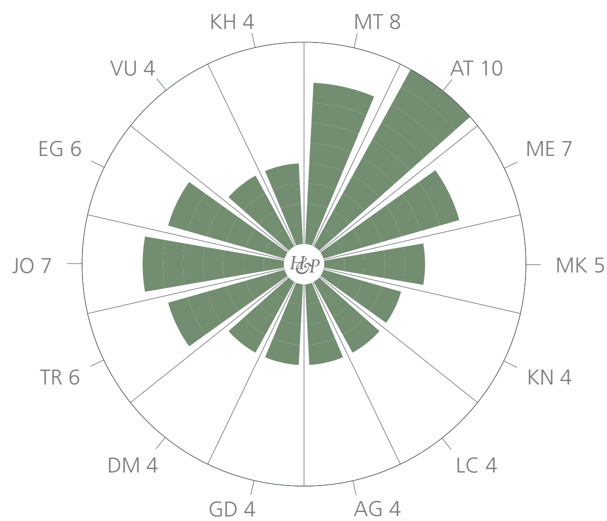

Investment Requirements



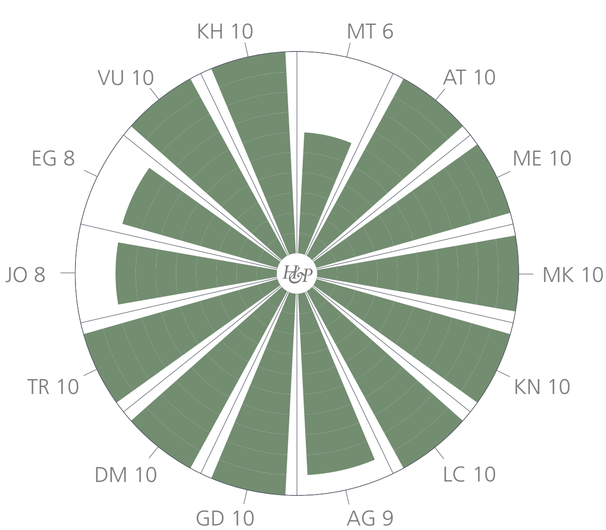
Reputation



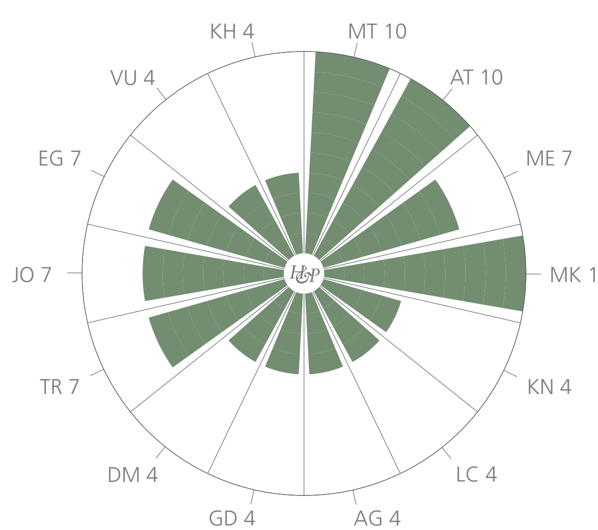

Quality of Life



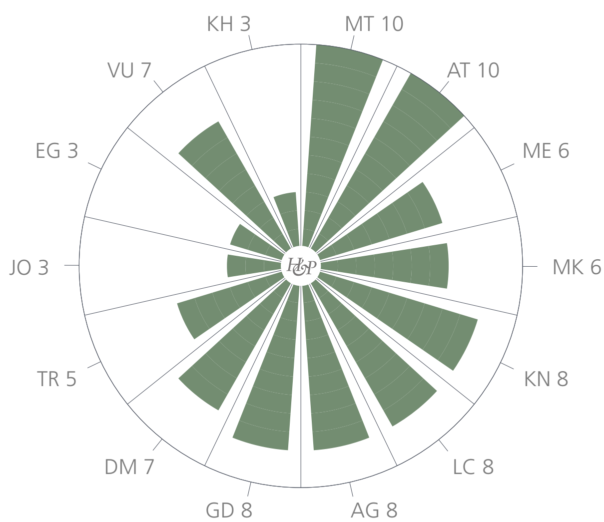

Residence Requirements



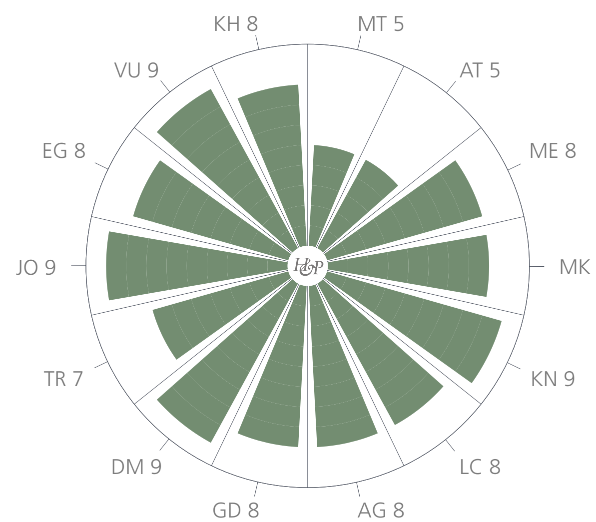

Relocation Flexibility



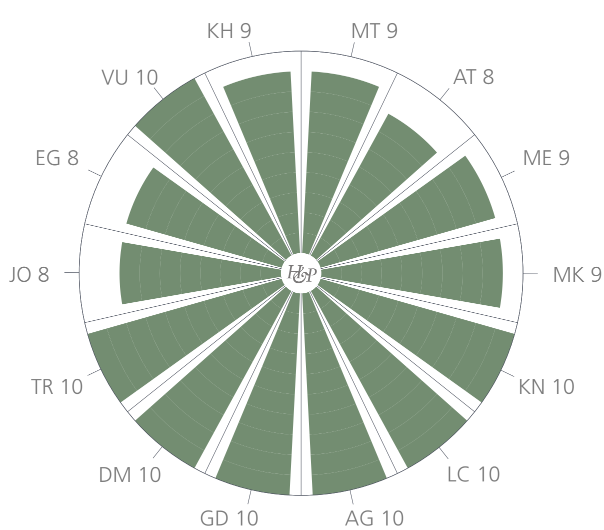
Visa-Free or Visa-on-Arrival Access



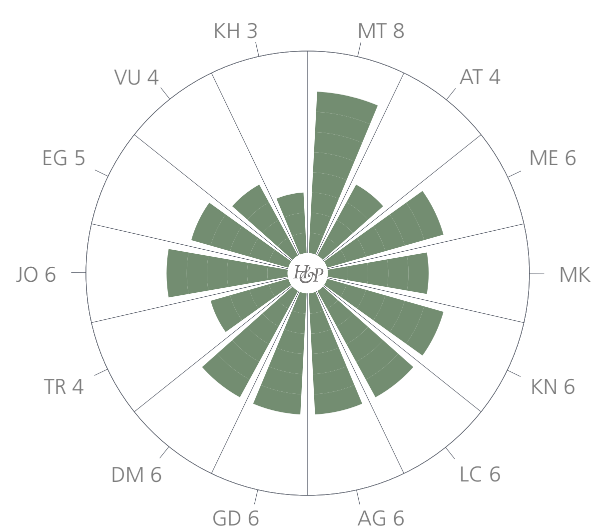

Processing Time and Quality of Processing




Physical Visit Requirements



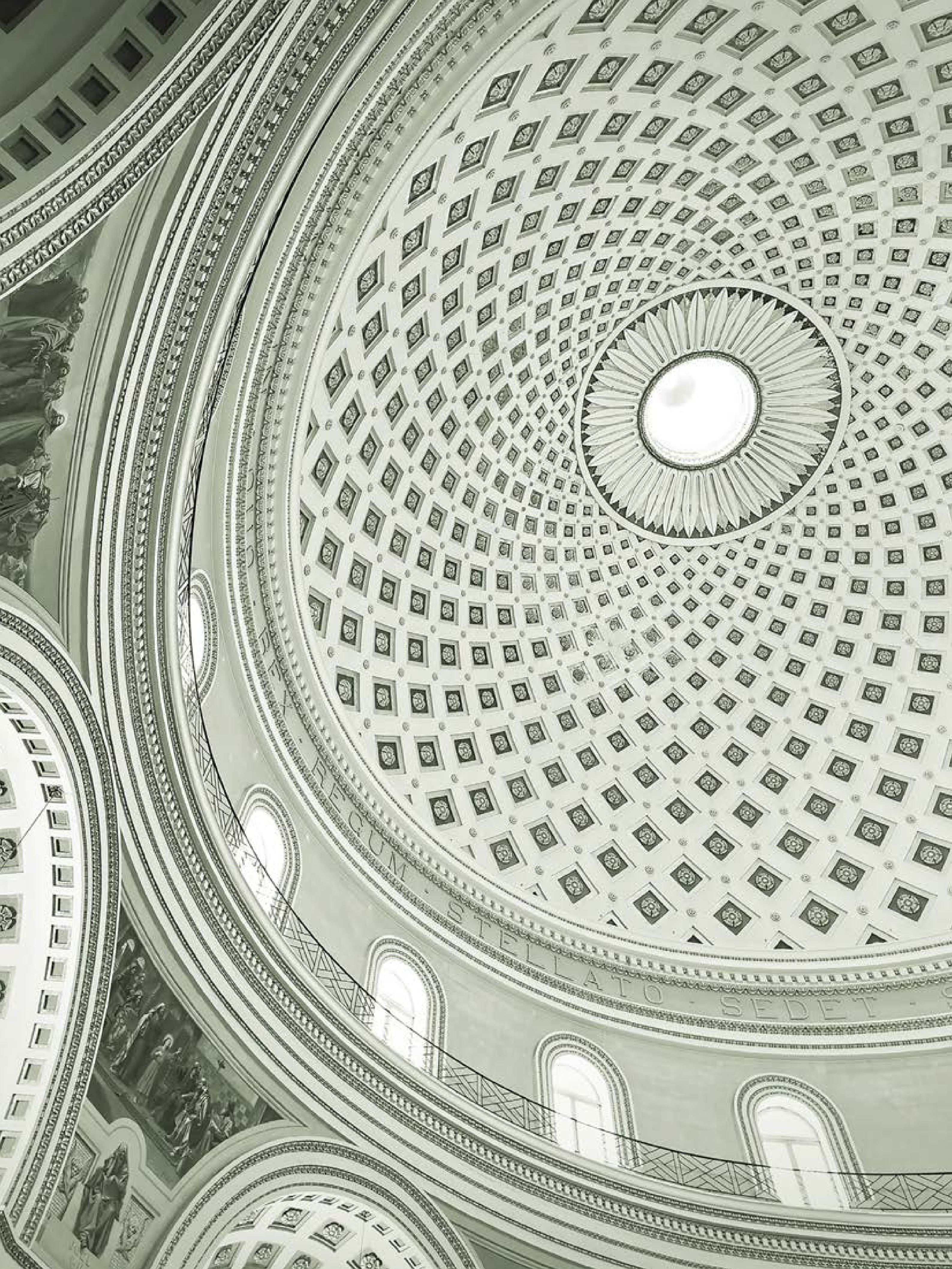

Transparency



## Global Citizenship Program Index – Comparison of Citizenship Programs

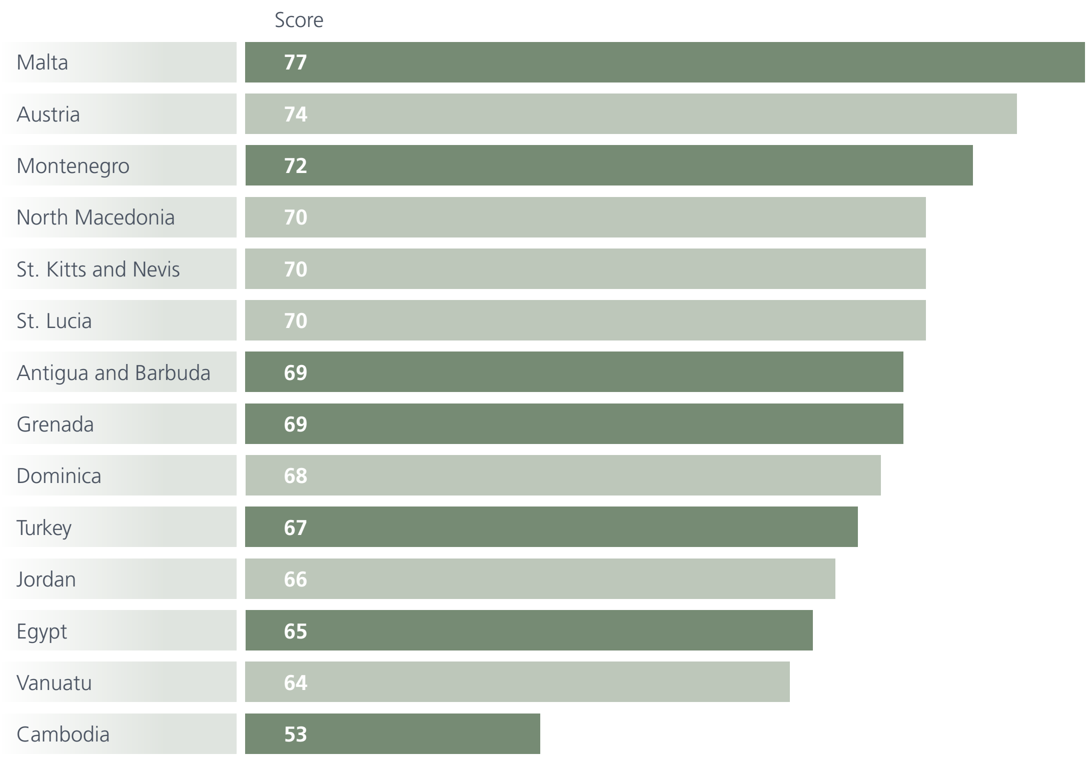
| *Program* | *ISO Country Codes* | *GCPI 2022 Score* | *Henley Passport Index Score** | *General Quality of Nationality Index Score*** | *Minimum Contribution* | *Time to Citizenship* |
|---|---|---|---|---|---|---|
| Malta | MT | 77 | 185 | 77.6% | EUR 738,000[i] | 14–38 months |
| Austria | AT | 74 | 188 | 79.7% | EUR 3 million | 2–3 years |
| Montenegro | ME | 72 | 123 | 40.9% | EUR 450,000 | 6–8 months |
| North Macedonia | MK | 70 | 125 | 39.3% | EUR 200,000 | 2–5 months |
| St. Kitts and Nevis | KN | 70 | 157 | 47.5% | USD 150,000 | 3–6 months[iii] |
| St. Lucia | LC | 70 | 146 | 45.5% | USD 100,000 | 3–4 months |
| Antigua and Barbuda | AG | 69 | 150 | 47.7% | USD 100,000 | 3–4 months |
| Grenada | GD | 69 | 144 | 45.7% | USD 150,000–200,000[ii] | 3–4 months |
| Dominica | DM | 68 | 144 | 43.9% | USD 100,000 | 3 months |
| Turkey | TR | 67 | 110 | 37.7% | USD 250,000 | 4 months |
| Jordan | JO | 66 | 52 | 26.8% | USD 750,000 | 3 months |
| Egypt | EG | 65 | 52 | 25.7% | USD 250,000 | 6–9 months |
| Vanuatu | VU | 64 | 135 | 37.1% | USD 130,000 | 2–3 months |
| Cambodia | KH | 53 | 53 | 24.6% | USD 250,000 | 3–6 months |

