

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

***Deliverable B.II Investors' Residence
Schemes in Italy***

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

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I. GENERAL BACKGROUND

■ *Legal background*

Italy operates a **residence scheme since 2017**. Article 1(148) of Law n. 232 of 11 December 2016¹ (commonly known as ‘Budget Law for 2017’) amended Legislative Decree n. 286 of 25 July 1998² (commonly known as ‘**Single Act on Immigration**’) (TUI) by introducing **Article 26-bis** on ‘**Entry and residence for investors**’. The TUI provides a consolidated set of rules dealing with all different aspects of migration (e.g. migration policies, rules on entry, stay and expulsion from the national territory, rules about employment of migrants, rules on family reunification and minors, rules on health, accommodations, education and social integration). Article 26-bis introduced a novelty in the Italian legislative system as no other specific scheme existed in Italy targeting foreign investors.³ According to the information available on the website of the Ministry of Economic Development the investor visa is a new tool adopted within the overall strategy aimed to renew the economic competitiveness of the country. Such tool aims to render Italy more attractive to foreign investments⁴.

The legal framework is completed by **two implementing regulations**: the **Inter-ministerial Decree n. 778** adopted by the Ministry of Economic Development, Ministry of Interior, Ministry of Foreign Affairs and International Cooperation⁵, and the **Operative Guidelines** adopted by the Ministry of Economic Development, Ministry of Interior, Ministry of Foreign Affairs and International Cooperation⁶. The aim of these implementing regulations is to further develop and provide details on the functioning of the investors’ residence scheme. For example, the Inter-ministerial Decree defines the procedure for examining the fulfilment of the requirements for the entry and the stay of investors wishing to carry out one of the activities envisaged by Article 26-bis TUI⁷. The Operative Guidelines guarantee transparency on the visa procedure and provide exhaustive information guiding the user step by step in the application process⁸.

¹ Law n. 232 of 11 December 2016 ‘State budget for the financial year 2017 and pluriannual budget for the period 2017-2019’ (*Legge n. 232 del 11 dicembre 2016 ‘Bilancio di previsione dello Stato per l’anno finanziario 2017 e bilancio pluriennale per il triennio 2017-2019*), OJ of 21 December 2016 n. 297 available at <http://www.gazzettaufficiale.it/eli/id/2016/12/21/16G00242/sg>.

² Legislative Decree n. 286 of 25 July 1998 ‘Single Act on the discipline concerning immigration and the condition of the foreigner’ (*Decreto Legislativo n. 286 of 25 July 1998 ‘Testo unico delle disposizioni concernenti la disciplina dell’immigrazione e norme sulla condizione dello straniero*’), OJ of 18 August 1998 n. 191 available at https://www.esteri.it/mae/normative/normativa_consolare/visti/d_lgs_25_luglio_1998_n_286.pdf (TUI).

³ There is no information as regards the preparatory legislative works as to why this amendment to introduce the investors’ scheme was adopted. The national expert added the only information that could be found. It is not a legal source, it comes from the website of the Ministry and it refers to a declaration of the Minister.

⁴ Ministry of Economic Development ‘New Visa for foreign investors, the request in few clicks’ available at <http://www.mise.gov.it/index.php/it/194-comunicati-stampa/2037505-nuovo-visto-per-investitori-stranieri-pochi-click-per-la-richiesta>.

⁵ Inter-ministerial Decree adopted by the Ministry of Economic Development, Ministry of Interior, Ministry of Foreign Affairs and International Cooperation, n. 778, registered at the Court of Auditors on 17 August 2017, available at http://www.sviluppoeconomico.gov.it/images/stories/normativa/decreto_interministeriale_21_luglio_2017_ingresso_e_soggetti_investitori.pdf.

⁶ Operative Guidelines adopted on 16 November 2017 by the Ministry of Economic Development, Ministry of Interior, Ministry of Foreign Affairs and International Cooperation available at <https://investorvisa.mise.gov.it/images/documenti/Manuale-Operativo-Investor-Visa-for-Italy-ITA.pdf> (Operative Guidelines).

⁷ Article 1 of Inter-ministerial Decree adopted by the Ministry of Economic Development, Ministry of Interior, Ministry of Foreign Affairs and International Cooperation, n. 778, registered at the Court of Auditors on 17 August 2017, available at http://www.sviluppoeconomico.gov.it/images/stories/normativa/decreto_interministeriale_21_luglio_2017_ingresso_e_soggetti_investitori.pdf.

⁸ Operative Guidelines.

■ *Competent authorities*

Competent authorities with regard to residence permits of third country nationals, in general, are⁹:

- The **Italian Embassy or the Italian Consular Office** of the country of residence of the third country national for the issuance of the entry visa;
- The **Police Headquarter** of the province in which the foreigner is located for the issuance of the residence permit.

