

# ***Factual analysis of Member States Investors' Schemes granting citi- zenship or residence to third- country nationals investing in the said Member State***

## ***Deliverable B.II Investors' Residence Schemes in Ireland***

*JUST/2016/RCIT/FW/RIGH/0152 (2017/06)*



This Report has been prepared by Gillian Kelly for Milieu Ltd under the contract JUST/2016/RCIT/FW/RIGH/0152 (2017/06).

The views expressed herein are those of the consultants alone and do not necessarily represent the official views of the European Commission.

**Milieu Ltd** (Belgium), Chaussée de Charleroi 112, B-1060 Brussels, tel.: +32 2 506 1000; e-mail: [emma.psaila@milieu.be](mailto:emma.psaila@milieu.be); [ana.gomez@milieu.be](mailto:ana.gomez@milieu.be) and [vanessa.leigh@milieu.be](mailto:vanessa.leigh@milieu.be); web address: [www.milieu.be](http://www.milieu.be).

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## I. GENERAL BACKGROUND

### ■ *Legal background*

Investors may obtain residence in Ireland on the basis of the Immigrant Investor Programme (IIP)<sup>1</sup>. The only reference in Irish legislation to the IIP is in the Immigration Act 2004 (Immigrant Investor Programme) (Application for Permission) (Fee) Regulations 2007<sup>2</sup>. Article 2 of these Regulations stipulates that the ‘Immigrant Investor Programme’ means the programme of that name, approved by the Government on 24 January 2012, the guidelines for which are published on the website of the Irish Naturalisation and Immigration Service<sup>3</sup>. The Department of Justice and Equality introduced the IIP in 2012 to facilitate the granting of residence to non-EEA migrant entrepreneurs and investors who, in return for permission to reside in Ireland, are prepared to invest in the State<sup>4</sup>.

The Business Permission Scheme, which was also introduced in 2012 and since 16 March 2016 is no longer in operation, aimed to facilitate residence permission to non-EEA nationals coming to Ireland in order to establish a business that did not qualify for the Start-Up Entrepreneurship Programme (STEP) or a business that was intended for retail, personal services, catering or other businesses of this nature<sup>5</sup>.

It is also noted that Ireland operated a European investor citizenship programme from 1989 to 1994. According to Article 16(a) of the Irish Nationality and Citizenship Act 1956, exceptional naturalisation could be granted to people of ‘Irish descent or Irish associations’ while waiving other criteria<sup>6</sup>. The interpretation of ‘Irish associations’ allowed for the development of the Investment Based Naturalisation Scheme<sup>7</sup>. The scheme was terminated in 1994 due to the perception that Irish passports would become depreciated as the investors ‘have little or no connection with Ireland and [...] no plans to strengthen those connections’<sup>8</sup> but no legislative change took place. The 2002 Report of the Review Group on Investment Based Naturalisation considered such an interpretation of ‘Irish associations’ to be too broad. Article 10 of the Irish Nationality and Citizenship Act 2004 therefore limited the associations to relationship to an Irish citizen ‘by blood, affinity or adoption’ thus terminating the investor citizenship programme<sup>9</sup>.

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<sup>1</sup> Information obtained through consultation with national stakeholder (Irish Naturalisation and Immigration Service, 17 April 2018).

<sup>2</sup> Immigration Act 2004 (Immigrant Investor Programme) (Application for Permission) (Fee) Regulations 2017, S.I. No. 10/2017, available at: <http://www.irishstatutebook.ie/eli/2017/si/10/made/en/print>.

<sup>3</sup> Article 2 of the Immigration Act 2004 (Immigrant Investor Programme) (Application for Permission) (Fee) Regulations 2017, S.I. No. 10/2017, available at: <http://www.irishstatutebook.ie/eli/2017/si/10/made/en/print>.

<sup>4</sup> Sarah Maguire, ‘Immigrant Investor Programme and Start-up Entrepreneur Programme’, April 2012, available at: <http://www.dilloneustace.com/download/1/The%20Immigrant%20Investor%20Programme%20and%20Start-up%20Entrepreneur%20Programme.pdf>.

<sup>5</sup> European Migration Network, ‘Admitting third-country nationals for business purposes: A study from the European Migration Network 2015’, 2015, p. 44, available at: [http://www.emn.lv/wp-content/uploads/emn\\_study\\_admitting\\_third-country\\_nationals\\_for\\_business\\_purposes\\_synthesis\\_report\\_vf\\_04may2015.pdf](http://www.emn.lv/wp-content/uploads/emn_study_admitting_third-country_nationals_for_business_purposes_synthesis_report_vf_04may2015.pdf).

<sup>6</sup> Irish Nationality and Citizenship Act 1956, No. 26 of 1956, available at: <http://www.irishstatutebook.ie/eli/1956/act/26/enacted/en/html>.

<sup>7</sup> Džankić, J., 2012, ‘The pros and cons of ius pecuniae: investor citizenship in comparative perspective’, Robert Schuman Centre for Advanced Studies - EUDO Citizenship Observatory, Issue 14, p. 11, available at: [http://cadmus.eui.eu/bitstream/handle/1814/21476/RSCAS\\_2012\\_14.pdf](http://cadmus.eui.eu/bitstream/handle/1814/21476/RSCAS_2012_14.pdf).

<sup>8</sup> Seanad Éireann Debate, 2002 Vol. 170 No. 26, available at: <http://oireachtasdebates.oireachtas.ie/>.

<sup>9</sup> Džankić, J., 2012, ‘The pros and cons of ius pecuniae: investor citizenship in comparative perspective’, Robert Schuman Centre for Advanced Studies - EUDO Citizenship Observatory, Issue 14, p. 11, available at: [http://cadmus.eui.eu/bitstream/handle/1814/21476/RSCAS\\_2012\\_14.pdf](http://cadmus.eui.eu/bitstream/handle/1814/21476/RSCAS_2012_14.pdf); Džankić, J., 2015, ‘Investment-based citizenship and residence programmes in the EU’, Robert Schuman Centre for Advanced Studies - EUDO Citizenship Observatory, Issue 8, p. 18, available at: [http://cadmus.eui.eu/bitstream/handle/1814/34484/RSCAS\\_2015\\_08.pdf](http://cadmus.eui.eu/bitstream/handle/1814/34484/RSCAS_2015_08.pdf); Article 10 of the Irish Nationality and Citizenship Act 2004, No. 38 of 2004, available at: <http://www.irishstatutebook.ie/eli/2004/act/38/enacted/en/print.html>.

- ***Competent authorities***

The Irish Naturalisation and Immigration Service (INIS) within the Department of Justice and Equality has exclusive competence for regulating migration issues and issuing residence permits.

## II. PROCEDURES, COMPETENT AUTHORITIES AND APPLICABLE CRITERIA

### 1 APPLICATION PHASE

#### 1.1 PROCEDURES

Investors and business professionals from outside the EU<sup>10</sup> who **undertake one of four eligible investments** in Ireland (i.e. Enterprise Investment, Investment Fund, Real Estate Investment Fund (REIT) or Endowment), who are of **good character** and have **not been convicted of criminal offences** in any jurisdictions and who have a **minimum net worth of EUR 2 million** can apply for a residence permit under the IIP<sup>11</sup>.

The procedure for granting investors residence permits under the IIP is described below.

##### 1. Apply

Investors must apply to INIS by way of an **application form indicating which of the four investment options they wish to pursue** (there is no requirement that the funds be invested or committed before approval is given). The following investment options are included under the programme:

- **Enterprise Investment:** An investment into new or existing Irish businesses for a minimum of 3 years. The enterprise can be a start-up registered by the investor. The investment can be in a single Irish enterprise or spread over a number of enterprises. The enterprise must be registered and headquartered in Ireland and the investment must support the creation or maintenance of employment.
- **Investment Fund:** An investment in an approved investment fund for at least 3 years. Investment funds must invest in Irish businesses and projects.
- **REIT:** A REIT is a listed company, used to hold rental investment properties. It is a globally recognised standard for investment in rental property assets. The aim of a REIT is to provide an after-tax return for investors similar to that of direct investment in property, while also giving the benefits of risk diversification. To eliminate the double layer of taxation which typically hinders the holding of property through a company, a REIT is exempt from corporation tax on qualifying profits from rental property. Instead, the company is required to distribute the vast majority of its profits to investors each year for taxation at the level of the investor. The company must have a diverse ownership – no one person or group of connected persons can control the REIT. The taxation provisions that permit REITs to operate in Ireland were provided for in the Finance Act 2013<sup>12</sup>.
- **Endowment:** Endowment to a public project benefiting the arts, sports, health, culture or education<sup>13</sup>.

Investors must also **supply supporting documentation of evidence of their net worth** (minimum EUR 2 million) and their **good character** with their application<sup>14</sup>. Moreover, applicants must submit **documentation from their home country that attests that all anti-money laundering checks have been made** and all requirements have been complied with (e.g. they must provide an explanation of

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<sup>10</sup>INIS, 'Immigrant Investor Programme: Guidelines', January 2018, available at: [http://www.inis.gov.ie/en/INIS/Immigrant%20Investor%20Programme%20\(IIP\)%20Guidelines.pdf/Files/Immigrant%20Investor%20Programme%20\(IIP\)%20Guidelines.pdf](http://www.inis.gov.ie/en/INIS/Immigrant%20Investor%20Programme%20(IIP)%20Guidelines.pdf/Files/Immigrant%20Investor%20Programme%20(IIP)%20Guidelines.pdf).

<sup>11</sup> Ibid.

<sup>12</sup> Finance Act 2013, No. 8 of 2013, available at: <http://www.irishstatutebook.ie/eli/2013/act/8/enacted/en/html>.

<sup>13</sup> INIS, 'Immigrant Investor Programme: Guidelines', January 2018, available at: [http://www.inis.gov.ie/en/INIS/Immigrant%20Investor%20Programme%20\(IIP\)%20Guidelines.pdf/Files/Immigrant%20Investor%20Programme%20\(IIP\)%20Guidelines.pdf](http://www.inis.gov.ie/en/INIS/Immigrant%20Investor%20Programme%20(IIP)%20Guidelines.pdf/Files/Immigrant%20Investor%20Programme%20(IIP)%20Guidelines.pdf).

<sup>14</sup> Ibid.

all of their activities for the previous 12 months, including their income, investments and loans, evidence of the funds that are to be used for the proposed investment, evidence of the provenance of those funds and evidence that the funds are transferrable to Ireland and are convertible to euros)<sup>15</sup>.