*The number of destinations out of a maximum of 226 that can be accessed visa-free or with a visa-on-arrival. Source: 2022 Henley Passport Index ranking, as of 11 January 2022 *henleypassportindex.com/passport*; **Source: D. Kochenov and J. Lindeboom (eds.), *Kälin and Kochenov's Quality of Nationality Index* (Hart Publishing, 2020) *nationalityindex.com/*
Notes: [i] Minimum EUR 600,000 investment, minimum EUR 128,000 property rental (EUR 48,000 during the 36-month residence stage and EUR 80,000 during the 60-month citizenship), and EUR 10,000 donation; [ii] USD 150,000 (single applicant) or USD 200,000 (a family of up to four members); [iii] For usual route; 45–60 days for Accelerated Application


REGUM · STELLATO · SEDET ·

# The Global Citizenship Program Index 2022

*In contrast to residence, acquiring citizenship of a country via a citizenship by investment program confers all the rights of a citizen of that country, including a passport. A passport ensures citizens benefit from visa-free or visa-on-arrival access to all countries with such visa agreements in place.*



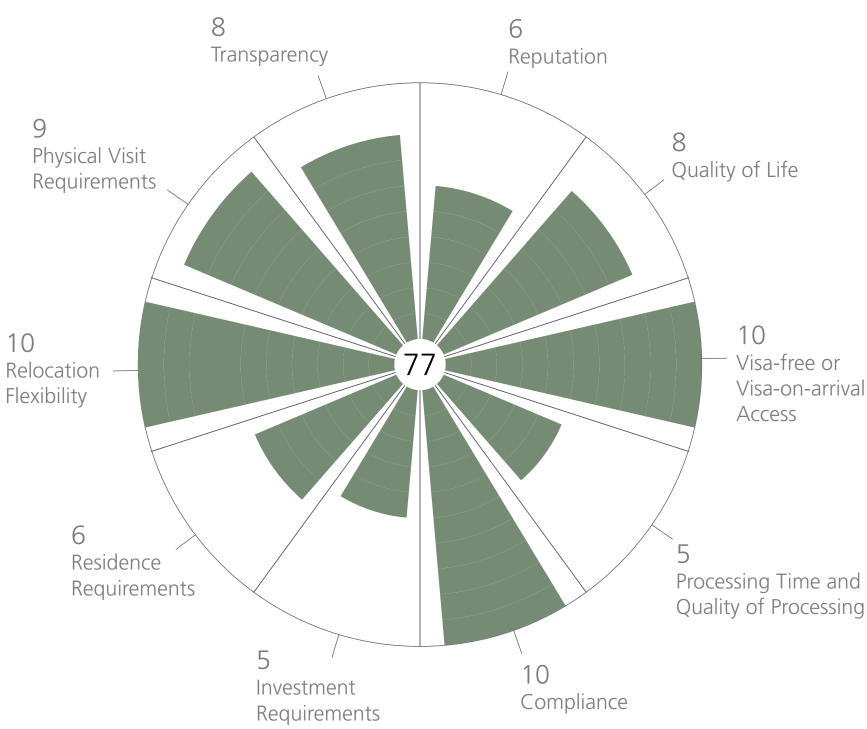



Figure 31. The total score for Malta is 77/100, ranking it 1st out of 14 programs

# 1st | Malta

*Situated in the center of the Mediterranean Sea, Malta enjoys an excellent reputation for its splendid climate, friendly people, low crime rate, and superb quality of life. An attractive place in which to live or own a second home, Malta also has excellent air links.*

Malta's Granting of Citizenship for Exceptional Services by Direct Investment Regulations (S.L. 188.05) (the Regulations) allow for the granting of citizenship by a certificate of naturalization to foreign individuals and their families who contribute to the country's economic development. This is possible following a 36-month residence period, or by exception a 12-month residence period.

Applicants and all adult dependents must hold Maltese residence status for at least 36 months (or by exception 12 months) before they may apply for citizenship. Main applicants must be aged 18 years or older and are required to:

- Make an investment of a minimum of EUR 600,000, or by exception EUR 750,000, depending on the residence status length (36 or 12 months, respectively)
- Purchase a residential property in Malta for at least EUR 700,000 or lease a residential property for at least EUR 16,000 per annum. Whether purchased or rented, the property must be held for five years and cannot be sublet during the five-year period. A property purchase or 36-month lease agreement is required during the residence period
- Donate a minimum of EUR 10,000 to a registered sport, cultural, scientific, philanthropic, animal welfare, or artistic non-governmental organization or society as approved by Community Malta Agency

Community Malta Agency is the Maltese government agency responsible for administering the Regulations and processing applications. Each application is thoroughly checked and assessed and undergoes a four-tier process, including thorough background checks.

The Minister decides if applicants can be granted Maltese citizenship. If successful, applicants must fulfill the investment, donation, and property requirements, and provide proof thereof. Applicants are then invited to come to Malta and take the oath of allegiance, after which a Maltese certificate of naturalization is issued.

Under the Regulations, applications are limited to 400 annually and 1,500 in total.

| Visa-free or Visa-on-arrival Access |
|---|
| 185 destinations* |
| **Residence Required** |
| 36 months (or 12 months by exception) |
| **Nature of Contribution** |
| Investments, real estate, and donation |
| **Minimum Investment** |
| EUR 738,000 (or EUR 888,000 by exception) |
| **Time to Citizenship** |
| 14–38 months |

### Key Advantages

- Visa-free or visa-on-arrival travel to the EU and Europe's Schengen Area, Australia, Canada, Hong Kong, Singapore, the UK, and the USA
- Once the residence requirement is fufilled, successful applicants may apply for citizenship of Malta — a transparent, reputable financial center and a jurisdiction for international business
- Ability to include a spouse, children under the age of 29, parents aged 55 and over, and grandparents in the main application
- World's strictest due diligence standards and vetting of applicants

*Source: 2022 Henley Passport Index ranking, as of 11 January 2022

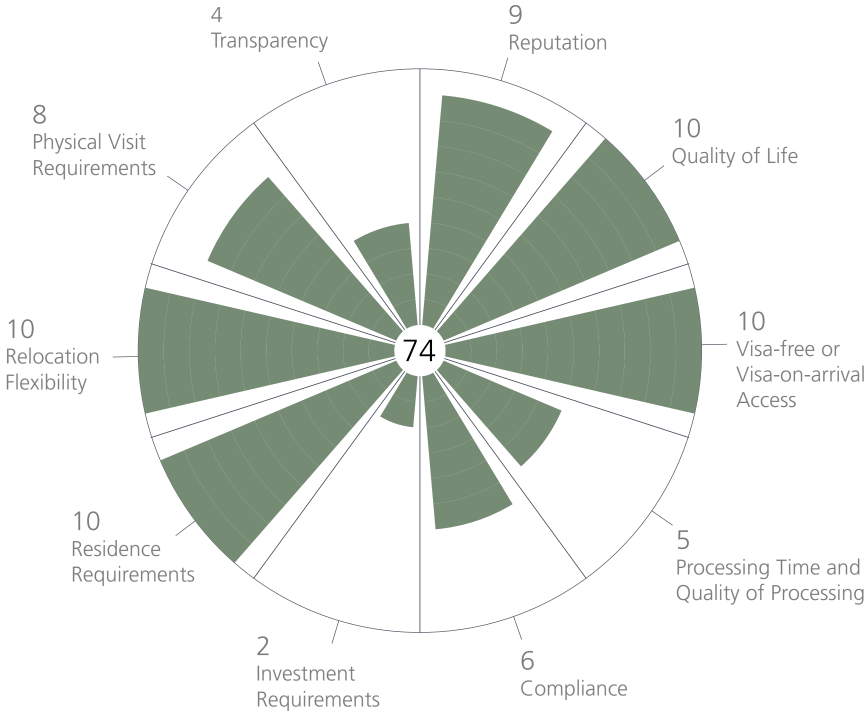



Figure 32. The total score for Austria is 74/100, ranking it 2nd out of 14 programs

# 2nd | Austria

*Austria is considered one of the most stable countries in the world and is credited for its high standard of living. Although one of the smaller states in Europe, it has a world-class capital, Vienna, which has a varied history and a rich cultural heritage. Austria also has a beautiful countryside with snow-capped peaks and spectacular scenery.*

Under the citizenship by investment provisions, an applicant is required to make a substantial contribution to the Austrian economy, for example, in the form of a joint venture or a direct investment in a business that creates jobs or generates export sales. Austria Citizenship by Investment is therefore ranked as among the costliest on the Global Citizenship Program Index. Passive investments, for example, in government bonds or real estate, generally do not qualify.

For citizenship to be granted based on a capital contribution, government approval at various levels is required, including, eventually, at the highest level (cabinet). It is therefore essential that applicants receive expert advice from the outset, that individual cases are carefully prepared, and that informal approvals are obtained from key authorities before the formal application process is initiated.

Substantial fees apply depending on the individual case and the number of persons included in an application. There are no residence requirements, and applicants and their dependents become citizens of Austria upon attending a citizenship ceremony before a senior representative of government.

The processing time for Austrian citizenship is lengthy when compared to other citizenship programs, since it generally takes between 24 and 36 months. A completely clean personal record (a certificate of no criminal record, and the like), a comprehensive curriculum vitae, background business information, and impeccable references must be provided by every applicant.

Previously, basic knowledge of German was required for main applicants, but this condition was abolished in early 2006. Nonetheless, dependents must meet a language requirement.

Children up to the age of 18 years may be included in the same application, but those over 18 may not. No exceptions are made in this regard. A separate application for an older child may, however, be prepared and lodged simultaneously and be included under the same capital contribution. The amount of the contribution would then need to be higher than the minimum required.

| Visa-free or Visa-on-arrival Access |
|---|
| 188 destinations* |
| **Residence Required** |
| None |
| **Nature of Contribution** |
| Donation or investment |
| **Minimum Contribution** |
| EUR 3 million |
| **Time to Citizenship** |
| 2–3 years |

**Key Advantages**

- Visa-free or visa-on-arrival travel to destinations including Europe's Schengen Area, Canada, and Hong Kong
- The right to reside anywhere in the EU and Switzerland
- High quality of life
- Excellent transport and communications

*Source: 2022 Henley Passport Index ranking, as of 11 January 2022

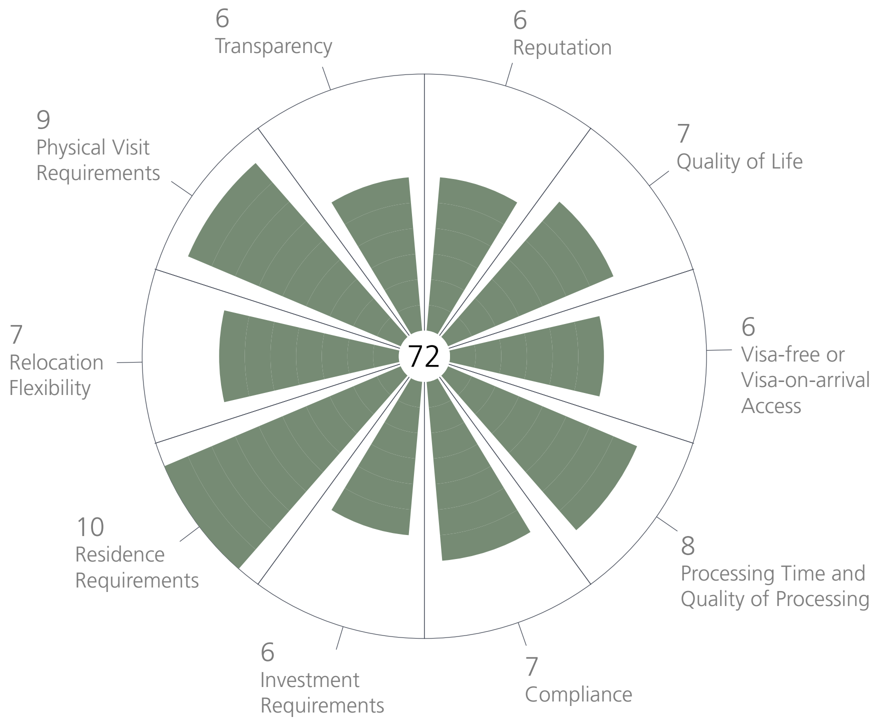



Figure 33. The total score for Montenegro is 72/100, ranking it 3rd out of 14 programs

# 3rd | Montenegro

*Situated on the Balkan Peninsula in southeastern Europe, Montenegro is known for its magnificent and unparalleled natural beauty. Emerging as a sovereign state in 2006, Montenegro is a member of NATO, uses the euro as its currency, and is an official candidate country for EU membership.*

Classified by the World Bank as one of the fastest growing Balkan economies, Montenegro is quickly establishing itself as a key strategic destination for some of the world's most important industries.

The Montenegro Citizenship by Investment Program was developed by the Government of Montenegro and was launched in 2019 as part of its ongoing efforts to attract foreign direct investment and increase economic activity in the country. The program requires applicants to make a defined economic contribution to the country. In exchange, and subject to a stringent vetting and due diligence process including thorough background checks, applicants and their families are granted Montenegrin citizenship.

To qualify, the main applicant must be over 18 years of age, meet the application requirements, and make these contributions to the Government of Montenegro:

- Contribution of EUR 200,000, half for the advancement of local, under-developed, self-government units, and half for the Innovation Fund of Montenegro
- Investment of at least EUR 450,000 into an approved development project in Podgorica or in the coastal region of Montenegro. Alternatively, an investment of at least EUR 250,000 into an approved development project in the northern or central region of Montenegro, excluding Podgorica

Applicants also pay the following government processing fees: EUR 15,000 for a single applicant, EUR 10,000 for each family member in a family of up to five members (including the main applicant), and EUR 50,000 for each additional family member. Unmarried and same-sex couples are also eligible. Other application fees apply, including due diligence and biometric passport fees.

Montenegrin passport holders enjoy visa-free or visa-on-arrival access to 123 destinations* including the countries in Europe's Schengen Area, Russia, and Turkey.