With regard to investors, a Committee composed by members of different Ministries is competent to assess the application and supporting documentation, as well as to verify and validate the fulfilment of the necessary requirements. Such Committee is composed by members of various Ministries and other public bodies which have voting rights. The members are:

- The Director General for Industrial Policy, Competitiveness and Small and Medium Enterprises representing the Ministry of Economic Development and acting as the chairman of the Committee
- A representative of the Ministry of the Interior;
- A representative of the Ministry of Foreign Affairs and International Cooperation
- A representative of the Financial Intelligence Unit for Italy
- A representative of the Italian Economic Police, Special Currency Police Unit;
- A representative of the Italian Revenue Agency
- A representative of the Italian Trade Agency

If the approval application relates to philanthropic donations, the Committee also includes, as full members:

- A representative of the Ministry of Cultural Heritage and Activities and Tourism, if the donation relates to culture or recovery of cultural or landscape heritage
- A representative of the Ministry of Education, Universities and Research, if the sector concerned relates to education and scientific research.)¹⁰.

⁹ Ministry of Interior website, 'Visa and Residence Permit', available at <http://www.interno.gov.it/it/temi/immigrazione-e-asilo/modalita-dingresso/visto-e-permesso-soggiorno>.

¹⁰ Article 3 of the Inter-ministerial Decree adopted by the Ministry of Economic Development, Ministry of Interior, Ministry of Foreign Affairs and International Cooperation, n. 778, registered at the Court of Auditors on 17 August 2017.

II. PROCEDURES, COMPETENT AUTHORITIES AND APPLICABLE CRITERIA

1 APPLICATION PHASE

1.1 PROCEDURES

- *Who can apply for the residence permit*

Law n. 232 of 11 December 2016 introduced a novelty in the Italian legal framework stating that **entry and residence for periods longer than three months** are allowed to third country nationals who intend to¹¹:

- **Invest at least EUR 2,000,000 in bonds issued by the Italian Government** and that are maintained for at least two years, but only under the condition that they prove to be holders and beneficiaries of such amount¹² and that it is available and transferable to Italy.
- **Invest at least EUR 1,000,000 in instruments representative of the capital of a company (e.g. company shares) that is operating in Italy** that are maintained for at least two years **or** an investment of **at least EUR 500,000**, if this **company is an innovative start-up** registered in the special section of the business register¹³. Also, in this case, investors need to prove to be holders or beneficiaries¹⁴ of at least EUR 1,000,000 and that such amount is available and transferable to Italy.
- Make a **philanthropic donation of at least EUR 1,000,000 in support of a project of public interest**, in the areas of culture, education, management of immigration, scientific research, recovery of cultural heritage and landscape.

In addition to these conditions, the third country national should present a **written declaration** in which they undertake to use these funds to make an investment or a philanthropic donation **within three months from the date of entry into Italy**. They also need to prove that they have **sufficient resources**, in addition to the abovementioned funds, which are at least above the minimum level envisaged by law for the exemption from participation in health expenditure (currently, the minimum level is at EUR 8,263 (yearly amount)¹⁵), for their own subsistence during their stay in Italy¹⁶.

- *Procedural stages*

The procedure starts with the third country national applying for an **investor Visa** by submitting the following documents via internet through the standardised template available on the website investorvisa.mise.gov.it to be filled in in Italian or English¹⁷:

- **A copy of a valid travel document** with an expiry date that it is at least three months longer than the required Visa;
- **Documentation proving** the availability of financial resources to cover the minimum amount

¹¹ Article 26-bis(1) TUI.

¹² Being a holder means that the documentary evidence required to prove the financial availability is directly associated to the applicant (e.g. s/he is the owner of the bank account in which the sum is deposited). Being a beneficiary means that s/he has the legal capacity to dispose of those funds.

¹³ According to Article 25(8) of Law Decree n. 179 of 18 October 2012, the Chambers of commerce, industry, crafts and agriculture set up a special section of the Business Register, in which the innovative start-ups must be registered in order to be eligible for the application of the provision promoting their development.

¹⁴ Being a holder means that the documentary evidence required to prove the financial availability is directly associated to the applicant (e.g. s/he is the owner of the bank account in which the sum is deposited). Being a beneficiary means that s/he has the legal capacity to dispose of those funds.

¹⁵ Information provided on the website www.nuovicittadini-prefito.it and update to January 2018 with regard to the entry and stay of highly qualified workers. No further information specifically concerning investors was identified.

¹⁶ Article 26-bis(1) TUI.

¹⁷ Article 26-bis(2) TUI.

required for the **investment**, and that this sum can be transferred in Italy (see table in Section II.2 of this Report);

- Certification of the **legal origin of the funds** (see table in Section II.4);
- **Written declaration** referred containing a detailed description of the characteristics and the recipients of the investment or philanthropic donation (see table in Section II.2).

Candidates can amend the application any time if the Secretariat or the competent administrative authority (the Committee mentioned in Section II.1.2 of this Report, ‘the Committee’) deem that documents received via a **specific electronic platform** created for this purpose¹⁸ are missing or further information is required. As a first step, the Secretariat of the Committee will assess whether the application is complete. Only applications that are complete will be sent to the Committee for its assessment. If documents or information are missing, the candidates are contacted through the platform and they have 30 days to provide additional information. In the meantime, the 30-day countdown for the Committee’s evaluation is suspended, and will be resumed as soon as the additional information will be provided by the candidate¹⁹.