Applications, including the original application form and supporting documentation, must be submitted by email to [IIP&STEPapplications@justice.ie](mailto:IIP&STEPapplications@justice.ie) to arrive no later than 5.00 pm on the advertised closing date<sup>16</sup>. The Original Signed Application Form, two colour photographs for the applicant and their nominated family members and the **application fee** of EUR 1,500 must also be forwarded by post to:

Investment and Start Up Entrepreneur Programmes, Irish Naturalisation and Immigration Service, 13-14 Burgh Quay, Dublin 2, D02 XK70, Ireland and must also arrive no later than 5.00 pm on the advertised closing date<sup>17</sup>. This fee must be in the form of Irish Postal Orders or a Bankers Draft drawn on an Irish Financial Institution only – no cheques drawn on a foreign bank will be accepted. The fee should be made payable to the Secretary General of the Department of Justice and Equality. The EUR 1,500 fee covers the principal applicant and all nominated family members. Application fees are non-refundable in the event of unsuccessful applications<sup>18</sup>.

## 2. Approval

The **Evaluation Committee**, made up of up of senior managers in other relevant government departments and state agencies, e.g. the Department of Foreign Affairs and Trade, the Department of Finance, Enterprise Ireland, the Industrial Development Authority, the Department of Business, Enterprise and Innovation, and INIS of the Department of Justice and Equality will then **evaluate the proposal and will decide whether to approve it or not** based on examining the conditions described below. The Committee will then inform the Minister for Justice and Equality as to whether or not the person and their proposal is acceptable under the programme<sup>19</sup>. The **Minister will either approve or reject the recommendations**. Where an application is rejected, INIS will communicate the reasons for that rejection in writing to the applicant<sup>20</sup>.

If approved, a **letter of approval** will be sent to the applicant and will state that the application has been approved **subject to the normal security and visa checks**. Evidence of anti-money laundering checks is double-checked and verified by the Evaluation Committee. Moreover, when investors make an application for residence permission they also make an application for a visa and normal visa checks are done at that stage. Initially they have to make a single-entry visa application from their country of origin– if there is an issue at that stage- through normal visa and security checks then they will be refused admission to Ireland which means they will not be able to take up the approval granted. Once the applicants arrive at the counter of registration in Ireland, another visa and security check will be done because most of the applicants apply for a multi-entry visa and they get a stamp 4 visa on that basis<sup>21</sup>. The investment is made subject to the **applicant registering their residency permission** in person at INIS's registration office at Burgh Quay in Dublin<sup>22</sup>.

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<sup>15</sup> Information obtained through consultation with national stakeholder (Irish Naturalisation and Immigration Service, 17 April 2018).

<sup>16</sup> INIS, 'Immigrant Investor Programme: Guidelines', January 2018, p.30, available at: [http://www.inis.gov.ie/en/INIS/Immigrant%20Investor%20Programme%20\(IIP\)%20Guidelines.pdf/Files/Immigrant%20Investor%20Programme%20\(IIP\)%20Guidelines.pdf](http://www.inis.gov.ie/en/INIS/Immigrant%20Investor%20Programme%20(IIP)%20Guidelines.pdf/Files/Immigrant%20Investor%20Programme%20(IIP)%20Guidelines.pdf).

<sup>17</sup> Ibid.

<sup>18</sup> Ibid.

<sup>19</sup> Information obtained through consultation with national stakeholder (Irish Naturalisation and Immigration Service, 17 April 2018).

<sup>20</sup> INIS, 'Immigrant Investor Programme: Guidelines', January 2018, p.23, available at: [http://www.inis.gov.ie/en/INIS/Immigrant%20Investor%20Programme%20\(IIP\)%20Guidelines.pdf/Files/Immigrant%20Investor%20Programme%20\(IIP\)%20Guidelines.pdf](http://www.inis.gov.ie/en/INIS/Immigrant%20Investor%20Programme%20(IIP)%20Guidelines.pdf/Files/Immigrant%20Investor%20Programme%20(IIP)%20Guidelines.pdf).

<sup>21</sup> Information obtained through consultation with national stakeholder (Irish Naturalisation and Immigration Service, 17 April 2018).

<sup>22</sup> Information obtained through consultation with national stakeholder (Irish Naturalisation and Immigration Service, 17 April 2018).



### 3. Invest

Once the application is approved, an investment should then be made into the applicant's preferred investment option<sup>23</sup>. The financial thresholds for the four different types of investment are<sup>24</sup>:

- **Enterprise Investment:** A minimum EUR 1 million aggregate investment for a minimum of 3 years;
- **Investment Fund:** A minimum of EUR 1 million investment in an approved investment fund for a minimum of 3 years;
- **REIT:** A minimum investment of EUR 2 million in any Irish REIT listed on the Irish Stock Exchange. The EUR 2 million investment may be spread across a number of different Irish REITs;
- **Endowment:** A minimum endowment of EUR 500,000. The endowment can be EUR 400,000 per investor if it is pooled in by at least five individuals.

### 4. Reside

When the applicant has provided verifiable evidence that he/she has invested his/her funds, he/she and their nominated family members will be granted residency permission in Ireland<sup>25</sup>. Permission to remain in Ireland for non-EU nationals is granted by INIS and consists of a **special residence stamp (for IIP applicants and their family members - a stamp 4) on their passport**<sup>26</sup>. If an applicant and his/her family members are granted permission to remain, a Certificate of Registration called an **Irish Residence Permit** is granted<sup>27</sup>. An Irish Residence Permit costs EUR 300 per person each time (i.e. on registration and renewal)<sup>28</sup>.

For the IIP, successful applicants and their family members (if applicable) are given initial residence permission for two years. Following a review at that point to ensure the investor still meets the conditions of the scheme, a further period of three years will be granted. After this initial five-year period, the investor will be free to apply for residence indefinitely in five year periods<sup>29</sup>. There is **no minimum residence requirement other than that the persons concerned spend at least one day in Ireland every year**. Therefore, the investor is not required to establish actual residence/physical presence in Ireland. There is also **no residency condition for renewing their permission**<sup>30</sup>.

There are a number of other **conditions for granting residence to investors**. **Key requirements considered by the Evaluation Committee for approval of applications for the IIP** are that the project would be beneficial for Ireland, good for job creation, be in the public interest and that the

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<sup>23</sup> Ibid.

<sup>24</sup> INIS, 'Immigrant Investor Programme: Guidelines', January 2018, p.6-9, available at: [http://www.inis.gov.ie/en/INIS/Immigrant%20Investor%20Programme%20\(IIP\)%20Guidelines.pdf/Files/Immigrant%20Investor%20Programme%20\(IIP\)%20Guidelines.pdf](http://www.inis.gov.ie/en/INIS/Immigrant%20Investor%20Programme%20(IIP)%20Guidelines.pdf/Files/Immigrant%20Investor%20Programme%20(IIP)%20Guidelines.pdf).

<sup>25</sup> INIS, 'Immigrant Investor Programme: Guidelines', January 2018, available at: [http://www.inis.gov.ie/en/INIS/Immigrant%20Investor%20Programme%20\(IIP\)%20Guidelines.pdf/Files/Immigrant%20Investor%20Programme%20\(IIP\)%20Guidelines.pdf](http://www.inis.gov.ie/en/INIS/Immigrant%20Investor%20Programme%20(IIP)%20Guidelines.pdf/Files/Immigrant%20Investor%20Programme%20(IIP)%20Guidelines.pdf).

<sup>26</sup> 'Residence rights of non-EEA nationals', Citizens Information Website, available at: [http://www.citizensinformation.ie/en/moving\\_country/moving\\_to\\_ireland/rights\\_of\\_residence\\_in\\_ireland/residence\\_rights\\_of\\_non\\_eea\\_nationals\\_in\\_ireland.html](http://www.citizensinformation.ie/en/moving_country/moving_to_ireland/rights_of_residence_in_ireland/residence_rights_of_non_eea_nationals_in_ireland.html); 'Registration fee, payment & exemptions', Irish Naturalisation and Immigration Service Website, available at: <http://www.inis.gov.ie/en/INIS/Pages/registration-fees>.

<sup>27</sup> 'Residence rights of non-EEA nationals', Citizens Information Website, available at: [http://www.citizensinformation.ie/en/moving\\_country/moving\\_to\\_ireland/rights\\_of\\_residence\\_in\\_ireland/residence\\_rights\\_of\\_non\\_eea\\_nationals\\_in\\_ireland.html](http://www.citizensinformation.ie/en/moving_country/moving_to_ireland/rights_of_residence_in_ireland/residence_rights_of_non_eea_nationals_in_ireland.html); 'Registration fee, payment & exemptions', Irish Naturalisation and Immigration Service Website, available at: <http://www.inis.gov.ie/en/INIS/Pages/registration-fees>.

<sup>28</sup> 'Registration fee, payment & exemptions', Irish Naturalisation and Immigration Service Website, available at: <http://www.inis.gov.ie/en/INIS/Pages/registration-fees>.

<sup>29</sup> Kathleen Garrett, 'Immigrant Investor Programme', January 2017, p. 1, available at: <http://www.arthurcox.com/wp-content/uploads/2016/07/Immigrant-Investor-Programme-January-2017.pdf>.

<sup>30</sup> INIS, 'Immigrant Investor Programme: Guidelines', January 2018, p.26, available at: [http://www.inis.gov.ie/en/INIS/Immigrant%20Investor%20Programme%20\(IIP\)%20Guidelines.pdf/Files/Immigrant%20Investor%20Programme%20\(IIP\)%20Guidelines.pdf](http://www.inis.gov.ie/en/INIS/Immigrant%20Investor%20Programme%20(IIP)%20Guidelines.pdf/Files/Immigrant%20Investor%20Programme%20(IIP)%20Guidelines.pdf); Information obtained through consultation with national stakeholder (Irish Naturalisation and Immigration Service, April 2018).

funds invested are legally acquired and owned by the investor (i.e. not borrowed). It is also essential that applicants be of good character and must not have been convicted of criminal offences in any jurisdiction<sup>31</sup>. Moreover, they must have a minimum net worth of EUR 2 million and be able to provide evidence of this<sup>32</sup>.

The **conditions for residency renewal under the IIP** are:

- the investment remained in place for the required time (minimum 3 years);
- the applicant has not become a financial burden on Ireland;
- the applicant has not been investigated, indicted, or convicted in relation to any criminal offence in any country<sup>33</sup>.

Article 3 of the Immigrant Act 2004 (Immigrant Investor Programme) (Application for Permission) (Fee) Regulations 2017 stipulates that ‘the amount of €1500 is prescribed as the fee in respect of the making of an application for a permission under the Immigrant Investor Programme<sup>34</sup>. Therefore, this **fee** must be paid by the applicant to INIS in addition to the investment<sup>35</sup>.