All applications are submitted through agents such as Henley & Partners, which has been officially accredited to the Government of Montenegro for this purpose. Successful applicants, who may apply with their family members, are granted citizenship once the application process has been finalized.

| Visa-free or Visa-on-arrival Access |
| --- |
| 123 destinations* |
| **Residence Required** |
| None |
| **Nature of Contribution** |
| Government fund donation, real estate |
| **Minimum Contribution** |
| EUR 450,000 |
| **Time to Citizenship** |
| 6–8 months |

### Key Advantages

- Visa-free or visa-on-arrival travel to destinations including Europe's Schengen Area, Russia, and Turkey
- Citizenship of an official EU candidate country
- A mild Mediterranean climate, beautiful scenery, and a low cost of living
- Member state of the European Monetary Union, the NATO Alliance, OSCE, and the WTO
- Full citizenship granted to applicants and included family members
- Investment in an approved development project operated by a renowned hotel brand

*Source: 2022 Henley Passport Index ranking, as of 11 January 2022

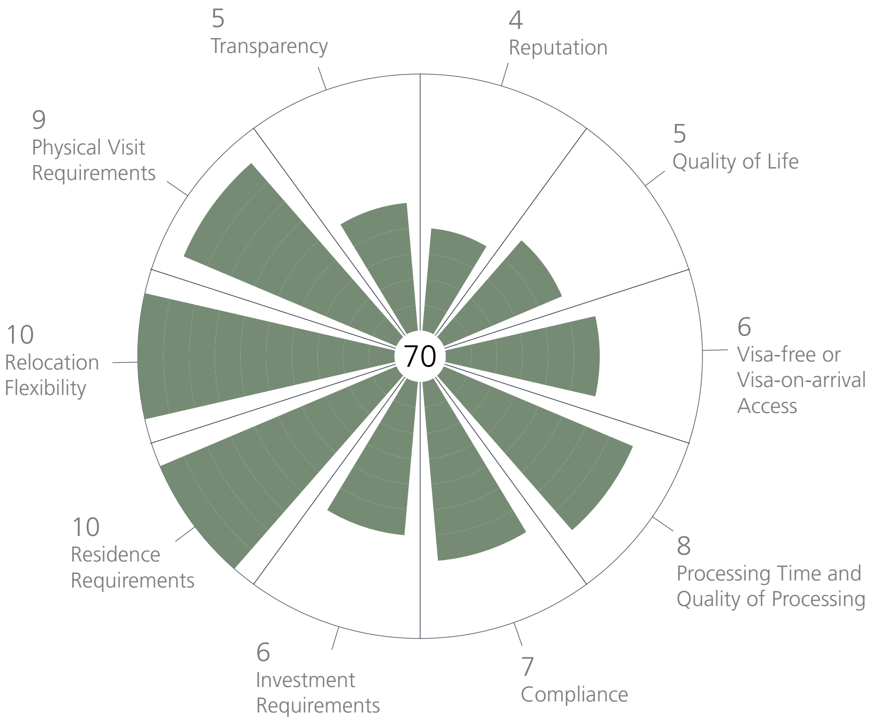



Figure 34. The total score for North Macedonia is 70/100, ranking it joint 4th out of 14 programs

# Joint 4th | North Macedonia

*The Republic of North Macedonia, surrounded by rivers and mountains, is a major transportation route — from central Europe to the Aegean Sea, to Southern and Western Europe. Its fast-growing, competitive economy and booming agriculture and trade opportunities attract investors and businesspeople alike.*

The North Macedonia Citizenship by Investment Program will be of interest to enterprising investors seeking a business-friendly, low-tax jurisdiction (10% personal and corporate income tax) in Europe. It allows foreign nationals to invest in the country and apply for alternative citizenship in a country where English is widely spoken. With one of Europe's highest current growth rates, North Macedonia ranks in the top 20 countries in the world for ease of doing business. The government's free economic zone policy offers significant tax benefits and promotes a liberal, open-market economy.

To be eligible to apply for citizenship in accordance with the laws of the Republic of North Macedonia, investors who are at least 18 can select one of the following options:

- **Option 1** – an investment of EUR 200,000 per adult applicant in a private investment fund held for a minimum two years
- **Option 2** – an investment of EUR 400,000 per adult applicant, as a direct investment in new facilities (not hospitality, restaurants, or retail), employing a minimum of ten people for an indefinite term, for at least one year

Applications, incorporating due diligence checks and pre-approval, take two to three months and should include fees and all supporting documents, including a signed prospectus and share redemption documents of the government-approved fund.

Main applicants must have police certificates of clearance, a detailed curriculum vitae, and proof of financial standing. One visit must be made as part of the application procedure. There is no language requirement. The program is under the direct and close monitoring of the Fund for Innovations and Technology Development of the Republic of North Macedonia.

For those who would like to become citizens of a growing European economy, the North Macedonia Citizenship by Investment Program is the most efficient way to acquire such status.

| Visa-free or Visa-on-arrival Access |
|---|
| 125 destinations* |
| **Residence Required** |
| None |
| **Nature of Contribution** |
| Investment, business start-up, or shares |
| **Minimum Contribution** |
| EUR 200,000 |
| **Time to Citizenship** |
| 2–5 months |

*Source: 2022 Henley Passport Index ranking, as of 11 January 2022

### Key Advantages

- Visa-free access to Europe's Schengen Area, Hong Kong, Japan, Singapore, and Turkey, among other destinations, and an e-visa to India
- Once a parent has received citizenship, dependent children under 18 may apply for citizenship by descent
- Culturally rich lifestyle in a hospitable, upper-middle income country with a favorable tax environment
- EU candidate and member of NATO
- Access to strategically positioned trade market
- Highly qualified workforce, fast company registration systems

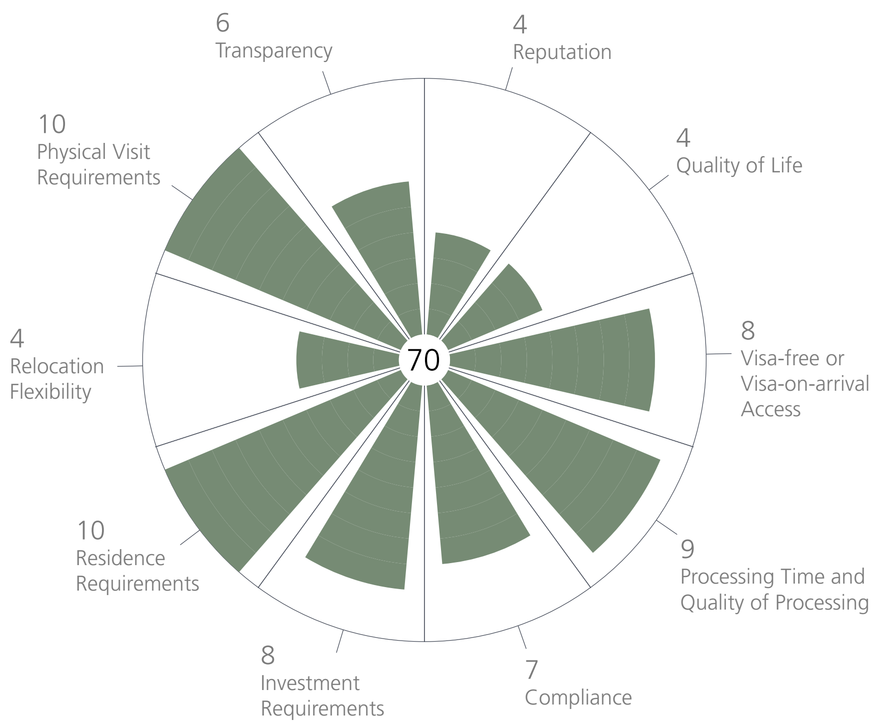



Figure 35. The total score for St. Kitts and Nevis 70/100, ranking it joint 4th out of 14 programs

# Joint 4th | St. Kitts and Nevis

*St. Kitts and Nevis is a dual-island Caribbean destination offering pristine beaches and tropical landscapes. Its culture is diverse, with African, British, Carib, and French influences. It is an attractive location for owning a second home in the Caribbean, enjoying good air links to Europe and North America.*

Since 1984, the St. Kitts and Nevis Citizenship Act has allowed foreign investors to acquire citizenship, making it the oldest existing citizenship program. In 2006, Henley & Partners was mandated by the government to reform the program and to promote it internationally for several years. During this mandate, the St. Kitts and Nevis Citizenship by Investment Program became the most successful of its kind globally. St. Kitts and Nevis offers excellent opportunities for investors, including a range of real estate options, and a highly favorable taxation system. St. Kitts and Nevis citizens can travel visa-free to Europe's Schengen Area, Hong Kong, Taiwan (Chinese Taipei), Russia, Singapore, and the UK.

Applicants choose one of the following options:

- **Real Estate** – the purchase of real estate in an approved development with a minimum value of USD 200,000 (resalable after seven years)
- **Real Estate** – the purchase of real estate in an approved development with a minimum value of USD 400,000 (resalable after five years)
- **Sustainable Growth Fund (SGF)** – a non-refundable contribution to the SGF of at least USD 150,000 for a single applicant

The usual time frame for processing applications is between three and six months from submission of the application to the Citizenship by Investment Unit; this is moderate compared to other programs in the Global Citizenship Program Index. There is also an Accelerated Application Process that allows applications to be processed within 45 to 60 days. This is the only fast-track process of its kind in the region, making it an excellent option for applicants.

Compliance standards and due diligence checks are strict. The Citizenship by Investment Unit performs thorough background checks and will decline an application if the applicant makes a false statement or omits any relevant information. In some cases, the Unit may ask to interview the applicant, although this is not generally a requirement.

St. Kitts and Nevis citizens may take up residence in the country at any time, and for any length of time, with no minimum requirements. There are no restrictions on dual citizenship in St. Kitts and Nevis. Compared with other citizenship programs, the total cost for a citizenship application in St. Kitts and Nevis is reasonable.

### Visa-free or Visa-on-arrival Access

157 destinations*

### Residence Required

None

### Nature of Contribution

Real estate or SGF contribution

### Minimum Contribution

From USD 150,000

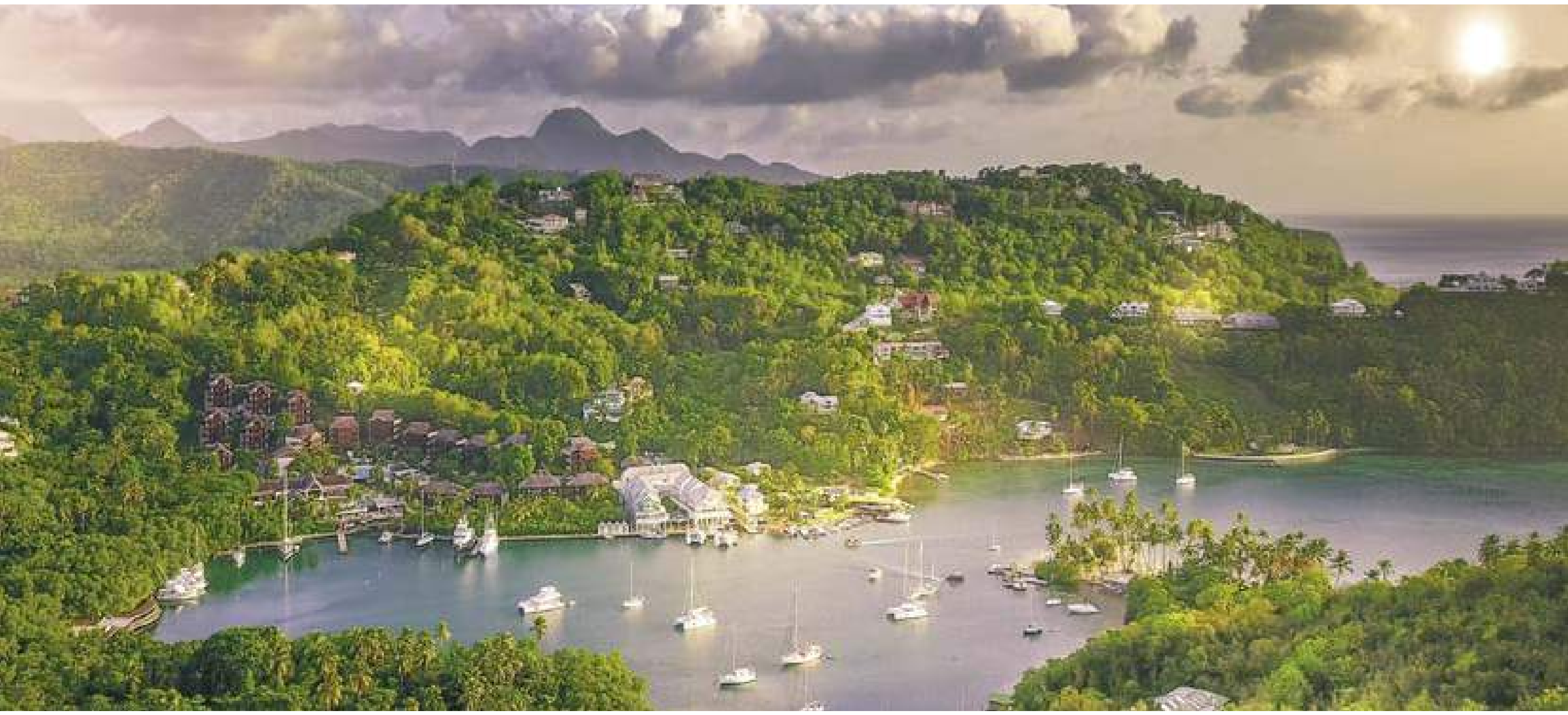
### Time to Citizenship

3–6 months (usual route)
45–60 days (Accelerated Application)

### Key Advantages

- Citizenship by descent available
- Opportunity to include a spouse, children under 31, unmarried dependent siblings under 31 with no children, parents and grandparents aged 55 and over, as well as to add dependents after citizenship has been granted to the main applicant
- Membership of the Commonwealth, which entitles citizens to certain privileges in the UK and other Commonwealth countries
- Attractive location for a second home with good air links to Europe and North America
- No minimum stay required

*Source: 2022 Henley Passport Index ranking, as of 11 January 2022



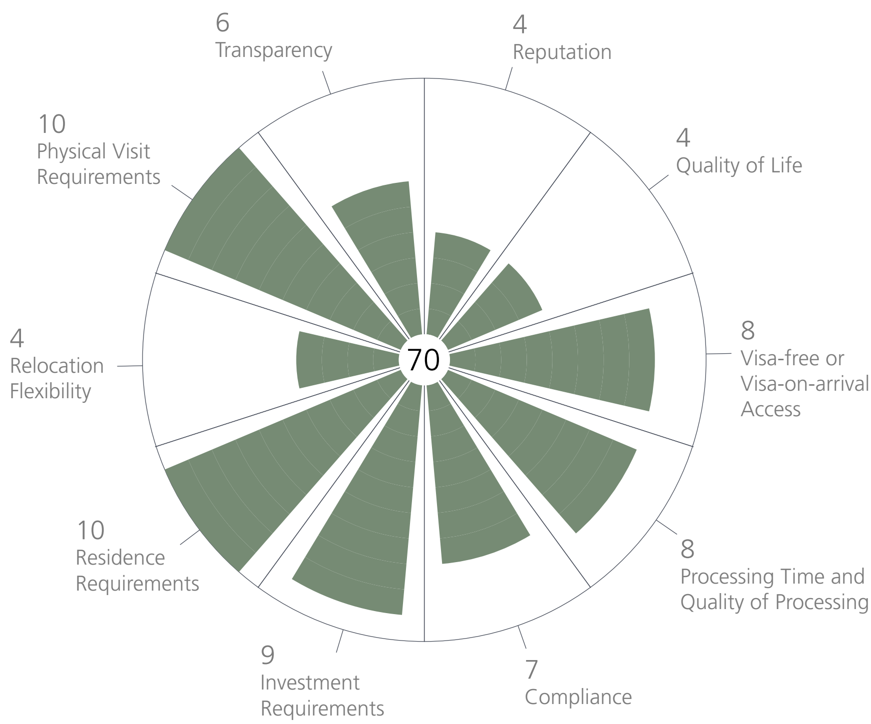



Figure 36. The total score for St. Lucia is 70/100, ranking it joint 4th out of 14 programs

# Joint 4th | St. Lucia

*St. Lucia lies in the eastern Caribbean Sea, northwest of Barbados and south of Martinique. A volcanic island mostly covered in rainforest, it is famous for its twin peaks — the Pitons — and its magical beaches. St. Lucia is a member of the Commonwealth and CARICOM and has excellent air links to Europe and North America.*

The island nation of St. Lucia attracts foreign business and investment, especially in its international banking and tourism industries.