In case of the Committee’s positive assessment (exclusively carried out on the basis of the content of the documents provided), the Committee forwards, within 30 days from the day of submission of the application, the **clearance** to the competent diplomatic or consular office for the issuance of the visa for investors with the **express indication ‘investor Visa’**²⁰.

In case of both additional information required and/or negative decision taken by the Committee, general rules on administrative proceedings (e.g. deadlines, right to appeal, right to access to documents etc.) apply²¹.

The investor has **six months from the issuance of the clearance to request the visa**. The request needs to be filed **in person by appointment with the competent consular office**. The Committee only carries out an assessment on the basis of the documentation submitted. This is aimed at ensuring objective results and transparency in the decision, as all documents are archived through the platform, and made available on request in compliance with standard rules on administrative proceedings. However, an interview may be carried out by the consular office on the basis of general rules applying to the issuance of visas (which can only be collected in person by the applicant²²).

Once the investor has obtained the visa, and once s/he has entered the country, s/he has to obtain a residence permit. **The holder of the investor's visa can obtain a residence permit bearing the words ‘for investors’ which is valid two years**²³.

To obtain the residence permit for investors, **the application must be filed within eight working days from the date of entry in Italy**. The **competent authority** to receive the application is the **territorially competent Police Headquarter**. The general term of 60 days to issue the residence permit applies²⁴.

¹⁸ Article 6(1) Inter-ministerial Decree adopted by the Ministry of Economic Development, Ministry of Interior, Ministry of Foreign Affairs and International Cooperation, n. 778, registered at the Court of Auditors on 17 August 2017. The platform is already active and can be reached through the following address: www.investorvisa.mise.gov.it.

¹⁹ Information gathered through consultation with national stakeholder (Policy Advisor on Innovation and Startups, Italian Ministry of Economic Development, Directorate-General for Industrial Policy, Competitiveness and SMEs, competent authority, 5 July 2018).

²⁰ Article 26-bis(3) TUI.

²¹ Information gathered through consultation with national stakeholder (Policy Advisor on Innovation and Startups, Italian Ministry of Economic Development, Directorate-General for Industrial Policy, Competitiveness and SMEs, competent authority, 5 July 2018).

²² Information gathered through consultation with national stakeholder (Policy Advisor on Innovation and Startups, Italian Ministry of Economic Development, Directorate-General for Industrial Policy, Competitiveness and SMEs, competent authority, 5 July 2018).

²³ Article 26-bis(5) TUI.

²⁴ Article 5(9) TUI.

However, this term can be shortened by agreement of the representative of the Ministry of Interior at the Committee and the Police Headquarters, who will indicate the specific date of issuance to the applicant. Furthermore, due to the nature of this procedure and the applicant, the procedure is normally streamlined and the term is shortened to a maximum of 30 days since the submission of the application²⁵.

After filing the application, the applicant needs to inform the Committee of such request. The investor has then **three months from the date of entry into the country to make the investment**²⁶. The investor proves to have made the investment approved by the Committee by sending suitable documentation (see table in Section 2 of this report) through the mentioned electronic platform.

The residence permit may be withdrawn even before the expiration of its period of validity (two years) when the Committee communicates to the territorially competent Police Headquarter that the third country national did not make the investment or the donation within the legal time frame (i.e. three months from the date of entry into Italy) or if the Committee dismisses the investment (e.g. because it does not fulfil the legal requirements such as amount to be invested or beneficiaries of the investment)²⁷. Furthermore, anyone who provides false documents, in whole or in part, or provides data that does not respond to the truth is punished with imprisonment from a year and six months to six years²⁸. However, this does not refer to clerical errors. In case of clerical errors, which obviously are not of a criminal nature, the Secretariat of the Committee would go back to the applicant and ask for clarification according to general rules applicable to administrative proceedings.²⁹

■ *Conditions for granting residence to investors*

Conditions for granting residence to investors are assessed when examining the application for a residence permit. As explained above, a foreign investor must hold an investors' visa before applying for a residence permit. Therefore, holding such visa is a requirement to apply for a residence permit. In the quite unlikely event that a foreign national already residing in Italy with a residence permit provided for other reasons (e.g. for study, employment and self-employment) wants to convert her/his residence permit into one for investors, s/he will not be able to do so, as the investor residence permit can be obtained only through successfully applying for an investor visa which, being a specific category of entry visa, can only be issued outside the national territory³⁰.

In addition, to obtain the residence permit the applicant needs to submit to the Police Headquarter the following documents:

- receipt of payment of the application fees (see below)
- photocopy of the passport; two photographs;
- documentation relating to accommodation in Italy. Such documents may include, for instance, a rent contract or the proof of ownership of a house/apartment³¹.

■ *Application fee*

²⁵ Website Immigrazione, 'Circular of 18 January 2018, Ministry of Interior. Article 26-bis of the Consolidated Law on Immigration. Entry and stay for investors' available at <http://www.immigrazione.biz/circolare.php?id=1086>.

²⁶ Operative Guidelines.

²⁷ Article 26-bis(5) TUI.