Applications can be **turned down** for a number of reasons. INIS do not accept applications for office accommodation, office space, office buildings and private residential property. This is due to the fact that these are schemes that will happen in the Irish market regardless of the IIP<sup>36</sup>. Moreover, sale of property or stimulation of the property market is not of itself an objective of the programme<sup>37</sup>. Therefore, applications of this kind will be turned down. Applications will also be turned down if the Evaluation Committee are not satisfied that the proposal is genuinely innovative, is beneficial to Ireland, will create jobs and has significant export potential. For instance, if there was an application for a social housing scheme and there was already a contracted social housing scheme in the area, INIS would not duplicate this and therefore an application like this may be refused<sup>38</sup>.

There are no **legal remedies** which apply in the case of refusal of residence<sup>39</sup>. The decision of the Minister for Justice and Equality on an application is final and a rejection of an application for residence under the IIP is not subject to a review or appeal. That does not however prevent the person concerned from making a new application for another project at a later date as it is the project itself that does not get approval and therefore the same person can re-apply through another project<sup>40</sup>.

Applicants may have access to judicial review to seek a review of the process (not the decision). However, there have been no requests for judicial review to date<sup>41</sup>.

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<sup>31</sup> Pdraig Hoare, ‘Immigrant investor scheme approvals down’, 26 January 2017, Press Release, available at: <https://www.irishexaminer.com/business/immigrant-investor-scheme-approvals-down-440864.html>; Kathleen Garrett, ‘Immigrant Investor Programme’, January 2017, p. 3, available at: <http://www.arthurcox.com/wp-content/uploads/2016/07/Immigrant-Investor-Programme-January-2017.pdf>.

<sup>32</sup> ‘Coming to set-up a business in Ireland’, Citizens Information Website, available at: [http://www.citizensinformation.ie/en/employment/types\\_of\\_employment/self\\_employment/coming\\_to\\_set\\_up\\_a\\_business\\_in\\_ireland.html](http://www.citizensinformation.ie/en/employment/types_of_employment/self_employment/coming_to_set_up_a_business_in_ireland.html).

<sup>33</sup> ‘Permanent Residency by Investment in Ireland’, Elma Global Website, available at: <https://www.second-citizenship.org/permanent-residence/permanent-residency-by-investment-in-ireland/>.

<sup>34</sup> Article 2 of the Immigration Act 2004 (Immigrant Investor Programme) (Application for Permission) (Fee) Regulations 2017, S.I. No. 10/2017, available at: <http://www.irishstatutebook.ie/eli/2017/si/10/made/en/print>.

<sup>35</sup> ‘Ireland Investor Residency’, Invest in Migration Website, available at: <https://www.investmentimmigration.com/ireland-investor-residency/>.

<sup>36</sup> Information obtained through consultation with national stakeholder (Irish Naturalisation and Immigration Service, 17 April 2018).

<sup>37</sup> INIS, ‘Immigrant Investor Programme: Guidelines’, January 2018, p.27, available at: [http://www.inis.gov.ie/en/INIS/Immigrant%20Investor%20Programme%20\(IIP\)%20Guidelines.pdf/Files/Immigrant%20Investor%20Programme%20\(IIP\)%20Guidelines.pdf](http://www.inis.gov.ie/en/INIS/Immigrant%20Investor%20Programme%20(IIP)%20Guidelines.pdf/Files/Immigrant%20Investor%20Programme%20(IIP)%20Guidelines.pdf).

<sup>38</sup> Information obtained through consultation with national stakeholder (Irish Naturalisation and Immigration Service, 17 April 2018).

<sup>39</sup> Ibid.

<sup>40</sup> Ibid.

<sup>41</sup> Ibid.

## 1.2 COMPETENT AUTHORITIES AND NON-PUBLIC BODIES

**INIS within the Department of Justice and Equality** has exclusive competence for regulating migration issues, carrying out visa checks and issuing residence permits. INIS receives the applications, does the secretariat work and gets the applications ready to be reviewed by the Evaluation Committee<sup>42</sup>. The **Evaluation Committee** convenes at least four times per year, to assess applications for residency under the IIP and provides considerations and recommendations to the **Minister for Justice and Equality** as to whether to approve applications or not<sup>43</sup>. As indicated under point 1.1 above, the Evaluation Committee is made up of senior managers in relevant government departments and state agencies (i.e. public bodies) involved in Enterprise and Development, e.g. the Department of Foreign Affairs and Trade, the Department of Finance, INIS, Enterprise Ireland, the Industrial Development Authority and the Department of Business, Enterprise and Innovation<sup>44</sup>.

All Government officials from all Ministries are available to the Committee should INIS have an issue with an application that they want further information or clarification on<sup>45</sup>. This usually applies where a project has a specific science, educational or housing need. For instance, if there was an application for a social housing scheme and there was already a contracted social housing scheme in the area, INIS would not duplicate this and therefore an application like this may be refused under a recommendation from the Department of Housing<sup>46</sup>. Therefore, INIS would refer to the Department of Housing for more information or to make sure they are not doubling up on what is already available<sup>47</sup>.

As indicated in point 4 below, most due diligence and security checks (e.g. anti-money laundering) are done by **independent professionals** (e.g. banks, accountants, solicitors) in the applicant's home country and evidence of such checks is submitted with the investor's application form. These documents (e.g. evidence that the investment threshold can be met (i.e. minimum EUR 1 million: Enterprise Investment and Investment Fund; minimum EUR 2 million: REIT and minimum EUR 500,000: Endowment), evidence that the money can be transferred and evidence of good character) are re-checked by the Evaluation Committee at application stage. Besides these independent professionals, no other non-public bodies are involved in the procedure.

## 1.3 MONITORING OF THE PROCEEDINGS AND THE AUTHORITIES INVOLVED

There is currently no cap on the number of residence permits that may be granted under the IIP<sup>48</sup>.

No specific scrutiny exists from parliamentary or other committees and bodies on the number of successful applications<sup>49</sup> and there are no reporting obligations in place.

As stated under points 1.1 and 1.2 above, all of the applications and recommendations for approval go to the Minister for Justice and Equality for his decision and signature<sup>50</sup>.

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<sup>42</sup> Ibid.

<sup>43</sup> INIS, 'Immigrant Investor Programme: Guidelines', January 2018, p. 19 available at: [http://www.inis.gov.ie/en/INIS/Immigrant%20Investor%20Programme%20\(IIP\)%20Guidelines.pdf/Files/Immigrant%20Investor%20Programme%20\(IIP\)%20Guidelines.pdf](http://www.inis.gov.ie/en/INIS/Immigrant%20Investor%20Programme%20(IIP)%20Guidelines.pdf/Files/Immigrant%20Investor%20Programme%20(IIP)%20Guidelines.pdf).

<sup>44</sup> Information obtained through consultation with national stakeholder (Irish Naturalisation and Immigration Service, 17 April 2018).

<sup>45</sup> Ibid.

<sup>46</sup> Ibid.

<sup>47</sup> Ibid.

<sup>48</sup> Ibid.

<sup>49</sup> Ibid.

<sup>50</sup> Ibid.

## 1.4 INFORMATION ON APPLICATIONS

There is **no obligation to disclose information about successful applicants**. Such information is not published<sup>51</sup>. This is to protect applicants' identities and the commercial sensitivities around the projects the applicants involve themselves in<sup>52</sup>. For example, if such information was published before a project commenced it could have an adverse effect on the project<sup>53</sup>. However, where information is requested through freedom of information or a parliamentary question, INIS do provide some information (e.g. the number and value of IIP applications per annum since 2012 under each investment option<sup>54</sup>, the number and value of immigrant investor programme applications for social housing investment and nursing home investment in 2017<sup>55</sup>, the criteria against which applications are evaluated<sup>56</sup>, the number of applications approved under the IIP<sup>57</sup>, the investment funds for which applications under the IIP have been approved to date<sup>58</sup>, the four investment options available under the programme<sup>59</sup>, the amount of money invested in the IIP<sup>60</sup>, the members of the Evaluation Committee<sup>61</sup>. Not all the details are provided in order to ensure that the investor's data protection rights are not breached<sup>62</sup>.

A **breakdown of the number and value of IIP applications per annum under each investment option** is provided in Table 1 below<sup>63</sup>.

**Table 1 IIP applications per annum under each investment option**

Year	Endowment	Enterprise	Mixed Investment	Bond	Other
2012	2 (€1.0m)	3 (€3.0m)	-	-	-
2013	2 (€1.0m)	9 (€4.5m)	7 (€5.25m)	2 (€2.0m)	-
2014	-	26 (€13.0m)	3 (€2.25m)	1 (€1.0m)	-
2015	1 (€0.5m)	56 (€28.0m)	4 (€3.0m)	3 (€3.0m)	3 (€1.5m) Fund
2016	5 (€2.0m)	249 (€124.5m)	28 (€21.0m)	10 (€10.0m)	24 (€24.0m) Fund 1 (€2.0m) REIT
2017	46 (€19.2m)	261 (€261.0m)	-	-	26 (€26.0m) Fund 1 (€2.0m) REIT

<sup>51</sup> Information obtained through consultation with national stakeholder (Central Statistics Office Ireland, 12 April 2018).

<sup>52</sup> Information obtained through consultation with national stakeholder (Irish Naturalisation and Immigration Service, 17 April 2018).

<sup>53</sup> Ibid

<sup>54</sup> 'Parliamentary Question 262: 23 January 2018', Department of Justice and Equality website, available at: <http://www.justice.ie/en/JELR/Pages/PQ-23-01-2018-262>.

<sup>55</sup> 'Immigrant Investor Programme Data: Dail Eireann Debate, Tuesday 27 March 2018', Houses of the Oireachtas Website, available at: <https://www.oireachtas.ie/en/debates/question/2018-03-27/286/>.

<sup>56</sup> Ibid.

<sup>57</sup> 'Parliamentary Question 263: 3 October 2017', 'Department of Justice and Equality Website, available at: <http://www.justice.ie/en/JELR/Pages/PQ-03-10-2017-263>.

<sup>58</sup> 'Parliamentary Question 99: 8 February 2017', 'Department of Justice and Equality Website, available at: <http://www.justice.ie/en/JELR/Pages/PQ-08-02-2017-99>.

<sup>59</sup> 'Immigrant Investor Programme Data: Dail Eireann Debate, Tuesday 15 May 2018', Houses of the Oireachtas Website, available at: <https://www.oireachtas.ie/en/debates/question/2018-05-15/289/>.

<sup>60</sup> 'Parliamentary Question 2271/17', Parliamentary Questions Website, available at: <http://www.parliamentary-questions.com/question/2271-17/>.

<sup>61</sup> 'Parliamentary Question 263: 3 October 2017', 'Department of Justice and Equality Website, available at: <http://www.justice.ie/en/JELR/Pages/PQ-03-10-2017-263>.

<sup>62</sup> Information obtained through consultation with national stakeholder (Irish Naturalisation and Immigration Service, 17 April 2018).