Tourism is St. Lucia's primary source of employment and revenue. Accounting for 65% of GDP, tourism is also the island's main source of foreign exchange earnings. Alongside tourism, St. Lucia's manufacturing sector is the most diverse in the eastern Caribbean.

A St. Lucian passport provides visa-free or visa-on-arrival travel to more than 146 destinations including Europe's Schengen Area, Hong Kong, Singapore, the UK, and many other countries.

The St. Lucia Citizenship by Investment Program is the most recent citizenship by investment offering in the Caribbean, having been launched in January 2016.

There are four routes to citizenship:

- **Purchase of Real Estate** – with a minimum value of USD 300,000 from an approved real estate development that must be held for a minimum of five years. Additional costs may be required depending on the real estate developer
- **Participation in an Approved Enterprise Project** – with a minimum contribution of USD 3.5 million plus the creation of at least three permanent jobs, or a joint contribution of USD 6 million (each applicant committing a minimum of USD 1 million) plus the creation of at least six permanent jobs
- **National Economic Fund (NEF) Contribution** – a non-refundable minimum contribution of USD 100,000
- **Investment in Government Bonds** – with a minimum value of USD 250,000 under the limited offer Covid-19 Relief Bond, valid until 31 December 2022. Alternatively, bonds with a minimum value of USD 500,000. Both bond options are non-interest bearing and have a five-year minimum holding period

The documentary requirements and procedures are straightforward. The application process should take no longer than three months from submission of the application to issuing of the certificate of citizenship, assuming there are no areas of concern. Under the real estate option, the time frame may vary depending on the development.

There are no residence requirements, and the investment and processing costs are moderate.

| Visa-free or Visa-on-arrival Access |
|---|
| 146 destinations* |
| **Residence Required** |
| None |
| **Nature of Contribution** |
| Real estate, enterprises, NEF contribution, or government bonds |
| **Minimum Contribution** |
| From USD 100,000 |
| **Time to Citizenship** |
| 3–4 months |

| Key Advantages |
|---|
| • Opportunity to include a spouse, children under 31, siblings under 18, and parents aged 56 and over, as well as to add dependents after the main applicant has been granted citizenship<br>• No minimum stay required<br>• No residence or visitation requirements<br>• Attractive program and processing costs<br>• Dual citizenship recognized<br>• The right of free movement to Hong Kong, Singapore, the UK, and Europe's Schengen Area, among other destinations |

*Source: 2022 Henley Passport Index ranking, as of 11 January 2022

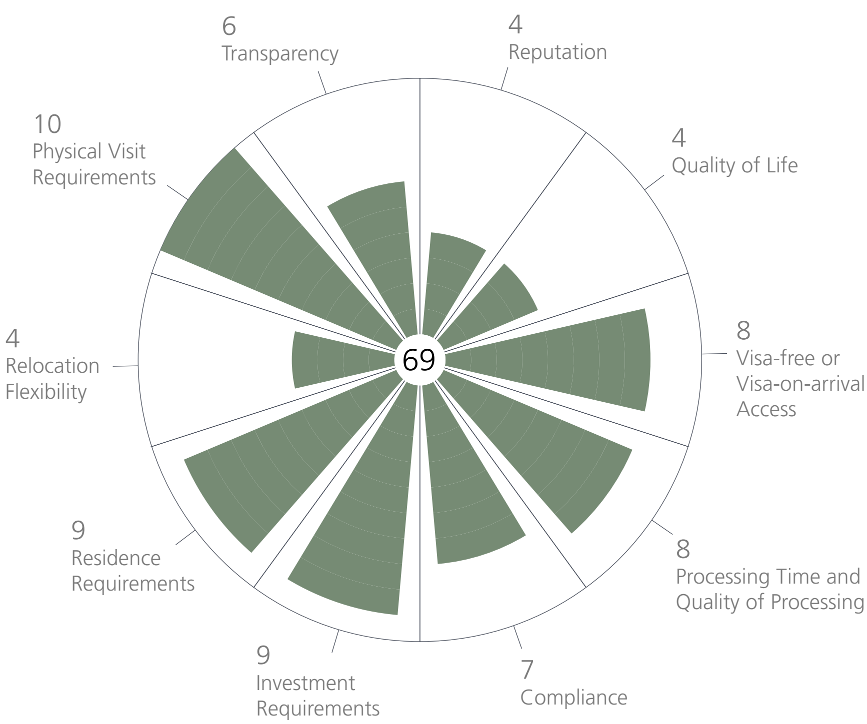



Figure 37. The total score for Antigua and Barbuda is 69/100, ranking it joint 5th out of 14 programs

# Joint 5th | Antigua and Barbuda

*Antigua and Barbuda is an independent Commonwealth state in the eastern Caribbean. Enjoying excellent air links to North America and Europe and with some 365 beaches of white sand and turquoise waters, the tropical islands of Antigua and Barbuda are among the most beautiful places in the world in which to live.*

The Antigua and Barbuda Citizenship by Investment Program was designed and implemented by Henley & Partners under a government mandate in 2012.

The program appeals to applicants who seek alternative citizenship through investing in property or business or by making a contribution to the islands' National Development Fund (NDF) or the University of the West Indies (UWI). The economic contribution applicants make to the country continues to be lower than that of other programs on the Global Citizenship Program Index. There are four options for citizenship:

- **Real Estate** – the purchase of real estate, held for five years, with a minimum value of USD 200,000 from an approved project. Two applicants may choose to make a joint investment by investing a minimum of USD 200,000 each.
- **Business** – the individual direct purchase of an eligible business for a minimum amount of USD 1.5 million, or a joint purchase, where each person contributes at least USD 400,000 and the total is a minimum of USD 5 million
- **NDF Contribution** – a minimum non-refundable contribution of USD 100,000
- **University of the West Indies Contribution** – a minimum non-refundable contribution of USD 150,000 to the university

Applicants must spend a minimum of five days in Antigua and Barbuda during the first five years of citizenship. On approval, successful applicants must visit Antigua and Barbuda to take the Oath of Allegiance in the presence of a local notary public. The Oath and five-day stay requirement apply only to applicants over the age of 18. When applicants who received citizenship as dependents reach the age of 18, they must fulfill the residence requirement and must take the Oath.

Its straightforward, transparent application process and the total investment required for citizenship make this citizenship by investment program one of the most popular, best-value citizenship options in the Caribbean.

The application process is estimated at three to four months, making this a highly efficient program. The government authority responsible for administering the program undertakes strict due diligence checks. An application is immediately declined if an applicant makes a false statement or omits relevant information.

### Visa-free or Visa-on-arrival Access

150 destinations*

### Residence Required

5 days within 5 years**

### Nature of Contribution

Real estate, business investment, NDF contribution, or UWI contribution

### Minimum Contribution

From USD 100,000

### Time to Citizenship

3–4 months

### Key Advantages

- Opportunity to include a spouse, dependent children under 31 (including spouse and children), parents and grandparents aged 55 and over, and unmarried siblings (of any age) of the main applicant and of their spouse, as well as to add dependents after citizenship has been granted to the main applicant
- Attractive location to live or own a second home, with excellent air links to North America and Europe
- The right of free movement to Hong Kong, Russia, Singapore, the UK, and Europe's Schengen Area, among other destinations

*Source: 2022 Henley Passport Index ranking, as of 11 January 2022
**The five-day visitation rule is effectively suspended until 31 August 2022 to accommodate global restrictions due to Covid-19

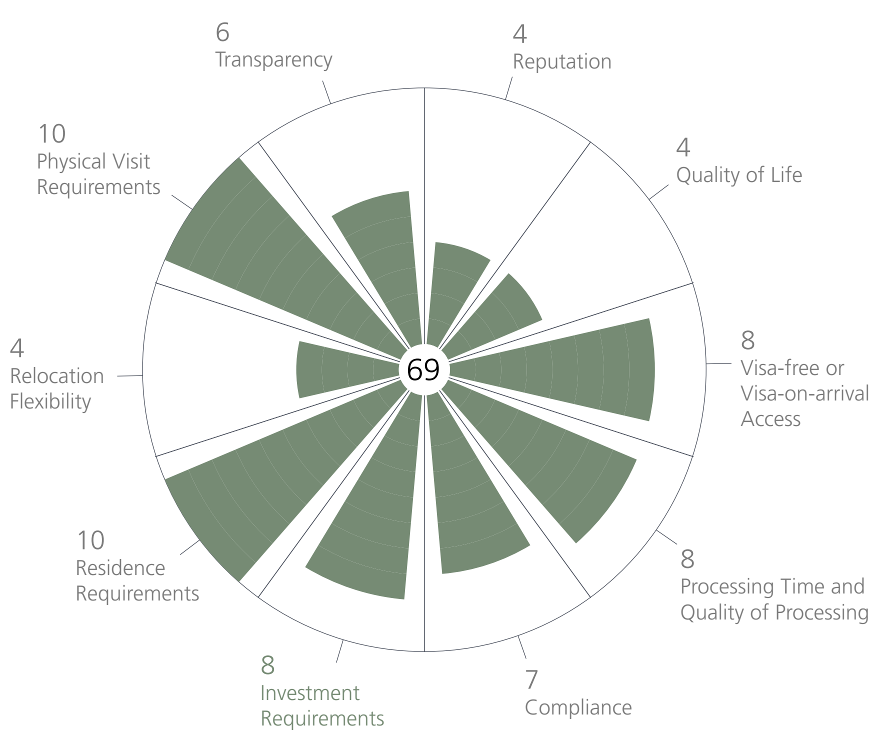



Figure 38. The total score for Grenada is 69/100, ranking it joint 5th out of 14 programs

# Joint 5th | Grenada

*Grenada is a picturesque island with exotic, diverse topography, breathtaking beaches, and a year-round temperate climate. Often referred to as the 'Spice Isle' for its nutmeg and mace crops, Grenada is an English-speaking Commonwealth country with a common law legal system and a stable government.*

The Grenada Citizenship by Investment Program was launched in August 2013 as a means of developing Grenada's economy, allowing it to be more prosperous and independent. The National Transformation Fund (NTF) finances various projects in Grenada for the benefit of its numerous industries, including tourism, agriculture, and alternative energy. Henley & Partners was formally mandated in 2016 by the Government of Grenada to revitalize and enhance the program.

Grenadian passport holders enjoy visa-free or visa-on-arrival access to 144 destinations* including China, Europe's Schengen Area, Hong Kong, Singapore, the UK, and other key business and lifestyle destinations. It is the only citizenship by investment program in a Caribbean country with an E-2 Investor Visa Treaty with the USA — making Grenadian nationals eligible to apply to work, study, and reside in the USA — one of only two Caribbean programs offering visa-free access to China.

The program requires applicants to make a significant economic contribution to the country. There are two key options:

- **NTF Contribution** – a minimum non-refundable contribution of USD 150,000 for a single applicant or USD 200,000 for a family of up to four members
- **Real Estate** – the acquisition of property from a government-approved real estate project for a minimum of USD 220,000 per investor. There is an additional minimum non-refundable contribution of USD 50,000 for this option

Once an application has been submitted, the government usually gives an initial answer within 90 working days. With its upgraded application forms, the program now boasts one of the most straightforward processes out of all the Caribbean citizenship programs.

To qualify for citizenship, applicants do not have to meet any residence requirements, and they do not have to travel to Grenada.

### Visa-free or Visa-on-arrival Access

144 destinations*

### Residence Required

None

### Nature of Contribution

NTF contribution or investment in an approved real estate project

### Minimum Contribution

USD 150,000 (single applicant) or USD 200,000 (family of up to 4 members)

### Time to Citizenship

3–4 months

### Key Advantages

- Eligibility to apply to the USA for a non-immigrant investor visa, due to the country's E-2 Investor Visa treaty
- Opportunity to include a spouse, children under 30, unmarried siblings aged 18 and over, parents, and grandparents of the main applicant and spouse
- Citizenship transferable to new spouses and future generations
- Dual citizenship allowed
- No minimum stay required

*Source: 2022 Henley Passport Index ranking, as of 11 January 2022

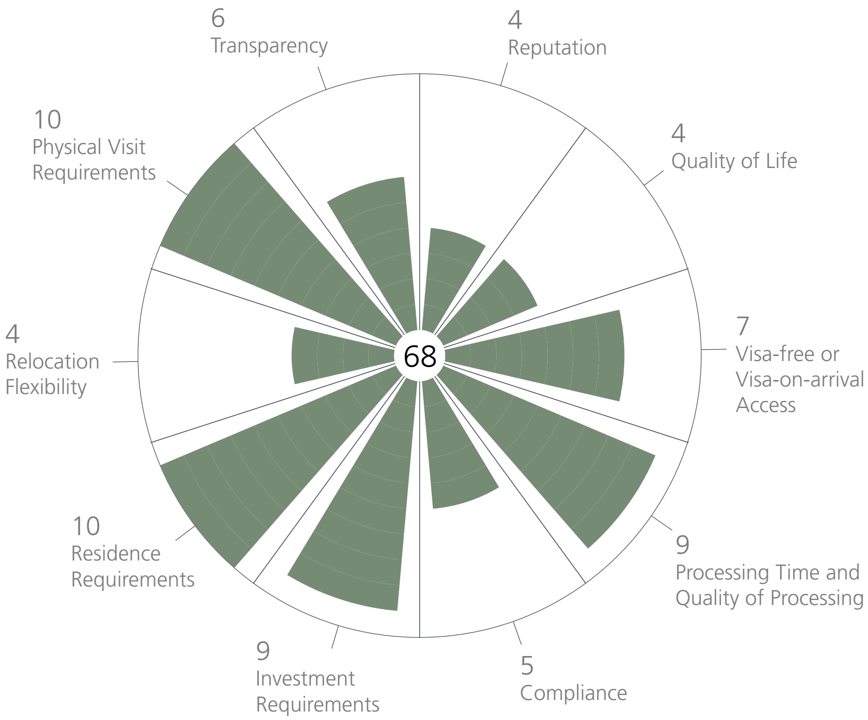



Figure 39. The total score for Dominica is 68/100, ranking it 6th out of 14 programs

# 6th | Dominica

*The Commonwealth of Dominica is an English-speaking island state often referred to as the 'nature island of the Caribbean'. It is a former British colony and a member of the Commonwealth of Nations, the UN, the Organization of American States, CARICOM, and other international organizations.*

The Commonwealth of Dominica established its citizenship by investment program in 1993 to boost Dominica's economic investment. One of the most beautiful islands in the Caribbean, Dominica has a pleasant climate, particularly in the cooler period between December and March.