²⁸ Article 26-bis(9) TUI.

²⁹ Information gathered through consultation with national stakeholder (Policy Advisor on Innovation and Startups, Italian Ministry of Economic Development, Directorate-General for Industrial Policy, Competitiveness and SMEs, competent authority, 5 July 2018).

³⁰ Information gathered through consultation with national stakeholder (Policy Advisor on Innovation and Startups, Italian Ministry of Economic Development, Directorate-General for Industrial Policy, Competitiveness and SMEs, competent authority, 5 July 2018).

³¹ Operative Guidelines adopted on 16 November 2017 by the Ministry of Economic Development, Ministry of Interior, Ministry of Foreign Affairs and International Cooperation available at <https://investorvisa.mise.gov.it/images/documenti/Manuale-Operativo-Investor-Visa-for-Italy-ITA.pdf>.

To obtain the residence permit the applicant has to pay the following fees:³²

- EUR 30.46 for the printing of the electronic document;
 - EUR 50.00 for the issue of the residence permit;
 - a revenue stamp of EUR 16.00
- *Reasons for turning down the applications and legal remedies which apply in the case of refusal of residence*

According to the general rules applying to the issuance of a residence permit, its **issuance or its renewal can be refused or withdrawn**, when the requirements for entry and stay in the territory of State are missing³³. Apart from these, the only specific reason for rejecting the issuance or renewal of the residence permit is that the investment is not carried out in the form and conditions prescribed by law or in the foreseen legal timeframe³⁴. It is however possible to **appeal to the competent Regional Administrative Tribunal (TAR)** against such decisions³⁵.

1.2 COMPETENT AUTHORITIES AND NON-PUBLIC BODIES

The competent authorities involved in the Italian investors' residence scheme are³⁶:

Decision-making competent authorities

- **For the issuance of the entry Visa**, the **Italian Embassy** or the **Italian Consular Office** of the country of residence of the third country national³⁷;
- **For the issuance of the residence permit**, the **Police Headquarter** of the province in which the foreigner is located³⁸.

Competent authority to assess the documentation and verify the fulfilment of the requirements

- For the issuance of both the entry visa and the residence permit for investors, as well as for the renewal of such permit, a **Committee** is in charge of assessing the documentation and verifying the fulfilment of the necessary requirements. Such Committee is composed by members of various Ministries and other public bodies which have voting rights. The members are:
 - The Director General for Industrial Policy, Competitiveness and Small and Medium Enterprises representing the Ministry of Economic Development and acting as the chairman of the Committee
 - A representative of the Ministry of the Interior;
 - A representative of the Ministry of Foreign Affairs and International Cooperation
 - A representative of the Financial Intelligence Unit for Italy
 - A representative of the Italian Economic Police, Special Currency Police Unit;
 - A representative of the Italian Revenue Agency
 - A representative of the Italian Trade Agency

If the approval application relates to philanthropic donations, the Committee also includes, as full members:

- A representative of the Ministry of Cultural Heritage and Activities and Tourism, if the

³² Operative Guidelines adopted on 16 November 2017 by the Ministry of Economic Development, Ministry of Interior, Ministry of Foreign Affairs and International Cooperation available at <https://investorvisa.mise.gov.it/images/documenti/Manuale-Operativo-Investor-Visa-for-Italy-ITA.pdf>.

³³ Article 5(5) TUI.

³⁴ Information gathered through consultation with national stakeholder (Policy Advisor on Innovation and Startups, Italian Ministry of Economic Development, Directorate-General for Industrial Policy, Competitiveness and SMEs, competent authority, 5 July 2018).

³⁵ Article 6(10) TUI.

³⁶ Ministry of Interior 'Visa and Residence Permit', available at <http://www.interno.gov.it/it/temi/immigrazione-e-asilo/modalita-dingresso/visto-e-permesso-soggiorno>.

³⁷ Article 26-bis (3) TUI.

³⁸ Article 26-bis (5) TUI.

- donation relates to culture or recovery of cultural or landscape heritage
- A representative of the Ministry of Education, Universities and Research, if the sector concerned relates to education and scientific research.)³⁹.

1.3 MONITORING OF THE PROCEEDINGS AND THE AUTHORITIES INVOLVED

There is **no cap** to the applications that can be filed for residence by investors under the Italian legal framework. Regarding the **monitoring** system in Italy, the electronic platform through which applications are lodged allows to track all data concerning the programme. Such data is registered by the Italian Ministry of Economic Development. As soon as the data becomes statistically significant, the Ministry plans to release a periodic monitoring report. Regarding the **scrutiny** of the authorities involved in the application procedure, every single member of the Committee in charge of assessing the application is subject to the internal control mechanism of the Ministry they are appointed by⁴⁰.

1.4 INFORMATION ON APPLICATIONS

The research did not identify any legal obligation to disclose information about successful applicants. No statistical data on total number of investors' applications for visas and residence permits received, approved and refused is available to date, as the programme is still in its infancy. As soon as data will become statistically significant, the Ministry plans to release periodic monitoring report⁴¹. It should be noted that this might be due to the fact that the visa and residence permit for investors has only been introduced in the Italian legal system in 2017, thus, less than a year since the drafting of this Report.