<sup>63</sup> 'Parliamentary Question 262: 23 January 2018', Department of Justice and Equality website, available at: <http://www.justice.ie/en/JELR/Pages/PQ-23-01-2018-262>.

As can be seen from the table above, the number of applications overall in 2015 was 67, this increased to 317 in 2016, an almost 500% increase presumably as a result of the required level of investment introduced in 2012 of EUR 1 million being reduced to EUR 500,000 in order to stimulate interest in the programme<sup>64</sup>. This rate of applications continued in 2017 however, with 334 applications received, despite the investment threshold being returned to the original level of EUR 1 million<sup>65</sup>.

With regard to the number of successful applications under the IIP, five applications were approved in 2012, 14 applications were approved in 2013, 23 applications were approved in 2014 and 65 applications were approved in 2015<sup>66</sup>. Since June 2016 a total of 506 applications have been submitted and 482 have been decided with 24 awaiting final decision<sup>67</sup>. The Evaluation Committee has recommended approval in respect of 405 of these applications for a total investment value of EUR 285.45m<sup>68</sup>. No further information regarding successful applications in 2016 and 2017 is available.

## 1.5 INFORMATION ON APPLICATIONS BY FAMILY MEMBERS

Residency under the IIP is also available to the applicant's non-EEA spouses/partners and children under 18 years of age for whom the applicant and/or their spouse or partner has legal guardianship<sup>69</sup>. In certain cases, children between the ages of 18 and 24 will be considered where they are unmarried and are financially dependent on their parents<sup>70</sup>. Applicants should provide the following evidence of their family relationships with their initial application<sup>71</sup>:

- *Spouses*: Applicants should provide evidence that their marriage or civil partnership is legal.
- *Partners*: Applicants should provide evidence that they have been cohabiting with their partner in a common law/de facto relationship for the previous two years<sup>72</sup>.
- *Children*: The minor children of the applicant qualify for residency status provided that the applicant qualifies for residency status and provided that they are **legally** in the custody/guardianship of the applicant. In certain cases, children between the ages of 18 and 24 will be considered for residence under the programme where they are unmarried and are not in a de facto/common law relationship; or they are financially dependent upon their parents (e.g. they are in full time education)<sup>73</sup>

In respect of each child, the applicant must supply birth certificates detailing parentage or legal documentation verifying the applicant's custody/guardianship<sup>74</sup>.

No statistical data on the number of applications for residence permits by family members is available.

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<sup>64</sup> Ibid; 'Parliamentary Question 2271/17', Parliamentary Questions Website, available at: <http://www.parliamentary-questions.com/question/2271-17/>.

<sup>65</sup> 'Parliamentary Question 262: 23 January 2018', Department of Justice and Equality website, available at: <http://www.justice.ie/en/JELR/Pages/PQ-23-01-2018-262>.

<sup>66</sup> 'Parliamentary Question 2271/17', Parliamentary Questions Website, available at: <http://www.parliamentary-questions.com/question/2271-17/>.

<sup>67</sup> 'Parliamentary Question 263: 3 October 2017', 'Department of Justice and Equality Website, available at: <http://www.justice.ie/en/JELR/Pages/PQ-03-10-2017-263>.

<sup>68</sup> Ibid.

<sup>69</sup> Kathleen Garrett, 'Immigrant Investor Programme', January 2017, p. 2, available at: <http://www.arthurcox.com/wp-content/uploads/2016/07/Immigrant-Investor-Programme-January-2017.pdf>; INIS, 'Immigrant Investor Programme : Guidelines', January 2018, p. 22, available at: [http://www.inis.gov.ie/en/INIS/Immigrant%20Investor%20Programme%20\(IIP\)%20Guidelines.pdf/Files/Immigrant%20Investor%20Programme%20\(IIP\)%20Guidelines.pdf](http://www.inis.gov.ie/en/INIS/Immigrant%20Investor%20Programme%20(IIP)%20Guidelines.pdf/Files/Immigrant%20Investor%20Programme%20(IIP)%20Guidelines.pdf).

<sup>70</sup> Ibid.

<sup>71</sup> Ibid.

<sup>72</sup> Ibid.

<sup>73</sup> Ibid.

<sup>74</sup> Ibid, at p.23.

## 2 TYPE OF INVESTMENT<sup>75</sup>

Type of investment required	Applicability of financial threshold	Procedure to verify the fulfilment of the investment criterion	Competent authorities and non-public bodies
<p>The IIP guidelines provided by INIS<sup>76</sup> indicate that <b>the following types of investment are included under the programme:</b></p> <p><b>1. Immigrant investor bonds</b> (temporarily suspended since 18 July 2016) is a government guaranteed investment.</p> <p><b>2. Enterprise Investment:</b> An investment into new or existing Irish businesses for a minimum of 3 years. The enterprise can be a start-up registered by the investor. The investment can be in a single Irish enterprise or spread over a number of enterprises. The enterprise must be registered and headquartered in Ireland and the investment must support the creation or maintenance of employment.</p> <p><b>3. Investment Fund:</b> An investment in an approved investment fund for at least 3 years. Investment funds must invest in Irish businesses and projects.</p> <p><b>4. Real Estate Investment Trust (REIT):</b> A REIT is a listed company, used to hold rental investment properties. It is a</p>	<p>The <b>financial thresholds for the different types of investment are</b><sup>77</sup>:</p> <ol style="list-style-type: none"> <li>1. Immigrant investor bonds (temporarily suspended): investment of EUR 1 million</li> <li>2. Enterprise Investment: A minimum EUR 1 million aggregate investment for a minimum of 3 years</li> <li>3. Investment Fund: A minimum of EUR 1 million investment in an approved investment fund for a minimum of 3 years</li> <li>4. REIT: A minimum investment of EUR 2 million in any Irish REIT listed on the Irish Stock Exchange. The EUR 2 million investment may be spread across a number of different Irish REITs.</li> <li>5. Mixed investment (temporarily suspended): A Mixed Investment comprises of a purchase of a Residential Property in Ire-</li> </ol>	<p><b>Checks</b> on the fulfilment of the investment criterion are done <b>at various stages.</b></p> <p><b>Anti-money laundering checks</b> are done by independent professionals in the applicant's home country and evidence of these checks is submitted with the application form. With their application form, applicants must therefore submit evidence that they have legally acquired a minimum net worth of EUR 2 million (for the IIP), provide an explanation of all activities for the previous 12 months including their income, investments and loans, evidence of the funds that are to be used for the proposed investment, evidence of the provenance of those funds and evidence that the funds are transferrable to Ireland and are convertible to euros<sup>79</sup>. INIS have a <b>list of specific information</b> they require in relation to the following four sources of funds: business and investment activities, deeds of sale, inheritance, and divorce settlements. If the funding has been received from an alternative source the individual must provide original documentation and independent supporting documentation as evidence.</p> <p>To demonstrate the legal source of the assets, applicants should give details of bank accounts, term deposits, stocks and other investments, real estate holdings, businesses and other securities (insurance, security deposits, pension funds etc.). Applicants should also</p>	<p>The competent authorities involved in checking the fulfilment of the investment criterion are INIS and the Evaluation Committee. Independent professionals in the applicant's home country are also involved in carrying out anti-money laundering checks.</p> <p>All of the applications and recommendations for approval go to the Minister for Justice and Equality for his decision and signature<sup>85</sup>. There are no other scrutiny or reporting mechanisms in place<sup>86</sup>.</p>

<sup>75</sup> For the purposes of this Table, the term 'investment' covers any pecuniary disbursement required as part of the process for obtaining residence under the investors' residence scheme.

<sup>76</sup> INIS, 'Immigrant Investor Programme: Guidelines', January 2018, available at: [http://www.inis.gov.ie/en/INIS/Immigrant%20Investor%20Programme%20\(IIP\)%20Guidelines.pdf/Files/Immigrant%20Investor%20Programme%20\(IIP\)%20Guidelines.pdf](http://www.inis.gov.ie/en/INIS/Immigrant%20Investor%20Programme%20(IIP)%20Guidelines.pdf/Files/Immigrant%20Investor%20Programme%20(IIP)%20Guidelines.pdf).

<sup>77</sup> Ibid, at p. 6-9.

<sup>79</sup> Information obtained through consultation with national stakeholder (Irish Naturalisation and Immigration Service, 17 April 2018).

Type of investment required	Applicability of financial threshold	Procedure to verify the fulfilment of the investment criterion	Competent authorities and non-public bodies
<p>globally recognised standard for investment in rental property assets. The aim of a REIT is to provide an after-tax return for investors similar to that of direct investment in property, while also giving the benefits of risk diversification. To eliminate the double layer of taxation which typically hinders the holding of property through a company, a REIT is exempt from corporation tax on qualifying profits from rental property. Instead, the company is required to distribute the vast majority of its profits to investors each year for taxation at the level of the investor. The company must have a diverse ownership – no one person or group of connected persons can control the REIT. The taxation provisions that permit REITs to operate in Ireland were provided for in the Finance Act 2013.</p> <p><b>5. Mixed investment</b> (currently temporarily suspended as of 18 July 2016): A Mixed Investment comprises of a purchase of a Residential Property in Ire-</p>	<p>land with a minimum value of EUR 450,000 combined with a EUR 500,000 investment in the Immigrant Investor Bond.</p> <p>6. Endowment: A minimum endowment of EUR 500,000. The endowment can be EUR 400,000 per investor if it is pooled in by at least five individuals.</p> <p>Moreover, an <b>application fee</b> of EUR 1,500 applies<sup>78</sup>.</p>	<p>give details of their short term and long-term liabilities (accounts payable, taxes due, bank loans, long term debt including mortgages, etc.)<sup>80</sup>.</p> <p>Applicants are only required to transfer the appropriate funds to their preferred investment option when their application has been approved by the Minister for Justice<sup>81</sup>. Evidence needs to be provided to show they have actually transferred the money to the project/fund/etc.<sup>82</sup>. A <b>full check is made by the Evaluation Committee</b> at this stage to ensure that the money was theirs, that it has been handed over and that the investment will be utilised for the purpose for which it was applied for<sup>83</sup>.</p> <p>After the Evaluation Committee complete the initial check that the money has been actually transferred to the relevant entity, <b>further checks will then be carried out by INIS</b> on year two and year five. As such investments under this programme are a three-year commitment, after year two INIS will conduct checks to ensure that the investment that was made has been utilised for the purpose for which it was granted. On year five, INIS will check whether the third year happened, whether the investors got their money back (as they have the entitlement to get their money back</p>	

<sup>85</sup> Information obtained through consultation with national stakeholder (Irish Naturalisation and Immigration Service, 17 April 2018).

<sup>86</sup> Ibid.