Travelers have described Dominicans as being the friendliest people in the Caribbean, a claim supported by the country's almost non-existent crime rate. Because of the mountainous terrain, only about a quarter of the island is cultivated, but the rich soil produces good domestic and export crops. Organic agriculture is encouraged and has great economic potential.

The processing time for applications is three months. The procedural requirements are aligned with those of other Caribbean countries, and compliance standards are in keeping with regional requirements.

The Dominica Citizenship by Investment Program is among the lowest-priced options on the Global Citizenship Program Index in terms of required investment. It requires applicants to make an economic contribution to the country in the form of either a non-refundable donation made directly to the government or an investment in an approved real estate project.

The options for obtaining Dominican citizenship are:

- **Non-refundable Contribution** – to the Economic Development Fund of USD 100,000 for the main applicant, plus USD 50,000 for a spouse and/or a sibling (18–25 years) of the main applicant or spouse; or, USD 25,000 for each dependent child (under 31 years), minor sibling (under 18 years), or dependent parent or grandparent (any age); or, USD 175,000 for a main applicant, spouse and two dependents (not siblings)
- **Real Estate** – purchase of approved property with a value of at least USD 200,000 (plus government fees), to be held for at least three years from the grant of citizenship and to be sold under the program after five years

There is no physical residence or in-person interview requirement. With attractive incentives, the government encourages new citizens to become involved in the economy. Dominica has been focusing on improving the transparency of its program. Successful applicants can take up residence in Dominica at any time, for any length of time, and they and their families receive full citizenship that can be passed on to future generations.

| Visa-free or Visa-on-arrival Access |
|---|
| 144 destinations* |
| **Residence Required** |
| None |
| **Nature of Contribution** |
| Economic Development Fund contribution or investment in real estate |
| **Minimum Contribution** |
| USD 100,000 |
| **Time to Citizenship** |
| 3 months |

### Key Advantages

- Opportunity to include a spouse, children under 31, siblings under 26, parents and grandparents of any age, as well as to add dependents after citizenship has been granted to the main applicant
- Citizenship by descent available to future generations
- The right to live, work, and study in Dominica
- Dual citizenship allowed
- No minimum stay required

*Source: 2022 Henley Passport Index ranking, as of 11 January 2022

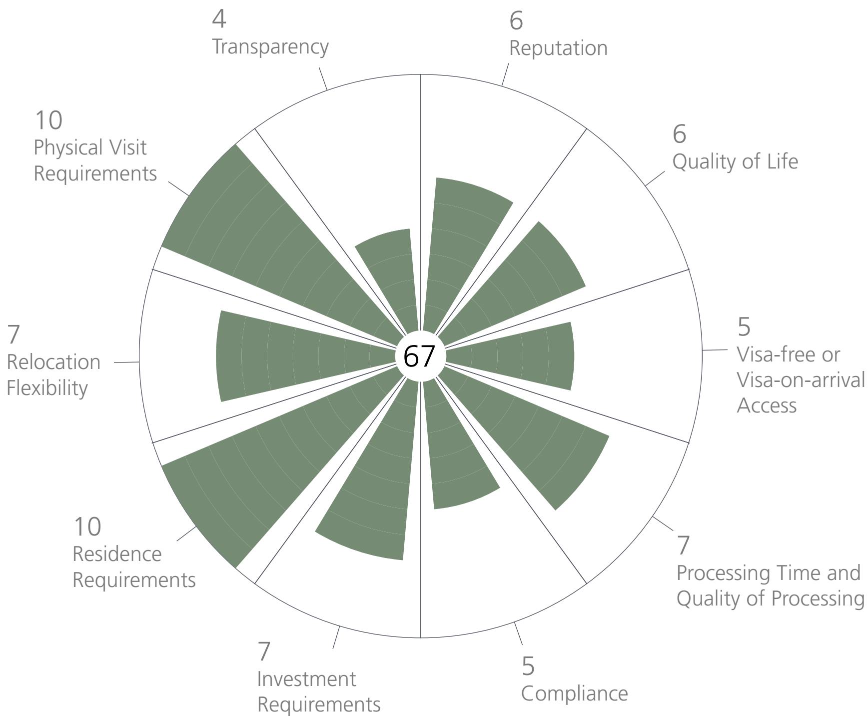



Figure 40. The total score for Turkey is 67/100, ranking it 7th out of 14 programs

# 7th | Turkey

*Turkey is a major transcontinental country strategically positioned and bordered by three seas. A popular tourist destination, Turkey's location facilitates connectivity with key markets via excellent transport links. Although Ankara is the capital, the leading global city of Istanbul is Turkey's largest, and its main commercial and cultural center.*

Turkey launched its citizenship by investment program in 2016. Successful applicants gain full citizenship within four months.

When an application has met requirements and been approved by the appropriate authorities (for example, for a property investment, when the Directorate of Land Registry gives its approval after a property has been purchased), the Ministry of the Interior will write to the Cabinet. In the first weekly meeting, approval may be given. Once applicants' names are published in the official gazette, they are citizens of Turkey.

There are several routes for foreign investors to acquire Turkish citizenship via the Turkey Citizenship by Investment Program, subject to the decision of the President of the Republic of Turkey:

- **Real Estate** – a USD 250,000 investment in real estate that must be held for three years
- **Local Real Estate Investment Funds or Venture Capital Investment Funds** – an investment of USD 500,000 that must be held for three years
- **Fixed Capital Contributions** – an investment of a minimum of USD 500,000
- **Bank Deposit** – a bank balance of at least USD 500,000 held at a Turkish bank for a minimum of three years
- **Employment Creation** – an investment that creates employment for 50 Turkish citizens
- **Government Bonds** – a USD 500,000 investment that must be held for three years

The Turkey Citizenship by Investment Program allows investors to access both the European and Asian markets, as well as gain lifelong citizenship of a country that is in the process of full membership negotiations with the EU, and has strong economic and industrial relations with the Middle East.

There are no residence requirements for Turkish citizenship. In terms of due diligence, the national intelligence service of the Republic of Turkey checks each application individually. Successful applicants are eligible for an E-2 Investor Visa in the USA.

The main applicant may include in their application their spouse, dependent children under the age of 18, and children of any age who are living with disabilities.

| Visa-free or Visa-on-arrival Access |
| --- |
| 110 destinations* |
| **Residence Required** |
| None |
| **Nature of Contribution** |
| Real estate, investment funds, venture capital investment, bank deposit, employment creation, or government bonds |
| **Minimum Contribution** |
| USD 250,000 |
| **Time to Citizenship** |
| 4 months |

**Key Advantages**

- Visa-free or visa-on-arrival travel to destinations including Hong Kong, Japan, and Singapore, among others
- A mild Mediterranean climate, beautiful scenery, and a high standard of living
- Citizenship granted to applicants and included family members
- Eligibility for an E-2 Investor Visa in the USA for a 5-year renewable period
- Access to a transcontinental Eurasian country that is a stable economic, financial, and political hub for Europe, Western Asia, and the Middle East

*Source: 2022 Henley Passport Index ranking, as of 11 January 2022

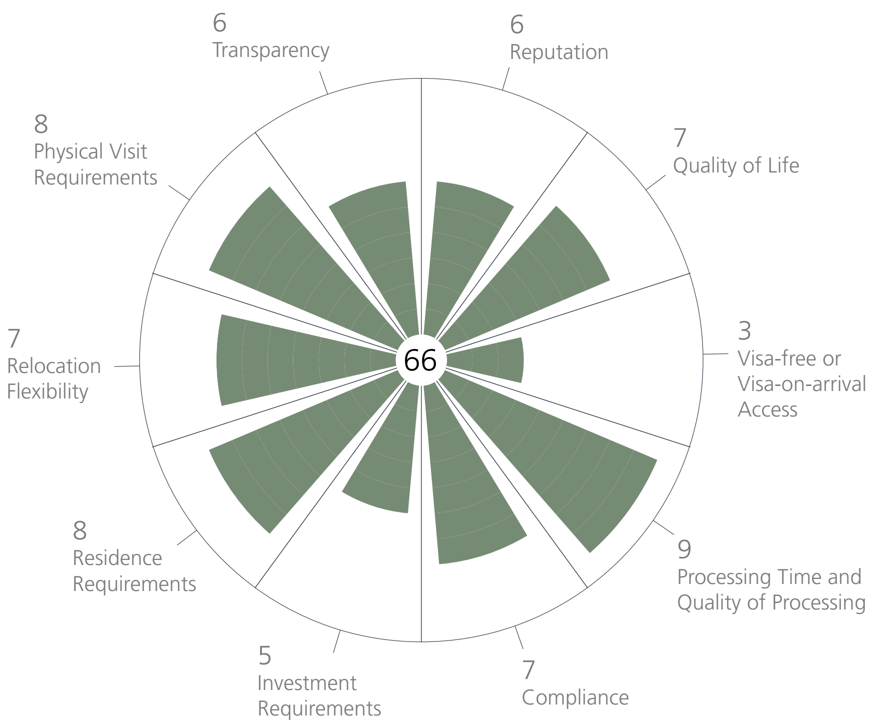



Figure 41. The total score for Jordan is 66/100, ranking it 8th out of 14 programs

# 8th | Jordan

*The Hashemite Kingdom of Jordan is strategically located at the crossroads of Asia, Africa, and Europe and is a stable, business-friendly location. Jordan strikingly combines the ancient and the modern worlds, from its historic archaeological site of Petra to its capital, Amman, the country's economic, political, and cultural center.*

Amman is characterized by its diverse people and varied architecture, and Jordan is a relatively calm place in a tumultuous region. Access to Jordanian citizenship is therefore appealing to applicants from nearby countries faced with the uncertainty of war and political upheavals. The country plays an active role within the UN and is a member of the World Trade Organization.

There are several routes to citizenship:

- **Bank Deposit and Treasury Bonds** – placing a zero-interest USD 1 million deposit at the Central Bank of Jordan (CBJ) for a minimum period of three years, and purchasing treasury bonds valued at USD 1 million at an interest rate to be decided by the CBJ, for a minimum period of six years
- **Company Shares and/or Units** – buying shares and/or units in Jordanian companies for a minimum of USD 1.5 million provided they are held for at least three years and that the Companies Control Department and/or the Jordan Securities Commission denote temporary seizure of them
- **Small and Medium Enterprises** – establishing an investment project in a specific productive economic sector with capital of at least USD 1 million in any location in the Amman governorate (USD 750,000 for a project that is registered in a governorate other than Amman), provided the project creates at least 20 employment opportunities (reduced to at least 10 for a project in a governorate other than Amman) and is operational for a minimum of three years

Applications for Jordanian citizenship are sent to a government committee for consideration, where a decision is made as to whether the applicant is eligible or not. The eligibility criteria are applied to a maximum of 500 cases annually following security clearance and confirmation of the applicant's financial adequacy. The requirements are reviewed and evaluated every six months and are not applied retroactively.

Applicants who acquire Jordanian citizenship will have the right to obtain citizenship status for their spouses; unmarried, widowed, or divorced daughters; sons below 18 years of age; and dependent parents if the applicants are their sole supporters. Any violations of the conditions will lead to the citizenship being revoked.

### Visa-free or Visa-on-arrival Access

52 destinations*

### Residence Required

For Bank Deposit and Treasury Bonds option, 1 month residence prior to granting of citizenship

### Nature of Contribution

Bank deposit and treasury bonds, investment, or business leading to employment creation

### Minimum Contribution

USD 750,000

### Time to Citizenship

3 months

### Key Advantages

- Stable, business-friendly jurisdiction
- Citizenship includes spouse, daughters who are unmarried, widowed, or divorced, sons under 18, and dependent parents
- Jordan is a relatively stable country in the Middle East

*Source: 2022 Henley Passport Index ranking, as of 11 January 2022

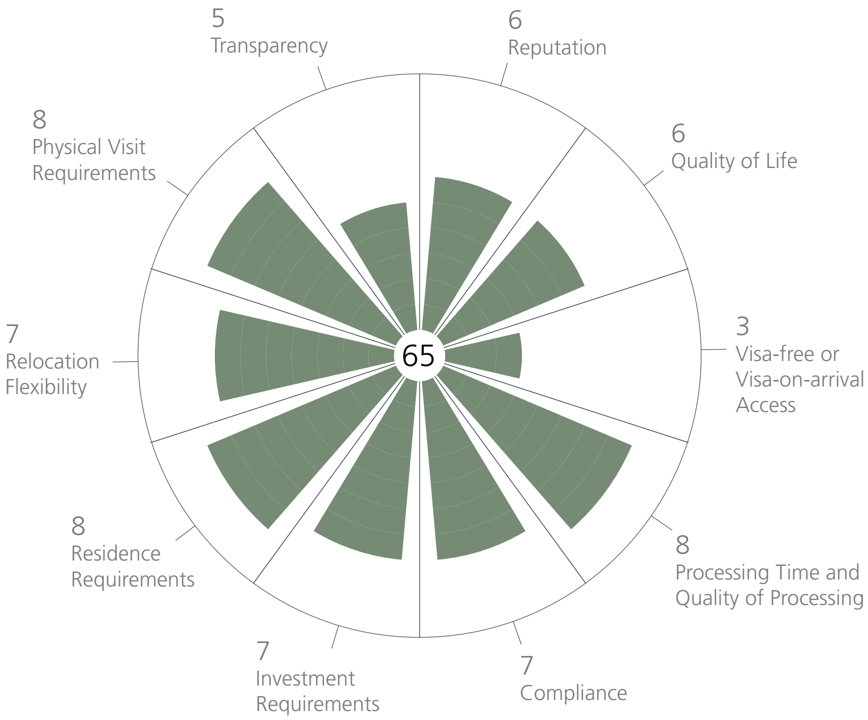



Figure 42. The total score for Egypt is 65/100, ranking it 9th out of 14 programs

# 9th | Egypt

*Egypt is a sovereign state in northeast Africa that includes the Sinai Peninsula, forming a bridge to Asia. Famous for its ancient civilization and pyramids, Egypt is the most populous country and a significant political and cultural nation in the Middle East.*

In March 2020, Egypt's government published a new citizenship law (established in 2019) enabling foreign investors to make a financial contribution and thereby gain eligibility for citizenship. The government has established a specialized citizenship by investment unit to oversee the program, which is designed to attract foreign direct investment.