1.5 INFORMATION ON APPLICATIONS BY FAMILY MEMBERS

▪ *Measures concerning residence permits granted to family members:*

Within the context of investors schemes, entry into the Italian territory is allowed to the family members of the third country national who holds an investor visa. To enter the Italian territory legally, such **family members** must first obtain **family reunification visa** according to the general rules foreseen in the TUI and described below. Once they have obtained the corresponding visa and are legally staying in Italy, following the same general rules, they can apply for a **residence permit** for family reasons⁴².

General rules stated in the TUI provide that a foreigner may request reunification for the following members:⁴³

- a spouse not legally separated;
- dependent children, including those of the spouse or born out of wedlock, unmarried or legally separated, provided that the other parent, if any, has given his consent;
- dependent parents;
- relatives within the third degree, dependent, unable to work according to Italian law.
- the natural parent to reunite with his/her minor child legally residing in Italy, who

³⁹ Article 3 of the Inter-ministerial Decree adopted by the Ministry of Economic Development, Ministry of Interior, Ministry of Foreign Affairs and International Cooperation, n. 778, registered at the Court of Auditors on 17 August 2017.

⁴⁰ Information gathered through consultation with national stakeholder (Policy Advisor on Innovation and Startups, Italian Ministry of Economic Development, Directorate-General for Industrial Policy, Competitiveness and SMEs, competent authority, 5 July 2018).

⁴¹ Information gathered through consultation with national stakeholder (Policy Advisor on Innovation and Startups, Italian Ministry of Economic Development, Directorate-General for Industrial Policy, Competitiveness and SMEs, competent authority, 5 July 2018).

⁴² Article 26-*bis*(8) TUI.

⁴³ Article 29(1) TUI.

proves, within one year after his/her entry into Italy, that they meet the requirements set below on accommodation and income.

For the purposes of reunification, children under the age of 18 are considered minor. Minors adopted, entrusted to the care or protected by the foreigner are considered equal to the own children of the foreigner.⁴⁴

Safe for refugees, foreigners requesting reunification for family purposes must prove:⁴⁵

- they have an accommodation that falls within the minimum parameters set by the regional law for public housing, or, in the case of a child under the age of 14 following one of the parents, the consent of the owner of the accommodation in which the child will actually live;
- an annual income deriving from lawful sources not less than the annual amount of the social allowance if the applicant requests the reunification of a single family member, twice the annual amount of the social allowance if the applicant requests the reunification of two or three family members, triple the annual amount of the social allowance if the applicant requests the reunification of four or more family members. For the purposes of determining income, the total annual income of family members living with the applicant is also taken into account.

The application for a visa to reunite the family, accompanied by the required documentation, is presented to the police station in the place of residence of the applicant, who will issue a copy marked with a date stamp and initials of the employee in charge of receipt. The competent police officer, having verified the existence of the requisites above, issues the corresponding decision.⁴⁶

After 90 days from the application, the person concerned can obtain an entry visa directly from the Italian diplomatic and consular offices, upon presentation of the copy of the documents marked by the police station, which shows the date of submission of the application and related documentation⁴⁷.

Once the family member has legally entered territory with a visa, they can obtain the corresponding **residence permit**, following the same procedure examined above. Apart from the family members listed above, **residence permits** for family reasons are also issued to⁴⁸:

- To the **third country national already legally residing for at least one year in Italy** and that **married in Italy** with an Italian citizen or a citizen of a Member State of the European Union, or with a foreign citizen that is legally residing in the State;
- To a **regularly resident third country national** who is a **family member** (as specified above) of an Italian citizen or a citizen of a Member State of the European Union resident in Italy, or of a third country national regularly residing in Italy;
- To the **third country national that is the parent of an Italian child residing in Italy** only in case that the requesting parent has not been deprived of parental responsibility according to the Italian law.

The residence permit granted for family reason has the same length as the residence permit of the investor and it can be renewed together with it⁴⁹.

The interested party can lodge an **appeal** to the **ordinary judicial authority**⁵⁰ against the denial of the

⁴⁴ Article 29(2) TUI.

⁴⁵ Article 29(3) TUI.

⁴⁶ Article 29(7) TUI.

⁴⁷ Article 29(8) TUI.

⁴⁸ Article 30(1) TUI.

⁴⁹ Article 30(3) TUI.

⁵⁰ The legislation does not specify which judicial authority this is nor the term to file the appeal and for the court to decide on it. However, the stakeholder interviewed stated that the general rules on administrative proceedings apply and the competent judicial authority is the regional administrative court (Information gathered through consultation with national stakeholder (Policy Advisor on Innovation and Startups, Italian Ministry of Economic Development, Directorate-General for Industrial Policy, Competitiveness and SMEs, competent authority, 5 July 2018)).

residence permit for family reasons, as well as against other administrative authorities' measures⁵¹ concerning the right to family unity⁵².

■ *Statistical data on residence permits granted to family members:*

The research did **not** identify any **statistical data** on the number/percentage of successful applications for residence permits for investors' family members nor could this information be obtained. As indicated in Section II.1.4 above, the lack of such statistics could be due to the fact that the scheme was launched less than a year ago.