<sup>78</sup> INIS, 'Immigrant Investor Programme: Guidelines', January 2018, p.9, available at: [http://www.inis.gov.ie/en/INIS/Immigrant%20Investor%20Programme%20\(IIP\)%20Guidelines.pdf/Files/Immigrant%20Investor%20Programme%20\(IIP\)%20Guidelines.pdf](http://www.inis.gov.ie/en/INIS/Immigrant%20Investor%20Programme%20(IIP)%20Guidelines.pdf/Files/Immigrant%20Investor%20Programme%20(IIP)%20Guidelines.pdf)

<sup>80</sup> INIS, 'Immigrant Investor Programme: Guidelines', January 2018, p.26, available at: [http://www.inis.gov.ie/en/INIS/Immigrant%20Investor%20Programme%20\(IIP\)%20Guidelines.pdf/Files/Immigrant%20Investor%20Programme%20\(IIP\)%20Guidelines.pdf](http://www.inis.gov.ie/en/INIS/Immigrant%20Investor%20Programme%20(IIP)%20Guidelines.pdf/Files/Immigrant%20Investor%20Programme%20(IIP)%20Guidelines.pdf)

<sup>81</sup> INIS, 'Immigrant Investor Programme: Guidelines', January 2018, available at: [http://www.inis.gov.ie/en/INIS/Immigrant%20Investor%20Programme%20\(IIP\)%20Guidelines.pdf/Files/Immigrant%20Investor%20Programme%20\(IIP\)%20Guidelines.pdf](http://www.inis.gov.ie/en/INIS/Immigrant%20Investor%20Programme%20(IIP)%20Guidelines.pdf/Files/Immigrant%20Investor%20Programme%20(IIP)%20Guidelines.pdf)

<sup>82</sup> Information obtained through consultation with national stakeholder (Irish Naturalisation and Immigration Service, 17 April 2018).

<sup>83</sup> Ibid.

Type of investment required	Applicability of financial threshold	Procedure to verify the fulfilment of the investment criterion	Competent authorities and non-public bodies
land with a minimum value of EUR 450,000 combined with a EUR 500,000 investment in the Immigrant Investor Bond. It must be held for 5 years.  <b>6. Endowment:</b> Endowment to a public project benefiting the arts, sports, health, culture or education.		over a particular period).  Investments made under the IIP may be made for more than three years. It depends on the financial agreement that the investors make with the project developer or the fund. If this is the case, further checks would need to be carried out by INIS <sup>84</sup> .	

### 3 RESIDENCE PHASE

Residence permit	Procedure	Competent authorities and non-public bodies	Renewal of the residence permit
<p>Permission to remain in Ireland for non-EU nationals is granted by INIS and consists of <b>a special residence stamp</b> (for IIP applicants and their family members - a stamp 4) on their passport<sup>87</sup>.</p> <p>According to section 4(1) of the Immigration Act 2004, 'subject to the provisions of this Act, an immigration officer may, on behalf of the Minister, give to a non-national a <b>document</b>, or place on his or her passport or other equivalent document an <b>inscription</b>, authorising the non-national to land or be in the State (referred to in this Act as "a permission")'<sup>88</sup>.</p> <p>Moreover, Section 4(7) of the Immigration Act 2004 pro-</p>	<p>No person will get a residence permission (issued by INIS) unless they have actually transferred the money to the relevant entity. There is <b>no minimum residence requirement other than that the persons concerned spend at least one day in Ireland every year</b>. Therefore, the investor is not required to establish actual residence/physical presence in Ireland<sup>99</sup>. There is also <b>no residency condition for renewing</b> their permission.</p> <p>The applicant must <b>apply in person</b> to INIS for residency permission and when applying for renewal of their residency permit<sup>100</sup>.</p>	<p>The competent authority involved in checking the fulfilment of the residence criterion is INIS. All of the applications and recommendations for approval go to the Minister for Justice and Equality for his decision and signature<sup>110</sup>. There are no other</p>	<p>The applicant and dependent family members under the IIP will receive a <b>two-year residency permission under "Stamp 4" conditions</b>, after two years, an extension (i.e. <b>residency renewal</b>) will be granted for an <b>additional three years, and then every five years indefinitely</b> into the future<sup>112</sup>. Such resi-</p>

<sup>84</sup> Ibid.

<sup>87</sup> 'Residence rights of non-EEA nationals', Citizens Information Website, available at: [http://www.citizensinformation.ie/en/moving\\_country/moving\\_to\\_ireland/rights\\_of\\_residence\\_in\\_ireland/residence\\_rights\\_of\\_non\\_eea\\_nationals\\_in\\_ireland.html](http://www.citizensinformation.ie/en/moving_country/moving_to_ireland/rights_of_residence_in_ireland/residence_rights_of_non_eea_nationals_in_ireland.html); 'Registration fee, payment & exemptions', Irish Naturalisation and Immigration Service Website, available at: <http://www.inis.gov.ie/en/INIS/Pages/registration-fees>.

<sup>88</sup> Section 4(1) of the Immigration Act 2004, No.1 of 2004, available at: <http://www.irishstatutebook.ie/eli/2004/act/1/enacted/en/print>.



Residence permit	Procedure	Competent authorities and non-public bodies	Renewal of the residence permit
<p>vides that 'a permission under this section may be renewed or varied by the Minister, or by an immigration officer on his or her behalf, on application therefor by the non-national concerned'<sup>89</sup>.</p> <p>If an applicant and his/her family members are granted permission to remain, a Certificate of Registration called an Irish Residence Permit is granted<sup>90</sup>. From 11 December 2017 all existing registration certificates known as 'Garda National Immigration Bureau (GNIB) cards' are being replaced by the new Irish Residence Permit<sup>91</sup>. The Irish Residence Permit does not give the applicant any new rights or entitlements<sup>92</sup>.</p> <p>Section 9(2)(f) of the Immigration Act 2004 provides that: '(f) he or she shall—</p> <p>(i) subject to section 19 (3) (concerning fees), on registration obtain from the registration officer a registration certificate;</p> <p>(ii) on every subsequent alteration or addition of any entry in the register relating to his or her registration, produce the certificate to the registration officer in order that, if</p>	<p>Section 4(2) of the Immigration Act 2004 stipulates that 'a non-national coming by air or sea from a place outside the State shall, on arrival in the State, present himself or herself to an immigration officer and apply for a permission'<sup>101</sup>. According to the Immigration Act 2004 'permission' means 'authorising the non-national to land or be in the State'<sup>102</sup>. Moreover, Section 4(5)(c) provides that 'A non-national to whom this subsection applies and who is arriving in the State to engage in employment, business or a profession in the State shall within 7 days of entering the State—</p> <p>(i) report in person to the registration officer for the place in which he or she intends to reside (...)'<sup>103</sup>.</p> <p>The applicant must continue to spend a minimum of one day per year in Ireland<sup>104</sup>. Therefore, INIS would check on the second and fifth year whether the investor came and visited Ireland once a year and the applicant would have to show documentary proof e.g. flights, hotel rooms, shopping receipts, etc. that they did stay in Ireland overnight<sup>105</sup>.</p>	<p>scrutiny or reporting mechanisms in place<sup>111</sup>.</p>	<p>dency renewal applications under the IIP are made to INIS<sup>113</sup>.</p> <p>The <b>conditions for residency renewal under the IIP</b> are:</p> <ul style="list-style-type: none"> <li>■ the investment remained in place for the required time (minimum 3 years);</li> <li>■ the applicant has not become a financial burden on Ireland;</li> <li>■ the applicant has not been investigated, indicted, or</li> </ul>

<sup>99</sup>INIS, 'Immigrant Investor Programme: Guidelines', January 2018, p.26, available at: [http://www.inis.gov.ie/en/INIS/Immigrant%20Investor%20Programme%20\(IIP\)%20Guidelines.pdf/Files/Immigrant%20Investor%20Programme%20\(IIP\)%20Guidelines.pdf](http://www.inis.gov.ie/en/INIS/Immigrant%20Investor%20Programme%20(IIP)%20Guidelines.pdf/Files/Immigrant%20Investor%20Programme%20(IIP)%20Guidelines.pdf); Information obtained through consultation with national stakeholder (Irish Naturalisation and Immigration Service, April 2018).

<sup>100</sup> Information obtained through consultation with national stakeholder (Irish Naturalisation and Immigration Service, 17 April 2018).

<sup>110</sup> Information obtained through consultation with national stakeholder (Irish Naturalisation and Immigration Service, 17 April 2018).

<sup>112</sup> Ibid.

<sup>89</sup> Section 4(7) of the Immigration Act 2004, No.1 of 2004, available at: <http://www.irishstatutebook.ie/eli/2004/act/1/enacted/en/print>.

<sup>90</sup> 'Residence rights of non-EEA nationals', Citizens Information Website, available at: [http://www.citizensinformation.ie/en/moving\\_country/moving\\_to\\_ireland/rights\\_of\\_residence\\_in\\_ireland/residence\\_rights\\_of\\_non\\_eea\\_nationals\\_in\\_ireland.html](http://www.citizensinformation.ie/en/moving_country/moving_to_ireland/rights_of_residence_in_ireland/residence_rights_of_non_eea_nationals_in_ireland.html); 'Registration fee, payment & exemptions', Irish Naturalisation and Immigration Service Website, available at: <http://www.inis.gov.ie/en/INIS/Pages/registration-fees>.

<sup>91</sup> 'How the Irish immigration system works', Irish Naturalisation and Immigration Service website, available at: <http://www.inis.gov.ie/en/INIS/Pages/about-registration-system#gnib-card>.

<sup>92</sup> Ibid.

Residence permit	Procedure	Competent authorities and non-public bodies	Renewal of the residence permit
<p>necessary, a corresponding alteration or addition may be made in the certificate<sup>93</sup>.</p> <p>Moreover, Section 9(5) indicates that 'a registration certificate shall be in such form and contain such particulars as may be prescribed'<sup>94</sup>.</p> <p>The Irish Residence Permit (i.e. registration certificate) is in the form of a credit-card sized plastic card and displays basic information about the applicant including:</p> <ul style="list-style-type: none"> <li>■ His/her name, date of birth and registration number;</li> <li>■ A brief description of the applicant's immigration permission, including his/her permission stamp number (for applicants of the IIP this will be stamp 4);</li> <li>■ A microchip with a copy of his/her photograph and fingerprints<sup>95</sup>.</li> </ul> <p>With regard to <b>fees for obtaining the residence permit</b>,</p>	<p>In order to ensure that the residence permission would be extended for a further three years, INIS will also check and ensure on year two that:</p> <ol style="list-style-type: none"> <li>a. The designated investment is still in place;</li> <li>b. The individual or their family have not become a financial burden on Ireland; and</li> <li>c. The individual or their family have not been investigated, indicted or convicted in relation to any criminal offence in any jurisdiction<sup>106</sup>.</li> </ol> <p>At the two-year check, if the investor has not utilised the investment, further residence permission could be refused by INIS on the basis that the investment was not used to the benefit of Ireland, i.e. the creation of jobs and commercial activity and INIS could therefore refuse a transaction at that stage<sup>107</sup>.</p> <p>Similarly, after the initial five years, the residence permission will be extended by INIS for a further five</p>		<p>convicted in relation to any criminal offence in any country.</p> <p>There is no requirement to create jobs under the IIP. There is no condition for business performance (success of business). The Government of Ireland recognizes that some of the businesses may not be successful or profitable; and this will not jeopardize the Irish Residency Permit received under the programme<sup>114</sup>.</p>

<sup>101</sup> Section 4(2) of the Immigration Act 2004, No.1 of 2004, available at: <http://www.irishstatutebook.ie/eli/2004/act/1/enacted/en/print>.