Prior to application, a USD 10,000 participation fee applies, irrespective of the investment option chosen. Applicants may select one of the following options, and all investments must be funded by capital transfers in US dollars from abroad:

- **Donation** – a non-refundable contribution of USD 250,000 to the account of the Citizenship by Investment Unit at the Central Bank of Egypt
- **Real Estate Investment** – a minimum investment of USD 500,000 in real estate from government-owned projects. One or more properties or land may be acquired, and projects may be under construction or already completed. After five years, investors may sell the property
- **Business Investment Projects** – a minimum investment of USD 400,000 in a new or existing local business (foreign shares in the project of no less than 40%)
- **Bank Deposit**† – USD 750,000 (refundable in the local currency after five years, without interest)
- **Bank Deposit**† – USD 1 million (refundable in the local currency after three years, without interest)

†The deposit must be made into a special account under the Central Bank of Egypt treasury.

Applicants must have a legal source of income, good health, and a clean police record. Immediate family members are included in one application, and all undergo background checks. Main applicants and unmarried children under the age of 21 obtain citizenship simultaneously, while the main applicant's official spouse receives it after two years. Citizenship is useful for travel to numerous destinations in Africa, Asia, and the Middle East, though not for visa-free travel to major economic powers. Dual citizenship is permitted.

### Visa-free or Visa-on-arrival Access

52 destinations*

### Residence Required

None

### Nature of Contribution

Donation, real estate, investment, or bank deposit

### Minimum Contribution

USD 250,000

### Time to Citizenship

6–9 months

### Key Advantages

- Ease of travel in Africa, Asia, and the Middle East, with visa-free travel to destinations including Iran, Jordan, and Hong Kong
- Eligibility for an E-2 Investor Visa in the USA
- The right to live, work, do business, and study in Egypt without restriction
- Comparatively low real estate prices
- A transport hub with links to markets in Africa, Europe, the Indian subcontinent, and the Middle East

*Source: 2022 Henley Passport Index ranking, as of 11 January 2022

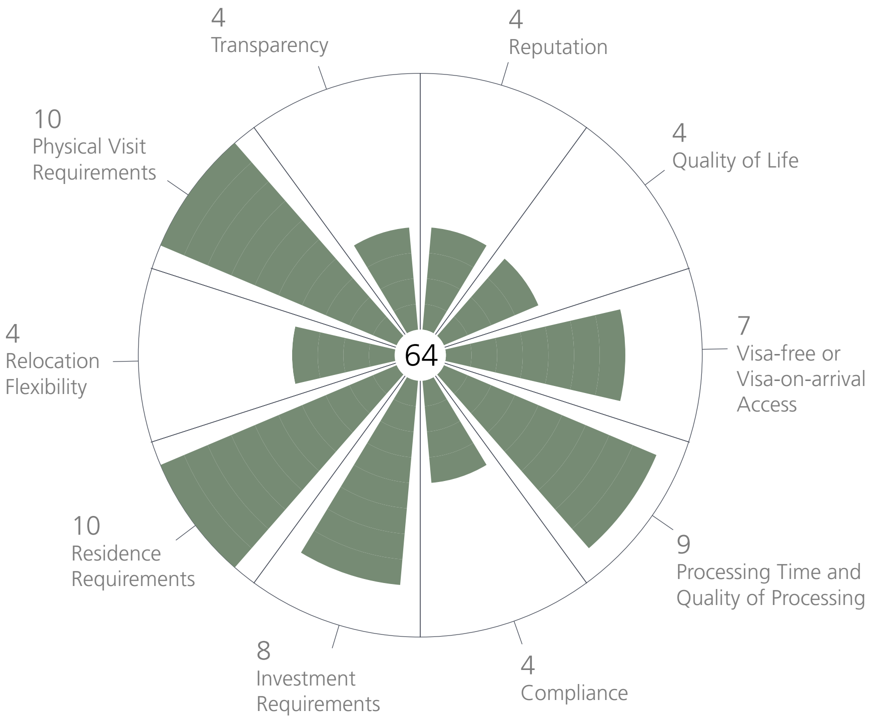



Figure 43. The total score for Vanuatu is 64/100, ranking it 10th out of 14 programs

# 10th | Vanuatu

*Vanuatu is a South Pacific island nation east of Australia comprising an archipelago of mostly volcanic islands. Its nearest neighbors are New Caledonia to the south, Solomon Islands to the north-west, and Fiji to the east. Vanuatu gained independence from the UK and France in 1980 and is a member of the Commonwealth.*

Agriculture, fishing, offshore financial services, and tourism are mainstays of Vanuatu's economy. An offshore financial center for more than 40 years, Vanuatu has a well-developed banking and financial infrastructure, with international financial institutions, and professional lawyers, accountants, and financial advisors representing multi-national firms.

Historically, Vanuatu maintained stable public accounts, but the global pandemic and natural disasters have severely affected the economy, and investment migration programs are increasingly important to the local economy.

There are currently two programs operating:

- **Vanuatu Contribution Program** – designed for Chinese nationals and available through one international agent, the PRG Group of Hong Kong, which markets it in mainland China
- **Vanuatu Development Support Program (VDSP)** – the global program, detailed below

The VDSP requires a non-refundable payment of USD 5,000 to the Vanuatu Financial Intelligence Unit, which conducts initial due diligence checks, and a subsequent donation to the Vanuatu Government. VDSP distribution is solely via Designated Agents in Vanuatu appointed by the Citizenship Commission to market the program and process applications. The donation is collected on behalf of the government by the Designated Agent handling the application and incorporates the Designated Agent's fee.

Depending on the processing channel, minimum market retail fees are USD 130,000 for single applicants, USD 150,000 for married couples, and USD 180,000 for families of four. A further charge of USD 15,000 to USD 25,000 applies for each additional dependent. Three generations of a family may apply together. Additional government charges (such as for passports, certificates, and delivery of passports via a mandatory Citizenship Ceremony) may be applied.

Vanuatu passport holders enjoy visa-free or visa-on-arrival access to 135 destinations* including Europe's Schengen Area, Hong Kong, Russia, Singapore, and the UK. The application process generally takes two to three months from submission to a passport being issued. The investment and processing costs of the VDSP are low, and there are no requirements to visit or reside in Vanuatu. Citizenship can be passed on to future generations.

| Visa-free or Visa-on-arrival Access |
|---|
| 135 destinations* |
| **Residence Required** |
| None |
| **Nature of Contribution** |
| Donation |
| **Minimum Contribution** |
| USD 130,000 |
| **Time to Citizenship** |
| 2–3 months |

### Key Advantages

- The only citizenship by investment program in the Pacific region
- Member of the Commonwealth, entitling citizens to certain privileges in the UK and other member states
- Citizenship passed down to future generations
- Speedy process for citizenship to be granted, with the oath swearing ceremony conducted via video conference call
- Popular remote tourist destination with tropical climate

*Source: 2022 Henley Passport Index ranking, as of 11 January 2022

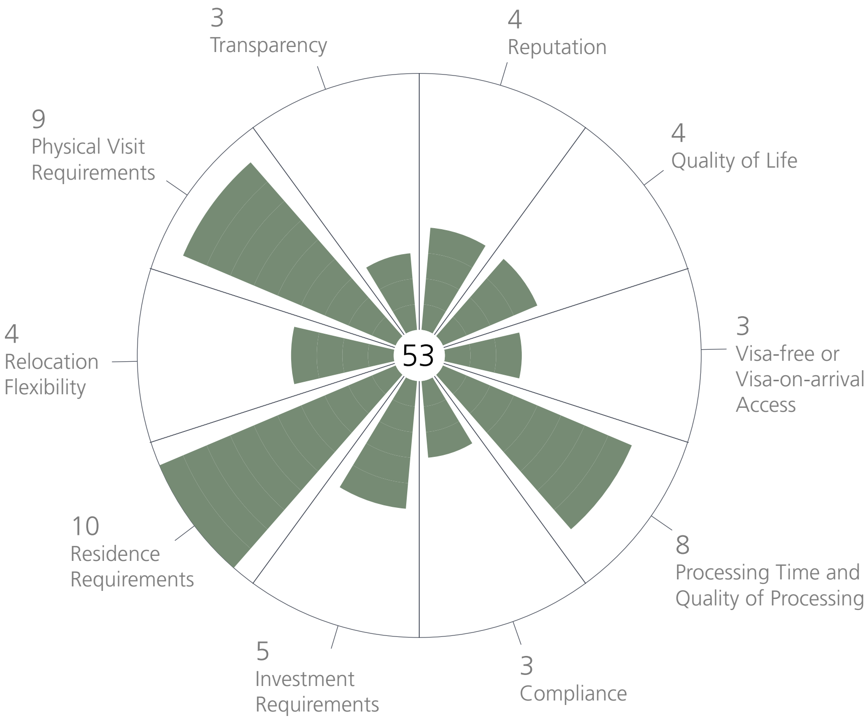



Figure 44. The total score for Cambodia is 53/100, ranking it 11th out of 14 programs

# 11th | Cambodia

*The Southeast Asian Kingdom of Cambodia is a country rich in heritage, with warm, friendly people and lush, natural beauty. It has a population of more than 16 million and is a member of the Association of Southeast Asian Nations (ASEAN).*

Although Cambodia is one of the poorest countries in Asia and there are many obstacles to its long-term economic development, the country has shown growth in the last decade and its ASEAN membership offers regional trade benefits. Unfortunately, however, corruption and human rights violations remain contentious issues.

Cambodia passed a new nationality law in 2019 that impacted on its citizenship by investment offering as the amount of investment or contribution to the national budget was removed.

There are two options for acquiring Cambodian citizenship by making a financial contribution:

- **Naturalization** – the usual requirements for naturalization are seven years' residence in Cambodia, fluency in the Khmer language, and a clean police record, but the residence requirement is reduced to 12 months for qualified applicants who invest in Cambodia. The size, objective, and types of investment are determined by a sub-decree — an executive order issued by the Prime Minister. The amount is currently USD 1.5 million
- **Donation** – for qualified applicants who make a donation in cash to the Cambodian government the residence requirement is reduced to six months, but all other requirements still apply. The qualified amount of donation is determined by a sub-decree. The donation amount is currently KHR 1 billion (approximately USD 250,000)

In addition to investments or donations, applicants spend an average of USD 60,000 on official fees, professional fees, and related expenses.

Global mobility is not a big advantage as Cambodians enjoy visa-free or visa-on-arrival access to just 53 destinations.*

| Visa-free or Visa-on-arrival Access |
|---|
| 53 destinations* |
| **Residence Required** |
| 6 or 12 months |
| **Nature of Contribution** |
| Investment or donation |
| **Minimum Contribution** |
| USD 250,000 |
| **Time to Citizenship** |
| 3–6 months |

**Key Advantages**

- Visa-free access to destinations including Indonesia, Malaysia, Singapore, Thailand, and Vietnam
- Citizenship enables foreigners to own land and property in their own names
- Dual nationality is permitted

*Source: 2022 Henley Passport Index ranking, as of 11 January 2022

# Methodology


174 Developing an Index

175 Reputation

176 Quality of Life

177 Visa-free or Visa-on-arrival Access

178 Processing Time and Quality of Processing

178 Compliance

179 Investment Requirements

180 Tax

181 Total Costs

182 Time to Citizenship

182 Citizenship Requirements

183 Residence Requirements

183 Relocation Flexibility

184 Physical Visit Requirements

184 Transparency

# Developing an Index

*The primary purpose of the Global Residence Program Index and the Global Citizenship Program Index methodology is to develop the most thorough and detailed analysis for prospective investment migration applicants, their advisors, and policymakers in governments.*

There is no single, publicly available source for obtaining data to populate the indicators and sub-indicators necessary for the indexes. It has been necessary, therefore, to rely on multiple sources and various experts to obtain and interpret the mostly qualitative data used in constructing the Global Residence Program Index and Global Citizenship Program Index. We have relied primarily on: (i) the expertise of residence and citizenship analysts, and (ii) the experience of investors and government officials. As a result, the explanatory power that supports the scores in the different categories is based on surveys, interviews with respondents, and opinions solicited from selected informants. Where possible, the subjectivity of the various factors has been assessed against publicly available data and widely accepted composite indicators.

The data for surveys and interviews has been consistently collected from a representative sample that includes respondents, expert informants on citizenship, and practitioners who have been involved in the design of qualitative research in global mobility and related spaces. The sample frame for respondents consists of existing and potential investors, their advisors, and government officials in countries that either already have, or are in the process of establishing, investment migration programs. Relying on potential clients means that the responses of those who decided against proceeding with any program are also included. It may also be noted that among our respondent and informant base are government officials and consultants engaged in investment migration programs that have been discontinued as well as those that are in the process of being established or reformed.

The factors that are analyzed in each of the indexes are as follows:

### Global Residence Program Index

- Reputation
- Quality of Life
- Visa-free or Visa-on-arrival Access
- Processing Time and Quality of Processing
- Compliance
- Investment Requirements
- Tax
- Total Costs
- Time to Citizenship
- Citizenship Requirements

*see pages 78 to 83

### Global Citizenship Program Index

- Reputation
- Quality of Life
- Visa-free or Visa-on-arrival Access
- Processing Time and Quality of Processing
- Compliance
- Investment Requirements
- Residence Requirements
- Relocation Flexibility
- Physical Visit Requirements
- Transparency

*see pages 138 to 143

# Reputation

Reputation relies on the perceptions of investors and advisors regarding the image of the countries in which they invest. This indicator is subjective by nature, but, much like the Attractiveness Indicators employed by the IMD in its Executive Opinion Surveys, our intention was to allow our respondents and informants the space to consider intangible and unanticipated factors while assessing the reputation of destination countries.

Endeavoring to assess reputation is not new, and the relationship between reputation and outcome is a popular mechanism for assessing the competitiveness of organizations, cities, and even regions.[92]

Furthermore, the reputation of a country, much like the reputation of a corporate, is a historical indicator that allows its previous efforts to meet investor expectations to be assessed.

## Global Residence Program Index

For example, since the launch of the Investor Class Visa in 1986, Canada has been at the forefront of residence by investment and business immigration; countries such as Malta have been rapidly developing favorable reputations as a result of their EU membership. On the other hand, membership of the EU alone is not enough for a country to acquire a favorable reputation, as the relatively less positive reputations of Bulgaria and Latvia demonstrate. Rather, the interviews reveal that expectations about political and economic stability, the rule of law, consistent tax and other policies affecting individual residents and citizens, the reliability of public institutions, and similar factors need to be met.