⁵¹ The legislation does not specify which these "other administrative measures" are. Due to the impossibility to obtain stakeholder consultation this information could not be retrieved.

⁵² Article 30(6) TUI.

2 TYPE OF INVESTMENT⁵³

Type of investment required	Applicability of financial threshold	Procedure to verify the fulfilment of the investment criterion	Competent authorities and non-public bodies
Investment in Government bonds maintained for at least two years ⁵⁴ .	At least EUR 2,000,000	<p>The checks are carried out at the beginning of the application procedure once the application for an investors' visa has been submitted.</p> <p>The Committee mentioned in Section II.1.2 evaluates the documentation received while filing an application for the entry visa⁵⁵.</p> <p>The applicant should also submit the documentation to demonstrate⁵⁶:</p> <ul style="list-style-type: none"> ■ The ownership and transferability of the amounts to be allocated to the investment; ■ The origin of the financial resources used, as well as the lawfulness of the same (see Table in Section II.4); ■ The absence of definitive criminal convictions and pending charges. <p>The ownership of sufficient financial resources must be proven by attaching to the application a copy of a bank statement including transactions carried out in the previous three months if the sum is held in the form of a bank deposit. The statement must contain⁵⁷:</p> <ul style="list-style-type: none"> ■ The name of the holder; ■ The account number; 	The competent authority to issue a clearance for the visa (and thus to verify that the applicant is in a position to carry out the investment and to certify that the investment has indeed been carried out and has been maintained) is the Committee composed by members of various Ministries and other public bodies. The composition of such Committee is described in Section 1 above ⁶⁵ .

⁵³ 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.

⁵⁴ Article 26-bis(1) TUI.

⁵⁵ Article 26-bis(3) TUI.

⁵⁶ Operative Guidelines adopted on 16 November 2017 by the Ministry of Economic Development, Ministry of Interior, Ministry of Foreign Affairs and International Cooperation available at <https://investorvisa.mise.gov.it/images/documenti/Manuale-Operativo-Investor-Visa-for-Italy-ITA.pdf>.

⁵⁷ Operative Guidelines adopted on 16 November 2017 by the Ministry of Economic Development, Ministry of Interior, Ministry of Foreign Affairs and International Cooperation available at <https://investorvisa.mise.gov.it/images/documenti/Manuale-Operativo-Investor-Visa-for-Italy-ITA.pdf>.

⁶⁶ Article 26-bis(1) TUI.

Type of investment required	Applicability of financial threshold	Procedure to verify the fulfilment of the investment criterion	Competent authorities and non-public bodies
		<ul style="list-style-type: none"> ■ The date of the statement, which cannot precede the date of application by more than 30 days; ■ The name of the credit institution; ■ The amount of financial availability in original currency. <p>When the resources are available in the form of financial instruments, it is necessary to submit a document describing the financial instruments held or acquired by the applicant in the three months before the date of application. All investments that can be converted into financial immediately liquid resources are valid for this requirement⁵⁸.</p> <p>The applicant also has to submit an official letter from the bank where the funds are deposited. The letter must confirm⁵⁹:</p> <ul style="list-style-type: none"> ■ That the account and / or the investments are in the name of the applicant; ■ That the bank carried out an adequate verification of the client in compliance with the International standards; ■ The exact amount held by the applicant, both in original currency and in euro according to the exchange rate in force at the time of signature; ■ In the case of securities or shares, the date of purchase and, if applicable, the period of validity; ■ Information on the licit origin of the funds; ■ That the sum is fully transferable to Italy; ■ The availability of the bank representative to respond to Committee's requests for further information. 	

⁵⁸ Operative Guidelines.

⁵⁹ Operative Guidelines.

Type of investment required	Applicability of financial threshold	Procedure to verify the fulfilment of the investment criterion	Competent authorities and non-public bodies
		<p>Documents proving the possession of assets, such as real estate properties or holdings in companies will not be accepted as evidence of financial resources, as there is no guarantee that the estimated value is equivalent to what will actually be realised after the assets are sold⁶⁰.</p> <p>The application is completed by a written declaration including:</p> <ul style="list-style-type: none"> ■ a description of the characteristics of the investment ■ the attestation of the consent of the recipients, and ■ a declaration of commitment to use the funds for the purposes declared in the application⁶¹. <p>In case of positive assessment, the Committee transmits the clearance to the competent diplomatic or consular office for the issuance of the visa with the express indication 'for investors'⁶².</p> <p>It should be noted that the Committee mentioned in Section II.1.2 also evaluates the documentation received by the investors (through the platform mentioned in Section 1.1) to justify that the investment has been carried out⁶³. Such documentation can only be sent once the investor entered the national territory. Before that day the investor has no right to invest in Italy. The documentation is the following:</p> <ul style="list-style-type: none"> ■ Bank documentation certifying the purchase of Government bonds, with indication of the type, the date of issue and maturity of the bonds; 	

⁶⁰ Operative Guidelines.

⁶¹ Operative Guidelines.