<sup>102</sup> Section 4(1) of the Immigration Act 2004, No.1 of 2004, available at: <http://www.irishstatutebook.ie/eli/2004/act/1/enacted/en/print>.

<sup>103</sup> Section 4(5)(c) of the Immigration Act 2004, No.1 of 2004, available at: <http://www.irishstatutebook.ie/eli/2004/act/1/enacted/en/print>.

<sup>104</sup> INIS, 'Immigrant Investor Programme: Guidelines', January 2018, p.26, available at: [http://www.inis.gov.ie/en/INIS/Immigrant%20Investor%20Programme%20\(IIP\)%20Guidelines.pdf/Files/Immigrant%20Investor%20Programme%20\(IIP\)%20Guidelines.pdf](http://www.inis.gov.ie/en/INIS/Immigrant%20Investor%20Programme%20(IIP)%20Guidelines.pdf/Files/Immigrant%20Investor%20Programme%20(IIP)%20Guidelines.pdf).

<sup>105</sup> Information obtained through consultation with national stakeholder (Irish Naturalisation and Immigration Service, 17 April 2018).

<sup>111</sup> Ibid.

<sup>113</sup> Ibid.

<sup>93</sup> Section 9(2)(f) of the Immigration Act 2004, No.1 of 2004, available at: <http://www.irishstatutebook.ie/eli/2004/act/1/enacted/en/print>.

<sup>94</sup> Section 9(5) of the Immigration Act 2004, No.1 of 2004, available at: <http://www.irishstatutebook.ie/eli/2004/act/1/enacted/en/print>.

<sup>95</sup> 'Irish Residence Permit (IRP)', Irish Immigration and Naturalisation Service Website, available at: <http://www.inis.gov.ie/en/INIS/Pages/irish-residence-permit>.

<sup>106</sup> Kathleen Garrett, 'Immigrant Investor Programme', January 2017, p. 1, available at: <http://www.arthurcox.com/wp-content/uploads/2016/07/Immigrant-Investor-Programme-January-2017.pdf>.

<sup>107</sup> Information obtained through consultation with national stakeholder (Irish Naturalisation and Immigration Service, 17 April 2018).

<sup>114</sup> 'Permanent Residency by Investment in Ireland', Elma Global Website, available at: <https://www.second-citizenship.org/permanent-residence/permanent-residency-by-investment-in-ireland/>.

Residence permit	Procedure	Competent authorities and non-public bodies	Renewal of the residence permit
<p>Section 19(1) of the Immigration Act 2004 provides that: '(a) There shall be paid to the Minister by the non-national concerned in respect of the giving of a permission a fee of such amount as may be prescribed with the consent of the Minister for Finance.</p> <p>(b) There shall be paid to the registration officer concerned by the non-national concerned in respect of the issue of a registration certificate a fee of such amount as may be prescribed with the consent of the Minister for Finance.</p> <p>(c) There shall be paid to the Minister by the non-national concerned in respect of the issue of a travel document a fee of such amount as may be prescribed with the consent of the Minister for Finance'<sup>96</sup>.</p> <p>An Irish Residence Permit costs <b>300 EUR per person</b> each time (i.e. on registration and renewal)<sup>97</sup>.</p> <p>For the IIP, successful applicants and their family members (if applicable) are given initial residence permission for two years. Following a <b>review</b> at that point to ensure the investor still meets the conditions of the scheme, a further period of three years will be granted. After this initial five-year period, the investor will be free to apply for residence indefinitely in five year periods<sup>98</sup>.</p>	<p>years provided the designated investment remained in place for the required time and conditions (b) and (c) above have been complied with.</p> <p>The immigration permission will be extended for further five year periods thereafter provided only that conditions (b) and (c) above are complied with<sup>108</sup>. An Irish Residence Permit costs EUR 300 per person each time (i.e. on renewal)<sup>109</sup>.</p>		<p>The IIP recognizes that applicants may have substantial business and financial interests outside of Ireland, therefore <b>actual residence in Ireland is not a condition for renewal of residency</b>. The applicant and family members are only required to visit Ireland once per calendar year<sup>115</sup>.</p>

<sup>96</sup> Section 19(1) of the Immigration Act 2004, No.1 of 2004, available at: <http://www.irishstatutebook.ie/eli/2004/act/1/enacted/en/print>.

<sup>97</sup> 'Registration fee, payment & exemptions', Irish Naturalisation and Immigration Service Website, available at: <http://www.inis.gov.ie/en/INIS/Pages/registration-fees>.

<sup>98</sup> Kathleen Garrett, 'Immigrant Investor Programme', January 2017, p. 1, available at: <http://www.arthurcox.com/wp-content/uploads/2016/07/Immigrant-Investor-Programme-January-2017.pdf>.

<sup>108</sup> Kathleen Garrett, 'Immigrant Investor Programme', January 2017, p. 3, available at: <http://www.arthurcox.com/wp-content/uploads/2016/07/Immigrant-Investor-Programme-January-2017.pdf>.

<sup>109</sup> 'Registration fee, payment & exemptions', Irish Naturalisation and Immigration Service Website, available at: <http://www.inis.gov.ie/en/INIS/Pages/registration-fees>.

## 4 DUE DILIGENCE CRITERIA AND SECURITY CONSIDERATIONS

Due diligence and security considerations	Procedure to verify due diligence and security considerations	Competent authorities and non-public bodies	Ex-post checks
<p>In order to obtain residence permission, the applicant must submit with their application a statement of character, both for themselves and for any family members, from the police authorities of each country in which they have resided for more than six months during the previous 10 years<sup>116</sup>. It is essential that applicants and their family members be of good character and that they have not been convicted of criminal offences in any jurisdiction<sup>117</sup>. They will also be required to arrange for the submission of an affidavit attesting to their good character and affirming that they have no criminal convictions where an applicant is successful in having their investment proposal approved. This affidavit must be produced by a legal practitioner who is registered to practice law in Ireland. A similar affidavit will be required from all family members of 16 years of age or more who are availing of residence under</p>	<p>Most due diligence and security checks are done in the applicant's home country and security reports are then submitted with their application form. Evidence of such checks is double-checked and verified by the Evaluation Committee at the application stage<sup>120</sup>. Moreover, when investors make an application for residence permission they also make an application for a visa and normal visa checks are done at that stage. Initially they have to make a single-entry visa application from their country of origin– if there is an issue at that stage–through normal visa and security checks done through the Interpol database then they will be refused admission to Ireland which means they will not be able to take up the approval granted<sup>121</sup>. It should be noted that Ireland is not bound by the Visa Information System (VIS) Regulation<sup>122</sup>. Moreover, Ireland has not yet implemented the Schengen Information System (SIS) II but is carrying out preparatory activities to integrate into the SIS II for the purpose of law enforcement cooperation<sup>123</sup>.</p> <p>Once the applicants arrive at the counter of registration in Ireland, another visa and security check will be done because most of the applicants apply for a multi-entry visa and they get a stamp 4 visa on that basis. Normal checks occur then. Those checks are done every time they register for residency renewal - i.e. they are obliged to register</p>	<p>Most due diligence and security checks are done by an independent professional in the applicant's home country (financial agents e.g. accountants or solicitors) and evidence of such checks (e.g. security reports) are submitted with the application form. All persons receiving money in Ireland from a foreign source are also required by the Central Bank of Ireland and the Department of Justice to ensure that they comply with anti-money laundering requirements - anyone accepting money into a fund is required to carry out an anti-money laundering check so that they know the source of the income. All of this is done prior to the person coming to INIS/Department of Justice<sup>128</sup>.</p> <p>The Evaluation Committee and INIS/Department of Justice then double check this evidence submitted with the application form and INIS also carry out visa and security checks when applicants arrive at the counter</p>	<p>Where people are entering and leaving Ireland on a re-entry visa, these are checked on a regular basis by the Department of Justice. These are the only ex-post checks that can be done and which are implemented to monitor abuses. The Department of Justice does not monitor applicants once residence permission has been granted. They are only checked by the Department of Justice on the</p>

<sup>115</sup> Ibid.

<sup>116</sup> Kathleen Garrett, 'Immigrant Investor Programme', January 2017, p. 3, available at: <http://www.arthurcox.com/wp-content/uploads/2016/07/Immigrant-Investor-Programme-January-2017.pdf>; O'Grady Solicitors, 'Irish Investor and Entrepreneur Immigration Schemes', undated, p. 5, available at: <http://ogradysolicitors.ie/uploads/files/articles/Irish%20Investor%20and%20Entrepreneur%20Immigration%20Schemes.pdf>.

<sup>117</sup> Padraig Hoare, 'Immigrant investor scheme approvals down', 26 January 2017, Press Release, available at: <https://www.irishexaminer.com/business/immigrant-investor-scheme-approvals-down-440864.html>; Kathleen Garrett, 'Immigrant Investor Programme', January 2017, p. 3, available at: <http://www.arthurcox.com/wp-content/uploads/2016/07/Immigrant-Investor-Programme-January-2017.pdf>.