## Global Citizenship Program Index

Although St. Kitts and Nevis was the first country, in 1984, to introduce a citizenship by investment program, it would not have measured favorably against this indicator prior to that time. In 2006/2007, however, it significantly revised its program with the professional assistance of Henley & Partners, which was mandated until mid-2013, under a government contract related to the citizenship by investment program and especially to its global promotion.

St. Lucia has invested heavily in its due diligence and governance processes to negate risks for investors and ensure that its citizenship retains its high integrity and value, creating a lasting return on investment. The small island nation's business-friendly legislation and supporting infrastructure have enhanced its reputation.

92 Drawing on organizational and regional reputation, the reputation of a country can be characterized as the aggregation of a single stakeholder's perceptions of the capacity of the country to meet the demands and expectations of several stakeholders. In addition, given 'brand management' exercises performed by different countries, the satisfaction of perceived expectations is an important criterion. See W. Lever, 'Competitive Cities in Europe' (1999) 36(5–6) Urban Studies 1029; S. Anholt, *Competitive Identity: The New Brand Management for Nations, Cities and Regions* (Palgrave McMillan 2007)

# Quality of Life

The assessment of Quality of Life uses a wide range of methods to evaluate subjective perceptions of various sample groups in different contexts, as well as developing factors that are independent of subjective perceptions. Like Reputation, Quality of Life could well benefit from considering investors' experiences and what is particularly relevant to individuals who are interested in investment migration.

We are aware, moreover, that there are substantial institutional efforts in developing composite indicators for Quality of Life[93] — the United Nations Human Development Index is one of the most comprehensive (relying on life expectancy at birth, schooling, literacy rates, and gross national income per capita).[94] These factors do not cover all civil and political liberties though; for assessing democratic values, Freedom House's *Freedom in the World* report[95] is a preferable indicator.

As our focus is also on investment, the World Bank's *Doing Business* reports[96] are pertinent, since investors may have to negotiate the regulatory environment of destination countries for a variety of economic activities. We have sought to anchor the framing of our questions in established indicators,[97] but recognize that such indicators do not always correspond to what is being assessed in the Global Residence Program Index and Global Citizenship Program Index. This explains why the ranking of countries for this indicator is somewhat different from the ranking for Reputation and does not correspond exactly with other international indicators.

93 For a review of issues in constructing a composite QoL index and a discussion of existing QoL indexes, see M.R. Hagerty and K.C. Land, 'Issues in composite index construction: The measurement of overall quality of life' in K.C. Land et al. (eds.), *Handbook of Social Indicators and Quality of Life Research* (Springer 2012)

94 These are the factors that the Human Development Index takes into account. In addition, other indicators are used in monitoring trends in Quality of Life. For a ranking and explanation, see the latest UN Development Program Human Development Report available on *hdr.undp.org/en/2020-report* accessed 5 August 2021

95 For the latest report, see *freedomhouse.org/report/freedom-world/2021/democracy-under-siege* accessed 5 August 2021

96 For the latest report, see *doingbusiness.org/en/reports/global-reports/doing-business-2020* accessed 5 August 2021

97 This is why we have not relied on ad hoc measures of quality of life, such as happiness or life satisfaction

# Visa-free or Visa-on-arrival Access

The methodology for this factor is relatively straightforward. It aims to measure an improvement in the mobility of an investor, or their ability to enter additional countries visa-free or with visa-on-arrival access as a result of being a citizen of, or resident in, a particular jurisdiction.

## Global Residence Program Index

While acquiring alternative citizenship is more directly linked to ease of travel, an alternative residence can also enhance the mobility of individuals. It thus also features as a factor that motivates residence investments.

A Chinese national can travel visa-free or with no prior visa to 80 destinations,[98] but a Chinese citizen who acquires a residence permit from one of the countries in Europe's Schengen Area can travel visa-free to an additional 25 destinations within the area, as well as other destinations that honor Schengen residence documents.

The US EB-5 Immigrant Investor visa offers permanent residence and therefore provides visa-free or visa-on-arrival access to many destinations, especially in the Americas. Some small countries, such as Malta, provide far more favorable visa-free or visa-on-arrival commercial and leisure travel when compared to certain large countries, such as China and India, that are home to a significant percentage of the world's high-net-worth individuals.

## Global Citizenship Program Index

This factor relies on the 2022 Henley Passport Index, which curates data from 227 different travel destinations (including countries, territories, and micro-states), collated by the International Air Transport Association, to arrive at the ranking. The Henley Passport Index compares data on the number of destinations that a citizen of a given country can visit without requiring a prior visa. A relaxed travel policy is worthwhile in itself, but it also characterizes a country's political regime and the extent of its civil liberties.[99]

Our informants agree with our respondents that visa-free or visa-on-arrival access is an essential indicator for selecting a country for which to apply for citizenship. In general, EU member states fare well on this indicator.

Among the other destinations, visa-free or visa-on-arrival access to countries in Europe's Schengen Area, or to the UK, is possible either because of colonial ties that allow easier travel for citizens of overseas territories of EU member states, or because of visa-waiver agreements that have been signed.

98 2022 Henley Passport Index ranking, as of 11 January 2022 *henleyglobal.com/passport-index/ranking* accessed 11 January 2022

99 J. Alemán and D. Woods, 'No Way Out: Travel Restrictions and Authoritarian Regimes' (2014) 3(2) Migration and Development 285

# Processing Time and Quality of Processing

Processing time for applications and their quality of processing are distinct aspects that are assessed differently. Some countries offer a short processing time between lodging an application and issuing a visa or permit, but there may be uncertainties in administrative processes. Analysis of valuable input from informants and respondents has verified the declared processing times and complemented 'hard' data on actual processing time taken (namely, the number of days), including obstructions faced.

### Global Residence Program Index

The US EB-5 Immigrant Investor Program presented unique problems with regard to the quality of its processing: there had been cases of corruption and deception by intermediaries and, importantly, a visa could be revoked if the Department of Homeland Security found that an investor had made "material changes to the business plan".[100]

Canada is also in a difficult position because it closed its flagship Immigrant Investor Program in February 2014 with several thousand applications still to be processed, some of which had been pending for more than five years.[101]

The remaining program, specific to the province of Quebec, which had been expected to restart in April 2021, was suspended in early 2021 for a further two years (until April 2023).

# Compliance

Countries have different procedures and varying due diligence requirements for profiling applicants (including police records and financial statements), sources of funds, the manner of fund transfers, and the vulnerability to abuse of the funds invested.

The standard measures adopted are best practices developed by international associations and professional agencies for anti-money laundering, counter-terrorist financing, and anti-bribery and corruption. The EU, unlike the USA, does not have a joint or federal procedure for conducting due diligence, so EU countries differ widely in terms of their national rules. Clear information and frameworks regarding due diligence facilitate better risk assessments for potential investors. A more intensive due diligence requirement may be an advantage as this translates into less uncertainty in private investments. Since financial institutions usually engage in Know Your Customer audits regardless of the regulations of investment migration programs, they are less vulnerable than private investments.

Vulnerability to money laundering in different sectors could, furthermore, be avoided in the presence of clear regulations.

100 See 'US Citizenship and Immigration Policy Services', 2013 Policy Memorandum on EB-5 Adjudications Policy 25. Further information on 'material change' is available in the Policy Manual of the US Citizenship and Immigration Services 92 *uscis.gov/policy-manual* accessed 5 August 2021

101 J. Chow and A. MacDonald, 'Canada Scraps Lax Investor-visa Policy' (*Wall Street Journal*, 12 February 2014) *wsj.com/articles/canada-clamps-down-on-rich-chinese-migrants-1392179667* accessed 5 August 2021

# Investment Requirements

### Global Residence Program Index

The upfront investment amounts for residence differ in terms of amount required, nature of investment, and additional costs. The range of required investment amounts is broad: from EUR 60,000 in Latvia to EUR 500,000 in Spain, AUD 2.5 million in Australia, and GBP 2 million in the UK. The nature of the investment is not always left to the discretion of the investor. Options for different forms of investment are specified by the destination governments, largely depending on policy considerations and benefits to the respective countries.

The Migration Policy Institute classifies residence by investment as requiring either investments with private entities or investor–government transactions.[102] The amount is usually lower if the investment is in a government program (such as cash payments, charitable donations, or the purchase of government bonds) and if the investment is in a relatively small country. Even so, some EU countries provide attractive options for investing in private residential property. Thus, specific relationships within these two broad categories affect the size and conditions of investment.

Generally, a country offering more choice in how to invest and requiring lower investment amounts (including additional costs) scores higher. In Cyprus, for instance, investing EUR 300,000 in real estate is a way of acquiring permanent residence.

In the UK, investment conditions are stringent. Immigration rules introduced in 2012 permit the Home Office to curtail the leave to remain in the UK of a Tier 1 Investor migrant if the required investment level has not been maintained.

### Global Citizenship Program Index

Because of the unique nature of citizenship by investment programs, investment amounts are substantial, and the accompanying conditions do not allow investors much choice in the nature of their investment.

There is a noticeable pattern to the investments required for citizenship by investment programs: the investment amounts are generally greater than those required by residence by investment programs, there is usually a requirement or at least an option to purchase real estate, and there is usually a requirement or an option to make a non-refundable contribution.

Among those programs that allow a recoverable investment, a distinction may be made between active and passive investments. Usually active investments have several conditions attached, such as specific types of businesses and projects that can be invested in or conditions that must be fulfilled. Some countries, such as St. Lucia and Antigua and Barbuda, provide options for how investments can be made. Investors can make a non-refundable investment, a passive investment in real estate, or an active investment in business.

Contrary to the responses for the Global Residence Program Index, it appears that those who acquire alternative citizenship prefer safer and more passive investments, primarily because of the information costs associated with negotiating in new markets.

Some factors in the indexes relate to the Global Residence Program Index only or to the Global Citizenship Program Index only, rather than to both. These are dealt with below.

[102] M. Sumption and K. Hooper, 'Selling Visas and Citizenship: Policy Questions from the Global Boom in Investor Immigration' (2014) Migration Policy Institute *migrationpolicy.org/research/selling-visas-and-citizenship-policy-questions-global-boom-investor-immigration* accessed 5 August 2021

# Tax

## Global Residence Program Index

This factor raises the question of the extent of the tax burden that a resident is required to bear for both corporate and personal economic activities. It is rare for a country not to impose any taxes on its residents. The only country in our list that has that distinction is Monaco since it does not impose personal income tax, property tax, capital gains tax, or net worth taxes. For all other countries, preferential tax schemes and tax waivers, and incentives for applicants with significant investments heavily influence the score arrived at for this factor.

A country may provide corporate tax incentives that vary depending on the size of the investment and even on whether the investment is in specific sectors of the economy. Personal tax incentives may be provided for principal investors, as well as for families who satisfy certain criteria, such as not deriving income from employment in destination countries.

It should be noted that the tax burden in some countries is different for temporary residents when compared to permanent residents, with the latter assigned a special tax status, as in the case of Malta. The primary point of reference for this variable is a database of taxes imposed by countries for different activities and areas of engagement. The PricewaterhouseCoopers/World Bank Group *Paying Taxes* reports,[103] and the work conducted by firms in formulating tax residence rankings, have been consulted but not solely adhered to. Rather, these have been considered in conjunction with the responses we received and other sub-factors that we have observed in conceptualizing tax residence.

Differences in tax legislation and rules in destination countries can have a significant impact on one's tax burden. A notable example is the variance in inheritance tax. Wealth transfers to the next generation are extremely relevant, since a significant percentage of new investors are a high-net-worth group who also seek post-retirement investment security and tax planning.

In addition to variances in tax burden for a range of engagements, tax privacy also affects a country's score. In countries such as the USA and Germany, there is regulatory access to bank account details, which has influenced many citizens to choose a different tax residence. Taking our cue from the PricewaterhouseCoopers/World Bank Group *Paying Taxes* reports, we have also factored in the time taken to file and pay taxes, whether online filing is offered, the legal processes for filing taxes (such as filing and auditing statutory accounts), and the responsiveness, accessibility, and reliability of tax authorities.

The final consideration was which tax regime is deemed applicable during the initial five years of residence for a newly tax-resident individual who has little or no income from local sources, and whether this was different to the tax regime applicable to ordinary, long-term residents.

[103] The reports have quite an extensive definition of taxes (corporate income tax, social contributions, and labor taxes paid by the employer as well as property, property transfer, dividend, capital gains, financial transactions, waste collection, vehicle and road taxes, and any other small taxes or fees) and methods of payment (including time taken). For the latest report, see *pwc.com/gx/en/services/tax/publications/paying-taxes-2020.html* accessed 5 August 2021

# Total Costs

Global Residence Program Index

Sometimes the stated investment amount does not constitute the total actual cost an investor must bear to acquire residence status. As the nature of investment differs considerably across programs, it is difficult to compare the total actual cost of investment.[104]

As we noted in Investment Requirements above, the nature of investment has an impact on the investment amount. Crucially, how an investment is fulfilled also impacts on its maturity and how it can be retrieved. Investment in government bonds for several years (such as in Italy or Spain) is a fairly low-risk form of investment in countries with good credit ratings because the original capital is returned after a fixed period of time. Government bonds bear an opportunity cost, however because the investor loses out on interest for the period of investment. In addition, for countries with low credit ratings they carry a higher risk.

The assessment of opportunity costs and country risk provides a useful heuristic device in examining total cost, since investors often forego other investment choices to invest in residence or citizenship options. The risks associated with an investment are often complex to determine. For instance, in Bulgaria, investments in licensed credit institutions are permitted, but only banks fall under this description, so the country risk and credit risk of these institutions must be considered. In addition, transaction costs are incurred, including processing fees, agent fees, and due diligence fees.

In some countries, documentary evidence supporting a residence application requires references from legal professionals (or other professional persons of standing), bank references, and similar documentation. We have taken these potential costs of verification into account. In this regard, an extensive bureaucratic framework with several departments at different levels of government prevents a favorable score.

The US EB-5 Immigrant Investor Program is an interesting example: though most investors preferred the substantially lower targeted employment area investment amount, the investments were mediated by regional centers, which were found to pose substantial technical and logistical challenges and to have been susceptible to corruption.[105] Furthermore, the nature of investment may also determine whether an investor is involved in the day-to-day management of the business, thereby influencing the total cost of investment.

Programs that offer a range of investment options score higher in this sub-indicator. Some investors have, however, raised questions about the uncertainties and volatility of foreign markets and therefore the value of choosing options that appear to be safer. Generally, destination countries that reduce investors' opportunity costs by providing a wider choice of investments or by offering incentive-based investments are considered by investors to be more attractive.

104 M. Sumption and K. Hooper, 'Selling Visas and Citizenship: Policy Questions from the Global Boom in Investor Immigration' (2014) Migration Policy Institute *migrationpolicy.org/research/selling-visas-and-citizenship-policy-questions-global-boom-investor-immigration* accessed 5 August 2021

105 A. Singer and C. Galdes, 'Improving the EB-5 Investor Visa Program: International Financing for US Regional Development' (2014) Project on State and Metropolitan Innovation (Brookings-Rockefeller)

# Time to Citizenship

### Global Residence Program Index

The time it takes applicants to gain citizenship is one of the criteria for assessing a program's attractiveness. This refers to the process of naturalizing as a citizen once already a resident, which is distinct from direct citizenship by investment.