⁶² Article 26-bis(3) TUI.

⁶³ Article 26-bis(3) TUI.

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 owner of the investor residence permit can withdraw the investment at any time, recovering the money but as soon as s/he does so, the right to hold such residence lapses. Residence permits for investors can be renewed after two years under the condition that the investment has been maintained ⁶⁴.</p>	
<p>Investment in instruments representative of the capital of a company that is operating in Italy maintained for at least two years.</p>	<p>At least EUR 1,000,000 (EUR 500,000 if the investment is in an innovative start-up)⁶⁶</p>	<p>The procedure to verify that the investment requirement has been fulfilled is the same as explained in the row above, however the documentation to be reviewed differs (see below).</p> <p>It should be noted that the Committee mentioned in Section II.1.2 also evaluates the documentation received by the investors (through the platform mentioned in Section 1.1) to justify that the investment has been carried out⁶⁷. Such documentation can only be sent once the investor entered the national territory. Before that day the investor has no right to invest in Italy. The documentation is the following:</p> <ul style="list-style-type: none"> ■ Copy of bank statement from which it is clearly derived that the transfer to the company has been made. ■ Letter of validation of the statement by an authorised representative of the institution (bank, investment fund etc.) from whose account the transaction was carried out ■ Letter confirming receipt of the investment by the legal representative of the company addressee ■ Copy of the register of members of the recipient company 	<p>Same as above</p>

⁶⁴ Operative Guidelines. Information confirmed through consultation with stakeholder.

⁶⁶ Article 26-bis(1) TUI.

⁶⁷ Article 26-bis(3) TUI.

Type of investment required	Applicability of financial threshold	Procedure to verify the fulfilment of the investment criterion	Competent authorities and non-public bodies
		<ul style="list-style-type: none"> ■ Copy of the securities dossier in the case of a listed company 	
Philanthropic donation in support of a project of public interest, in the areas of culture, education, management of immigration, scientific research, recovery of cultural heritage and landscape ⁶⁸ .	At least EUR 1,000,000	<p>The procedure to verify that the investment requirement has been fulfilled is the same as explained in the row above, however the documentation to be reviewed differs (see below).</p> <p>It should be noted that the Committee mentioned in Section II.1.2 also evaluates the documentation received by the investors (through the platform mentioned in Section 1.1) to justify that the investment has been carried out⁶⁹. Such documentation can only be sent once the investor entered the national territory. Before that day the investor has no right to invest in Italy. The documentation is the following:</p> <ul style="list-style-type: none"> ■ Copy of the public deed of donation ■ Copy of bank statement from which it is clearly derived that the donation has been made ■ Letter of validation of the statement by an authorised representative of the institution (bank, investment fund etc.) from whose account the transaction was carried out ■ Letter confirming receipt of the donation by the legal representative of the addressee 	Same as above

⁶⁸ Article 26-bis(1) TUI.

⁶⁹ Article 26-bis(3) TUI.

3 RESIDENCE PHASE

Residence permit	Procedure ⁷⁰	Competent authorities and non-public bodies	Renewal of the residence permit
<p>Residence permit 'for investors'⁷¹ valid for two years⁷²</p>	<p>In order to apply for a residence permit, foreign investors must prove that they have a place of residence upon submission of the application which can be proved by for example a rent contract⁷³. Furthermore, the fact that an investors' visa is necessary to obtain a residence permit implies that the investor must be physically present in the Italian territory at the time of applying for a residence permit.</p> <p>Italian rules provide that, to obtain the renewal of the permit, the applicant cannot abandon the Italian territory for a period longer than half of the period of validity of the residence permit⁷⁴.</p> <p>This implies that the physical presence of the investor is required in Italy during the validity of the residence permit, rather than a mere formal residence (e.g. simple registration with the City Hall).</p>	<ul style="list-style-type: none"> ■ The competent authority to issue the investors' residence permit (and, thus, to certify that the investor has procured an accommodation and to ensure that the applicant is physically residing in Italy at the time of applying for a permit) is the Police Headquarter of the province in which the third country national is located. ■ The competent authority to verify that during the period of validity of the permit the applicant has continued to reside in Italy and, thus, can apply for a renewal of the permit is the Police Headquarter of the province in which the third country national is located 	<p>The residence permit for investors can be renewed for further periods of up to three years, subject to a positive assessment (clearance) by the Committee of the documentation proving that the investment has been maintained, under the same conditions set in the law (see table in Section II.1.2 of this Report) for the whole duration of the residence permit⁷⁵.</p> <p>Evidence to demonstrate the maintenance of the investment: the investor must upload to the platform the following documentation⁷⁶:</p> <ul style="list-style-type: none"> ■ bank documentation certifying the purchase of the State securities; ■ letter of confirmation of the maintenance of the investment by the legal representative of the Company that received the investment; ■ statement by the donee proving that the donation has not been revoked.

⁷⁰ This information in this column cannot be elaborated upon due to the lack of information in the Italian legislation and the impossibility to obtain stakeholder input.

⁷¹ Article 26-bis(5) TUI.

⁷² Article 26-bis(5) TUI.