Due diligence and security considerations	Procedure to verify due diligence and security considerations	Competent authorities and non-public bodies	Ex-post checks
<p>the scheme. Residence permission will not be issued by INIS until this affidavit has been submitted<sup>118</sup>.</p> <p>The applicant must provide evidence of the funds that are to be used for the proposed investment/funding, evidence of the provenance of those funds and evidence that the funds are transferrable to Ireland and convertible to euros as part of their application. Anti-money laundering checks, including evidence and provenance of funds are done by an independent professional (e.g. accountants, solicitors) in their home country and evidence that all information is provided of such checks is checked by the Evaluation Committee at the application stage.<sup>119</sup></p>	<p>on the anniversary after two years and again three years after that and again five years after that<sup>124</sup>.</p> <p>Applications may be turned down on the basis of due diligence checks and residency status under the IIP will be therefore withdrawn from the beneficiary in the following circumstances:</p> <ul style="list-style-type: none"> <li>i) If the acquisition of the status was fraudulent;</li> <li>ii) In the event of the holder being the subject of a deportation order;</li> <li>iii) In the event of the holder being convicted of a criminal offence;</li> <li>iv) If the applicant fails to meet the conditions of the scheme as regards duration of the investment; and</li> <li>v) If the investor failed to disclose material information available to them at the time of the application, that would if known to the immigration authorities have made them ineligible for the programme on the grounds of character.<sup>125</sup></li> </ul> <p>Where INIS is not satisfied with an element of the application, they can and do return the applications stating that this person would not satisfy their security checks<sup>126</sup>. This</p>	<p>of registration of residence and when renewing their residence permission.</p> <p>The only scrutiny mechanisms and reporting obligations in place are those already indicated.</p>	<p>registration anniversaries - (i.e. two years and again three years after that and again five years after that<sup>129</sup>) based on the criteria indicated under point 3 above.</p> <p>There have been no cases where a misuse associated with corruption and fraud has been reported<sup>130</sup>.</p>

<sup>120</sup> Information obtained through consultation with national stakeholder (Irish Naturalisation and Immigration Service, 17 April 2018).

<sup>121</sup> Ibid; ‘New passport data checks at Dublin airport to combat jihadi terror threat’, Irish Independent Website, available at: <https://www.independent.ie/irish-news/new-passport-data-checks-at-dublin-airport-to-combat-jihadi-terror-threat-35310776.html>.

<sup>122</sup> Recital 30 of Regulation (EC) No 767/2008 of the European Parliament and of the Council of 9 July 2008 concerning the Visa Information System (VIS) and the exchange of data between Member States on short-stay visas (VIS Regulation), OJ L 218/60, 13 August 2008, available at: <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32008R0767&from=EN>.

<sup>123</sup> ‘Schengen Convention’, Data Protection Commission Website, available at: <https://www.dataprotection.ie/docs/Schengen/188.htm>.

<sup>128</sup> Ibid.

<sup>118</sup> INIS, ‘Immigrant Investor Programme: Guidelines’, January 2018, p.18, available at: [http://www.inis.gov.ie/en/INIS/Immigrant%20Investor%20Programme%20\(IIP\)%20Guidelines.pdf/Files/Immigrant%20Investor%20Programme%20\(IIP\)%20Guidelines.pdf](http://www.inis.gov.ie/en/INIS/Immigrant%20Investor%20Programme%20(IIP)%20Guidelines.pdf/Files/Immigrant%20Investor%20Programme%20(IIP)%20Guidelines.pdf).

<sup>119</sup> Ibid.

<sup>124</sup> Ibid.

<sup>125</sup> INIS, ‘Immigrant Investor Programme: Guidelines’, January 2018, p.23, available at: [http://www.inis.gov.ie/en/INIS/Immigrant%20Investor%20Programme%20\(IIP\)%20Guidelines.pdf/Files/Immigrant%20Investor%20Programme%20\(IIP\)%20Guidelines.pdf](http://www.inis.gov.ie/en/INIS/Immigrant%20Investor%20Programme%20(IIP)%20Guidelines.pdf/Files/Immigrant%20Investor%20Programme%20(IIP)%20Guidelines.pdf).

<sup>126</sup> Information obtained through consultation with national stakeholder (Irish Naturalisation and Immigration Service, 17 April 2018).

Due diligence and security considerations	Procedure to verify due diligence and security considerations	Competent authorities and non-public bodies	Ex-post checks
	would, however, be on an individual basis on examining the documents presented <sup>127</sup> .		

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<sup>129</sup> Ibid.

<sup>130</sup> Information obtained through consultation with national stakeholder (Irish Naturalisation and Immigration Service, 17 April 2018).

<sup>127</sup> Ibid.

### III. RIGHTS GRANTED BY THE PERMITS

#### 1 RIGHTS GRANTED TO INVESTORS

Investors are granted residency permission under “Stamp 4” conditions. According to Section 4(6) of the Immigration Act 2004, ‘an immigration officer may, on behalf of the Minister, by a notice in writing to a non-national, or an **inscription** placed on his or her passport or other equivalent document, attach to a permission under this section such **conditions** as to duration of stay and engagement in employment, business or a profession in the State as he or she may think fit, and may by such a notice or inscription at any time amend such conditions as aforesaid in such manner as he or she may think fit, and the non-national shall comply with such conditions.’<sup>131</sup>

Residency under “Stamp 4” permits investors to work, study, access state funds and services as determined by Government departments or agencies, start and conduct their own business in Ireland (i.e. the right to be self-employed, to market access and to be active in the business), and reside in Ireland on a full-time basis without the requirement to get a work permit<sup>132</sup>. It is noted that applicants under this programme do not have access to social security<sup>133</sup>. Stamp 4 conditions do not explicitly state that investors are entitled to access healthcare- it says that they can access state funds and services as determined by government departments or agencies<sup>134</sup>. It could be inferred that this includes access to healthcare-however this is not explicitly stated or determined in any of the sources found through desk research. If an investor or his/her family member becomes a citizen of Ireland they will have the right to access health care and social security as any other Irish citizen<sup>135</sup>.

The IIP does not provide visa-required nationals with an entitlement to travel to and within the UK (including Northern Ireland) or the rest of the EU without an entry visa (if required). Therefore, holders of a Stamp 4 residence permit obtained through the IIP will be required to apply for visas to enter other countries as required. There are, however, certain agreements between the UK and Ireland with respect to immigration, for example, the “British Irish Visa Scheme” which allows Chinese and Indian citizens to travel to and around the Common Travel Area on a single visa (as opposed to requiring separate Irish and UK visas)<sup>136</sup>.

#### 2 RIGHTS GRANTED TO THE INVESTORS’ FAMILY MEMBERS

If the applicant is granted residency permission under Stamp 4 and the rights stemming from it, their family members are also granted residency permission under Stamp 4 and the same rights<sup>137</sup>. There-

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<sup>131</sup> Section 4(6) of the Immigration Act 2004, No.1 of 2004, available at: <http://www.irishstatutebook.ie/eli/2004/act/1/enacted/en/print>.

<sup>132</sup> ‘Permanent Residency by Investment in Ireland’, Elma Global Website, available at: <https://www.second-citizenship.org/permanent-residence/permanent-residency-by-investment-in-ireland/>; Information obtained through consultation with national stakeholder (Irish Naturalisation and Immigration Service, 17 April 2018); ‘Permission, stamps and conditions’, Irish Naturalisation and Immigration Service website, available at: <http://www.inis.gov.ie/en/INIS/Pages/registration-stamps#stamp4>.

<sup>133</sup> European Migration Network, 2015, ‘Admitting third-country nationals for business purposes’, p. 40 and 48, available at: [http://www.emn.lv/wpcontent/uploads/emn\\_study\\_admitting\\_thirdcountry\\_nationals\\_for\\_business\\_purposes\\_synthesis\\_report\\_vf\\_04may2015.pdf](http://www.emn.lv/wpcontent/uploads/emn_study_admitting_thirdcountry_nationals_for_business_purposes_synthesis_report_vf_04may2015.pdf).

<sup>134</sup> ‘Permission, stamps and conditions’, Irish Naturalisation and Immigration Service website, available at: <http://www.inis.gov.ie/en/INIS/Pages/registration-stamps#stamp4>.

<sup>135</sup> Ibid.

<sup>136</sup> Kathleen Garrett, ‘Immigrant Investor Programme’, January 2017, p. 3, available at: <http://www.arthurcox.com/wp-content/uploads/2016/07/Immigrant-Investor-Programme-January-2017.pdf>.

<sup>137</sup> Information obtained through consultation with national stakeholder (Irish Naturalisation and Immigration Service, 17 April 2018).

fore, family members will be granted immediate family reunification and will benefit from their own permission to work, study in secondary and tertiary education, access state funds and services as determined by Government departments or agencies, establish a business in Ireland as they wish (i.e. the right to be self-employed, to market access and to be active in the business), and reside in Ireland on a full-time basis without the requirement to get a work permit<sup>138</sup>. However, similarly to the investors, their family members do not have access to social security<sup>139</sup>.

### 3 OTHER BENEFITS

With regard to the IIP, an investor may avail of a discount on their investment for educational expenses that they intend to commit to in Ireland. The following conditions apply:

- Investors may discount their approved investment with eligible education expenses that they commit
- to incur within the first five years after their permission has been granted;
- The education expenses must be for an Irish University or Institute of Technology;
- The expenses must be for an investor and/or family member who has been accepted on an academic programme in one of the above educational institutions (i.e. they must have a letter of confirmation from the tertiary education institute or university that the investor and/or family member will commence a course at the beginning of the next academic year);
- The maximum discount allowable is EUR 50,000 bringing the investment down to EUR 950,000;
- Retrospective education expenses cannot be included<sup>140</sup>.

There are no special tax regimes for applicants and their family members<sup>141</sup>. Ireland taxes non-habitual residents only for Ireland-based income and has a corporate tax rate of 12.5%<sup>142</sup>.

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<sup>138</sup> 'Permanent Residency by Investment in Ireland', Elma Global Website, available at: <https://www.second-citizenship.org/permanent-residence/permanent-residency-by-investment-in-ireland/>; Kathleen Garrett, 'Immigrant Investor Programme', January 2017, p. 3, available at: <http://www.arthurcox.com/wp-content/uploads/2016/07/Immigrant-Investor-Programme-January-2017.pdf>; Information obtained through consultation with national stakeholder (Irish Naturalisation and Immigration Service, 17 April 2018); Aoife Gillespie, 'Immigrant Investor Programme (IIP)', 14 June 2017, available at: <https://www.philiplee.ie/the-immigrant-investor-programme-iip/>.

<sup>139</sup> European Migration Network, 2015, 'Admitting third-country nationals for business purposes', p. 40 and 48, available at: [http://www.emn.lv/wpcontent/uploads/emn\\_study\\_admitting\\_thirdcountry\\_nationals\\_for\\_business\\_purposes\\_synthesis\\_report\\_vf\\_04may2015.pdf](http://www.emn.lv/wpcontent/uploads/emn_study_admitting_thirdcountry_nationals_for_business_purposes_synthesis_report_vf_04may2015.pdf).

<sup>140</sup> Information obtained through consultation with national stakeholder (Irish Naturalisation and Immigration Service, 17 April 2018); O'Grady Solicitors, 'Irish Investor and Entrepreneur Immigration Schemes', undated, p. 3, available at: <http://ogradysolicitors.ie/uploads/files/articles/Irish%20Investor%20and%20Entrepreneur%20Immigration%20Schemes.pdf>.

<sup>141</sup> Information obtained through consultation with national stakeholder (Irish Naturalisation and Immigration Service, 17 April 2018).