Countries that have appeal in this regard, such as Australia and Canada, offer a relatively fast path to citizenship, mainly because the time it takes to naturalize is comparatively short. However, this factor considers both the formal time required and any physical presence requirements. For example, the UK has a relatively low requirement of five years before one can apply for citizenship but strict physical presence requirements.

Countries with prohibitive rules governing the transition to citizenship, such as the UAE and Monaco, score zero. Data is publicly available for this indicator and our assessments match those of respondents and informants.

# Citizenship Requirements

### Global Residence Program Index

This factor examines all the requirements to qualify for naturalization after the specified minimum time has been fulfilled, including physical presence requirements, additional investment requirements or other 'commitment' requirements, and other requirements to qualify for citizenship, such as language requirements and cultural integration tests.

In some countries, such as Australia, the transition from permanent residence to citizenship is less demanding and there are minimal additional requirements. Other countries have stringent physical presence requirements (for example, Austria requires six to ten years of almost uninterrupted presence) but few additional requirements. Providing proof of continuous presence can be a burden because of the requirement to provide supporting documents.

Although the USA's EB-5 Immigrant Investor Program has physical presence requirements and a five-year transition period prior to applying for naturalization, it remains one of the most sought-after programs for acquiring citizenship following residence. Even in liberal democracies, additional requirements for transitioning to citizenship can prove onerous because of a prevailing sense that cultural integration is a duty that prospective citizens must satisfy.[106] In this, the traditional 'immigration countries' (Australia, Canada, and the USA) apparently demonstrate less prejudice than several EU member states.

[106] See D. Kochenov, 'Mevrouw de Jong Gaat Eten: EU citizenship and the culture of prejudice' (Robert Schuman Centre for Advanced Studies Working Paper, 21 February 2011) *cadmus.eui.eu/handle/1814/15774* accessed 5 August 2021

# Residence Requirements

Global Citizenship Program Index

None of the countries ranked impose demanding conditions of residence — after all, one of the key elements of citizenship by investment is that residence requirements are substantially reduced or waived. Smaller countries keen on attracting investment use waivers or substantial reductions in residence requirements to their competitive advantage.

# Relocation Flexibility

Global Citizenship Program Index

An assessment of the number of citizenship investors in the different countries reveals that a substantial percentage of them apply for the migration of family members with the intention of either settling in the destination country or keeping the option open in case they need to leave their home countries.

For this factor, we evaluated first the number of investors who indicated their intention to relocate and compared it to the number of investors who have relocated, in order to gauge which countries are conducive to relocation.

Subsequently, we assessed the factors facilitating relocation. In this regard, EU member states have a clear advantage because a citizen of an EU member state can consider relocating to another member state or to a choice of several additional countries that have agreements with the EU, such as Switzerland. Though such relocation is not automatic, the rules are well established, they provide clarity on how and when relocation to another EU member state is permissible, and the process entails lower information costs. The efforts of destination countries towards enabling family unification, and the ease with which they deal with private property, reduce the uncertainties that relocation can entail. Furthermore, for citizens who can support themselves financially, EU law imposes very few restrictions on their freedom to relocate.

The rule of law plays an important part in informing investors' choices in relocation: their confidence in an existent fair process for securing personal freedom, settling investment disputes, and the legal wherewithal to negotiate with government authorities, all point towards a higher score.

# Physical Visit Requirements

Global Citizenship Program Index

This indicator assesses whether physical visits are required as part of the application process, usually for interviews, oath-taking ceremonies, and passport renewals, by evaluating the number of visits required and the bureaucracy of the processes that precede them.

Most Caribbean programs do not require a physical visit, and citizenship can be confirmed at embassies or through lawyers or notaries.

# Transparency

Global Citizenship Program Index

The World Economic Forum's transparency indicators for citizenship by investment programs are: public support, evaluation studies, availability of public data, and due diligence criteria.[107] No Global Citizenship Program Index countries publish evaluations of citizenship by investment inflows, but the other criteria inform the structure and content of the surveys, which inquired about access to clear information on application processes, including due diligence, and how funds are used. Although many investors wish to understand, and, preferably, choose, where their investments are used, investments are often deployed in predetermined ways, making it difficult to influence their use. The visibility of such contributions in domestic projects and the earmarking of funds influence investors' decisions and perceptions of program transparency. Circulating such information is advantageous as it enables investors to conduct meaningful risk assessments. Furthermore, the impact of investments on potential and existing businesses could influence business decisions.[108]

The pivotal aspects for transparency are program rules and regulations, and processes and their implementation in program administration. Malta, with its clear regulatory framework and transparent and accountable processes and program administration, scores highest.

[107] The Global Citizen Forum and the World Economic Forum's Global Migration Council 'Global Citizenship: Planning for Sustainable Growth' (2014) *globalcitizenforum.org/publications/* accessed 5 August 2021

[108] For a case study on the impact of large investments in destination countries, see A. Bongardt and M. Santos Neves, 'The Chinese business community at a crossroads between crisis response and China's assertive global strategy: The case of Portugal' (Robert Schuman Centre for Advanced Studies Research Project Reports, 2014/02) *cadmus.eui.eu/handle/1814/33142* accessed 5 August 2021

# Global Presence

188 Henley & Partners Group Offices
190 Useful Websites

# Henley & Partners Group Offices

For a complete and up-to-date list of all Henley & Partners group office locations worldwide, visit *henleyglobal.com*

Antigua and Barbuda

+1 514 288 1997
*antigua@henleyglobal.com*

Australia

+61 3 8680 2525
*australia@henleyglobal.com*

Austria

+43 1 361 6110
*austria@henleyglobal.com*

Bangladesh

+880 9611 88 8647
*bangladesh@henleyglobal.com*

Canada

+1 514 288 1997
*canada@henleyglobal.com*

China

+8621 6137 3213
*china@henleyglobal.com*

Cyprus

+357 2531 1844
*cyprus@henleyglobal.com*

Dubai (UAE)

+971 4 392 77 22
*dubai@henleyglobal.com*

Grenada

+1 514 288 1997
*grenada@henleyglobal.com*

Hong Kong

+852 3101 4100
*hongkong@henleyglobal.com*

India

+9122 6110 0780
*india@henleyglobal.com*

Indonesia

+62 21 515 7649
*indonesia@henleyglobal.com*

Latvia

+371 66 05 10 09
*latvia@henleyglobal.com*

Malaysia

+603 2731 9340
*malaysia@henleyglobal.com*

Malta

+356 2138 7400
*malta@henleyglobal.com*

Montenegro

+382 20 674 074
*montenegro@henleyglobal.com*

Nigeria

+234 1 279 7541
*nigeria@henleyglobal.com*

Pakistan

+9221 3582 6264
*pakistan@henleyglobal.com*

Philippines

+63 2 8669 2771
*philippines@henleyglobal.com*

Portugal

+351 213 970 977
*portugal@henleyglobal.com*

Singapore

+65 6438 7117
*singapore@henleyglobal.com*

South Africa

+27 21 850 0524
*southafrica@henleyglobal.com*

South Korea

+82 2 2008 4664
*korea@henleyglobal.com*

Spain

+34 93 122 2164
*spain@henleyglobal.com*

Sri Lanka

+94 11 743 0207
*srilanka@henleyglobal.com*

St. Kitts and Nevis

+1 514 288 1997
*stkitts@henleyglobal.com*

St. Lucia

+1 514 288 1997
*stlucia@henleyglobal.com*

Switzerland

+41 44 266 22 22
*switzerland@henleyglobal.com*

Thailand

+662 126 8147
*thailand@henleyglobal.com*

Turkey

+90 212 373 9588
*turkey@henleyglobal.com*

United Kingdom

+44 207 823 10 10
*uk@henleyglobal.com*

Vietnam

+84 28 3827 1797
*vietnam@henleyglobal.com*

# Useful Websites

## General

### Country Information

CIA World Factbook
– *cia.gov/the-world-factbook/countries/world/*
Country Watch – *countrywatch.com*
Economist Intelligence Unit – *eiu.com*
European Citizenship Laws – *globalcit.eu*
European Succession Laws
– *successions-europe.eu*
Henley Passport Index
– *henleyglobal.com/passport-index*
IATA Travel Centre Visa Information
– *iatatravelcentre.com*
*Kälin – Kochenov Quality of Nationality Index*
– *nationalityindex.com*
Mercer Quality of Living Reports
– *mobilityexchange.mercer.com/insights/quality-of-living-rankings*
US State Department Travel Information
– *travel.state.gov/content/travel.html*

### International Organizations

CARICOM – *caricom.org*
EFTA – *efta.int*
European Commission – *ec.europa.eu*
Financial Action Task Force – *fatf-gafi.org*
International Monetary Fund – *imf.org*
OECD – *oecd.org*
World Bank – *worldbank.org*

### International Professional Associations

International Bar Association – *ibanet.org*
International Fiscal Association – *ifa.nl*
International Tax Planning Association – *itpa.org*
Investment Migration Council
– *investmentmigration.org*
Society of Trust and Estate Practitioners – *step.org*

## Selected Investment Migration Program Host Countries

### Antigua and Barbuda

Government – *ab.gov.ag*
Antigua and Barbuda Citizenship by
Investment Unit – *cip.gov.ag*
Antigua and Barbuda Investment Authority
– *investantiguabarbuda.org*

### Australia

Government – *australia.gov.au*
Department of Immigration and Border Protection – *border.gov.au/citizenship*

### Austria

Federal Government – *oesterreich.gv.at*
Vienna Government – *wien.gv.at*
Austrian Business Agency – *investinaustria.at*

### Canada

Federal Government – *canada.ca*
Border Agency – *cbsa-asfc.gc.ca*
Federal Immigration and Citizenship – *cic.gc.ca*
Québec Immigration
– *immigration-quebec.gouv.qc.ca*

### Cyprus

Government – *cyprus.gov.cy*
Invest Cyprus
– *investcyprus.org.cy*
Ministry of Interior – *moi.gov.cy*

### Dominica

Government – *dominica.gov.dm*
Commonwealth of Dominica Citizenship by Investment Unit – *cbiu.gov.dm*
Invest Dominica – *investdominica.dm*

### Dubai (UAE)

Federal Government – *u.ae/en#*
Dubai Government – *digitaldubai.ae/*
Dubai International Financial Center – *difc.ae*
Jeleb Ali Free Zone – *jafza.ae*
Jumeirah Lakes Tower Free Zone – *dmcc.ae*
Ministry of Foreign Affairs – *mofaic.gov.ae/en/*

### Egypt

Government – *egypt.gov.eg/English*

### Greece

Government – *government.gov.gr*
Enterprise Greece – *enterprisegreece.gov.gr*

### Grenada

Government – *gov.gd*
Grenada Citizenship by Investment – *cbi.gov.gd*

### Hong Kong

Government – *gov.hk*
Immigration Department – *immd.gov.hk*
Tax Authorities – *ird.gov.hk*
Trade and Industry Department – *tid.gov.hk*

### Italy

Government – *governo.it*

### Jordan

Government – *jordan.gov.jo*

### Latvia

Government – *saeima.lv*
Office of Citizenship and Migration Affairs
– *pmlp.gov.lv*

### Malta

Government – *gov.mt*
Community Malta Agency – komunita.gov.mt/en/
Finance Malta – *financemalta.org*
Identity Malta – *identitymalta.com*
Malta Enterprise – *maltaenterprise.com*
Malta Financial Services Authority – *mfsa.com.mt*
Ministry of Finance – *finance.gov.mt*
Tax Authorities – *cfr.gov.mt*

### Monaco

Government – *en.gouv.mc*

### Montenegro

Government – *gov.me*
Montenegrin Investment Agency – *mia.gov.me*

### New Zealand

Government – *govt.nz*
Immigration New Zealand – *immigration.govt.nz*

### North Macedonia

Government – *vlada.mk*

### Panama

Government – *mingob.gob.pa/*

### Portugal

Government – *portugal.gov.pt*
Immigration and Borders Service – *sef.pt*
Portugal Global Trade & Investment Agency
– *portugalglobal.pt*

### Singapore

Government – *gov.sg*
Economic Development Bureau – *edb.gov.sg*
Monetary Authority – *mas.gov.sg*

### South Korea

Ministry of Justice Korea Immigration Service
– *immigration.go.kr/immigration_eng/*

### Spain

Government – *lamoncloa.gob.es*
Ministry of Foreign Affairs and Cooperation
– *exteriores.gob.es*

### St. Kitts and Nevis

Government – *gov.kn*
St. Kitts and Nevis Citizenship by
Investment Unit – *ciu.gov.kn*
Sugar Industry Diversification Foundation
– *sknsidf.org*

### St. Lucia

Government – *govt.lc*
St. Lucia Citizenship by Investment Program
– *cipsaintlucia.com*

### Switzerland

Federal Government – *admin.ch*
Swiss State Secretariat for Migration
– *sem.admin.ch*
Federal Tax Authorities – *estv.admin.ch*

### Thailand

Government – *mfa.go.th*
Thailand Elite Official Direct Application Portal
– *thailandelite-direct.com*

### Turkey

Government – *turkiye.gov.tr*
Invest in Turkey – *invest.gov.tr*

### United Kingdom

Government – *direct.gov.uk*
Immigration Authorities
– *gov.uk/government/organisations/home-office*
Tax Authorities – *gov.uk/government/organisations/hm-revenue-customs*

### United States of America

Federal Government – *usa.gov*
Citizenship and Immigration Services – *uscis.gov*
Tax Authorities – *irs.gov*

*Investment Migration Programs 2022* is the comprehensive, systematic analysis and benchmarking of the world's most important residence and citizenship programs.

The publication features two indexes — the Global Residence Program Index and the Global Citizenship Program Index. Updated annually by leading academic researchers, country risk specialists, economists, independent expert immigration and citizenship lawyers, and other industry specialists, the Global Residence Program Index and Global Citizenship Program Index reflect the relative worth of reputable residence and citizenship by investment programs around the world, respectively. The indexes are complemented by insightful expert analyses of engaging topics, such as wealth distribution in the Covid era, domicile diversification and other global investment migration trends, sovereign equity and the pro-growth benefits of economic migration, and facilitated naturalization, as well as pertinent prevailing issues such as due diligence and compliance, risk management, and program transparency.

*Investment Migration Programs 2022* is an indispensable resource for all those interested in keeping up to date with industry developments or considering investment migration as an option for accessing new opportunities, be they private clients and their advisors, industry professionals, or policy makers wishing to manage investment migration programs in order to achieve fiscal autonomy and economic growth.

ISBN 978-3-907226-05-6

9 783907 226056

USD 115 GBP 75 EUR 99

H&P Henley & Partners