<sup>142</sup> Džankić, J., 2018, 'Immigrant investor programmes in the European Union (EU)', Journal of Contemporary European Studies, p.75-76, available at: <http://www.tandfonline.com/eprint/RCamn4KukKTzWBiGqjF4/full>.



#### IV. INTERACTION BETWEEN RESIDENCE AND CITIZENSHIP SCHEMES

Ireland does not grant holders of residence permits obtained under the IIP a specific right to obtain citizenship<sup>143</sup>. The IIP does not provide for preferential access to naturalisation for successful applicants. Therefore, there is no link between residence obtained under the IIP and citizenship in Ireland. This is due to the fact that investors and their family members who exercise their right not to reside in Ireland under the IIP will not fulfil the residency requirements for naturalisation<sup>144</sup>. According to a stakeholder consulted, almost 91% of applications are from Chinese applicants and they never gain citizenship out of this programme<sup>145</sup>.

Successful applicants are free to apply for naturalisation in the normal manner under the provisions of the Irish Nationality and Citizenship Acts 1957-2004<sup>146</sup>. Article 15(1)(c) of this legislation requires applicants for Irish naturalisation to be physically resident in Ireland for the 12 months prior to application and to be physically resident in Ireland for four of the preceding eight years<sup>147</sup>. Moreover, in order to be granted Irish citizenship through naturalisation, an applicant is generally required to meet each of the following criteria (in addition to the residence requirement):

- Applicants must be of full age (i.e. 18 years or older, or married if younger than 18);
- Applicants must be of good character/no criminal convictions (the Garda Síochána (Irish police force) are asked to provide a report on the background of all applicants);
- Applicants must intend in good faith to continue to reside in the State after naturalisation;
- Applicants must make a declaration of fidelity to the nation and loyalty to the State and avow to observe the nation's laws and values<sup>148</sup>.

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<sup>143</sup> Information obtained through consultation with national stakeholder (Irish Naturalisation & Immigration Service, 17 April 2018).

<sup>144</sup> INIS, 'Immigrant Investor Programme: Guidelines', January 2018, p.22, available at: [http://www.inis.gov.ie/en/INIS/Immigrant%20Investor%20Programme%20\(IIP\)%20Guidelines.pdf/Files/Immigrant%20Investor%20Programme%20\(IIP\)%20Guidelines.pdf](http://www.inis.gov.ie/en/INIS/Immigrant%20Investor%20Programme%20(IIP)%20Guidelines.pdf/Files/Immigrant%20Investor%20Programme%20(IIP)%20Guidelines.pdf).

<sup>145</sup> Information obtained through consultation with national stakeholder (Irish Naturalisation & Immigration Service, 17 April 2018).

<sup>146</sup> Irish Nationality and Citizenship Act 1956, No. 26 of 1956 as amended by the Irish National and Citizenship Act 1986 (No. 23 of 1986), the Irish Nationality and Citizenship Act 1994 (No.9 of 29914), the Irish Nationality and Citizenship Act 2001 (No. 15 of 2001), the Irish Nationality and Citizenship Act 2004 (No. 38 of 2004) and the Civil Law (Miscellaneous Provisions) Act 2011 (No. 23 of 2011), available at: <http://www.inis.gov.ie/en/INIS/INCA%20Dec2014.pdf/Files/INCA%20Dec2014.pdf>.

<sup>147</sup> Article 15(1)(c) of the Irish Nationality and Citizenship Act 1956, No. 26 of 1956 as amended by the Irish National and Citizenship Act 1986 (No. 23 of 1986), the Irish Nationality and Citizenship Act 1994 (No.9 of 29914), the Irish Nationality and Citizenship Act 2001 (No. 15 of 2001), the Irish Nationality and Citizenship Act 2004 (No. 38 of 2004) and the Civil Law (Miscellaneous Provisions) Act 2011 (No. 23 of 2011), available at: <http://www.inis.gov.ie/en/INIS/INCA%20Dec2014.pdf/Files/INCA%20Dec2014.pdf>; INIS, 'Immigrant Investor Programme: Guidelines', January 2018, p.26, available at: [http://www.inis.gov.ie/en/INIS/Immigrant%20Investor%20Programme%20\(IIP\)%20Guidelines.pdf/Files/Immigrant%20Investor%20Programme%20\(IIP\)%20Guidelines.pdf](http://www.inis.gov.ie/en/INIS/Immigrant%20Investor%20Programme%20(IIP)%20Guidelines.pdf/Files/Immigrant%20Investor%20Programme%20(IIP)%20Guidelines.pdf); O'Grady Solicitors, 'Irish Investor and Entrepreneur Immigration Schemes', undated, p. 6, available at: <http://ogradysolicitors.ie/uploads/files/articles/Irish%20Investor%20and%20Entrepreneur%20Immigration%20Schemes.pdf>; Carrera, S., 2014, 'How much does EU citizenship cost? The Maltese citizenship-for-sale affair: a breakthrough for sincere cooperation in citizenship of the Union', Liberty and Security in Europe Paper No. 64, p.47, available at: [https://papers.ssrn.com/sol3/papers.cfm?abstract\\_id=2430117](https://papers.ssrn.com/sol3/papers.cfm?abstract_id=2430117).

<sup>148</sup> Kathleen Garrett, 'Immigrant Investor Programme', January 2017, p. 4, available at: <http://www.arthurcox.com/wp-content/uploads/2016/07/Immigrant-Investor-Programme-January-2017.pdf>.

## V. ECONOMIC AND FINANCIAL EFFICIENCY OF RESIDENCE PERMITS FOR FOREIGN INVESTORS

No legislation or implementing measures establish any mechanism to monitor the economic impact and financial revenues of investors who have been granted residence in Ireland<sup>149</sup>. Similarly, no studies have been carried out to assess the economic and financial efficiency of residence schemes in Ireland<sup>150</sup>.

Although the IIP was established in 2012, it has only been in full operation since the middle of 2016 and therefore it is too soon to determine whether it has met the expectations for which it was created in practice<sup>151</sup>. Some of the projects under the IIP can take some time to set up. For example, the Department of Justice can give their approval on a project and eight or nine months might pass before the investor arrives in Ireland. Therefore, the entity will only receive the investment at this stage. The project would only commence thereafter. It can therefore take 18 months to two years before any results of the project can be seen<sup>152</sup>.

The economic and financial efficiency of the IIP is probably measurable on the basis of how much money is going in, when it is going in and looking at this over a five-year period and what the impact of this funding has been. This is not within the competence of the Department of Justice. It is a matter for the Department of Finance or the Economic and Social Research Institute (ESRI). It is considered too soon to determine any economic and financial efficiency as the scheme has been in operation for only 18 months and some of these projects will only be commencing now<sup>153</sup>.

According to one stakeholder consulted, the economic efficiency of investors' residence schemes could be measured by the creation of jobs, however it probably will not be measured in practice (and not by the Department of Justice)<sup>154</sup>. Jobs have (and will be) created in the building sector. Moreover, for example through a project concerning the creation of a nursing home, jobs will also be created for the running of the nursing home (administrative support, nurses). What jobs will be created will depend on the specific project concerned<sup>155</sup>.

Since the scheme has been in operation, there have been a large number of successful applications: since June 2016 a total of 506 applications have been submitted and 482 have been decided with 24 awaiting final decision<sup>156</sup>. The Evaluation Committee has recommended approval in respect of 405 of these applications for a total investment value of EUR 285.45m<sup>157</sup>. No further information regarding successful applications in 2016 and 2017 is available. Successful applications have meant an income of over EUR 400 million through the IIP<sup>158</sup>.

**A breakdown of the number and value of IIP applications and total investment per annum under each investment option** is provided in the Table 2 below<sup>159</sup>.

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<sup>149</sup> Information obtained through consultation with national stakeholder (Irish Naturalisation and Immigration Service, 17 April 2018).

<sup>150</sup> Ibid.; Information obtained through consultation with national stakeholder (Central Bank of Ireland, 17 April 2018).

<sup>151</sup> Ibid.

<sup>152</sup> Ibid.

<sup>153</sup> Information obtained through consultation with national stakeholder (Irish Naturalisation and Immigration Service, 17 April 2018).

<sup>154</sup> Ibid.

<sup>155</sup> Ibid.

<sup>156</sup> 'Parliamentary Question 263: 3 October 2017', 'Department of Justice and Equality Website, available at: <http://www.justice.ie/en/JELR/Pages/PQ-03-10-2017-263>.

<sup>157</sup> Ibid.

<sup>158</sup> Ibid.

<sup>159</sup> 'Parliamentary Question 262: 23 January 2018', Department of Justice and Equality website, available at: <http://www.justice.ie/en/JELR/Pages/PQ-23-01-2018-262>.

**Table 2 IIP applications per annum and investment option and total investment**

Year	No. of applications		Type of investment and amount					Total Investment <sup>160</sup>
	No. applications	No. successful applications <sup>161</sup>	Endowment	Enterprise	Mixed Investment	Bond	Other	
2012	N/A	5	2 (€1.0m)	3 (€3.0m)	-	-	-	€11.0m
2013	N/A	14	2 (€1.0m)	9 (€4.5m)	7 (€5.25m)	2 (€2.0m)	-	€83.25m
2014	N/A	23	-	26 (€13.0m)	3 (€2.25m)	1 (€1.0m)	-	€344.75m
2015	67	65	1 (€0.5m)	56 (€28.0m)	4 (€3.0m)	3 (€3.0m)	3 (€1.5m) Fund	€1,594m
2016	317		5 (€2.0m)	249 (€124.5m)	28 (€21.0m)	10 (€10.0m)	24 (€24.0m) Fund 1 (€2.0m) REIT	€32,276.5m
2017	334	N/A	46 (€19.2m)	261 (€261.0m)	-	-	26 (€26.0m) Fund 1 (€2.0m) REIT	

Therefore, it is reasonable to assume that the programme has had a significant impact on boosting Ireland's economy<sup>162</sup>. It may also be concluded that in addition to job creation the IIP also creates business for solicitors and other non-public bodies involved in the application process.

<sup>160</sup> 'Parliamentary Question 2271/17', Parliamentary Questions Website, available at: <http://www.parliamentary-questions.com/question/2271-17/>.

<sup>161</sup> 'Parliamentary Question 263: 3 October 2017', 'Department of Justice and Equality Website, available at: <http://www.justice.ie/en/JELR/Pages/PQ-03-10-2017-263>; 'Parliamentary Question 99: 8 February 2017', 'Department of Justice and Equality Website, available at: <http://www.justice.ie/en/JELR/Pages/PQ-08-02-2017-99>;

<sup>162</sup> Ibid; Information obtained through consultation with national stakeholder (Central Statistics Office Ireland, 12 April 2018).