⁷³ Operative Guidelines.

⁷⁴ Operative Guidelines.

⁷⁵ Article 26-bis(6) TUI.

⁷⁶ The upload of this documentation into the electronic platform (www.investorvisa.mise.gov.it) is different from the initial upload of documentation necessary to apply for a visa and the a residence permit.

Residence permit	Procedure ⁷⁰	Competent authorities and non-public bodies	Renewal of the residence permit
			<p>If the investor intends to make a new investment (type and amount) replacing the previous one, s/he will have to apply for a new investor visa⁷⁷.</p> <p>If the investigation carried out by the Secretariat of the Committee or by the other competent authorities⁷⁸, proves that the investment has changed or ceased to exist, the Committee formally requests to the Police Headquarter to revoke the residence permit⁷⁹.</p>

4 DUE DILIGENCE CRITERIA AND SECURITY CONSIDERATIONS⁸⁰

Due diligence and security considerations	Procedure to verify due diligence and security considerations	Competent authorities and non-public bodies	Ex-post checks
<p>Due diligence and security measures regarding the source of funds used for the investment</p> <p>In the application sent to the Committee requiring the issuance of the investors' visa, the applicant must prove the lawful origins of the investment⁸¹.</p>	<p>The checks are carried out by the Committee (see Section II.1.2 of this Report) when assessing the documentation for the issuance of the clearance that allows the applicant to get the investors' visa⁸⁶.</p> <p>No information was retrieved on whether such checks are also carried</p>	<p>The due diligence and security check are carried out by the Committee composed by members of various Ministries and other public bodies (e.g. Ministry of Economic Development, Ministry of Interior, Ministry of Foreign Affairs and International Cooperation, Economic Police, Italian Trade Agency)⁸⁷.</p>	<p>The research did not identify any rule on ex-post checks implemented to monitor abuses.</p> <p>The research did not identify any cases where a misuse, associated</p>

⁷⁷ Operative Guidelines.

⁷⁸ Such authorities are not listed in the law nor was it possible to withdraw this information due to the impossibility to obtain stakeholder input.

⁷⁹ Operative Guidelines.

⁸⁰ The information in this section cannot be further elaborated upon due to the impossibility to obtain stakeholder input.

⁸¹ The lawfulness of the origins of the investment is considered under the Italian legislation standards to consider an investment lawful. Source: Operative Guidelines.

⁸⁶ Operative Guidelines.

⁸⁷ Article 26-bis(3) TUI.

Due diligence and security considerations	Procedure to verify due diligence and security considerations	Competent authorities and non-public bodies	Ex-post checks
<p>To this end, the following documentation is required⁸²:</p> <ul style="list-style-type: none"> ■ in the event that the <u>resources have been deposited or invested under the name of the applicant at a financial institution for the last three months before the application</u>, the financial institution itself issues the relevant documentation proving the permanence of the money and the applicant presents a declaration attesting the licit origin of the resources. ■ in the event that <u>the resources have been deposited or invested under the name of the applicant at a financial institution for a period that does not cover all the last three months</u>, the request must be accompanied by the documentation proving the legal origin of the funds. <p>The Italian legislation does not provide a list of the abovementioned required documentation. The type of documentation will vary depending on the nature of the funds used to make the investment (donation, sale of goods, income from an economic activity, testament etc.), but, in any case it must indicate the date of the transaction, the sum and the</p>	<p>out once the visa and residence permit have been issued and during the period of validity of these.</p> <p>The Committee can turn down applications on the basis of due diligence checks if the documentation provided does not fulfil the legal criteria explained in the first column of this table including criminal records and licit origin of the funding.</p>		<p>with corruption and fraud has been reported</p>

⁸² Operative Guidelines.

Due diligence and security considerations	Procedure to verify due diligence and security considerations	Competent authorities and non-public bodies	Ex-post checks
<p>indication of the owner of the funds and of the recipient⁸³.</p> <p>Such documentation will be accompanied by the report⁸⁴ of an independent third-party expert in legal or accounting matters, who certifies the veracity of the information provided⁸⁵.</p>			
<p>Security measures regarding the applicant</p> <p>In the application sent to the Committee requiring the issuance of the investors' Visa, the applicant must submit his/her criminal records declaring his/her situation regarding any definitive criminal convictions and to other pending criminal charges⁸⁸.</p> <p>The applicant must submit a certificate of criminal records, issued by the competent authorities of every country in which s/he stayed for more than twelve months consecutively during the last 10 years, starting from the age of 18⁸⁹.</p>	<p>The checks are carried out by the Committee when assessing the documentation for the issuance of the clearance that allows the applicant to get the investors' Visa⁹².</p> <p>The Committee can turn down applications on the basis of due diligence checks if the documentation provided does not fulfil the legal criteria explained in the first column of this table including criminal records and licit origin of the funding</p>	<p>The due diligence and security check are carried out by the Committee composed by members of various Ministries and other public bodies (e.g. Ministry of Economic Development, Ministry of Interior, Ministry of Foreign Affairs and International Cooperation, Economic Police, Italian Trade Agency)⁹³.</p>	<p>Same as above</p>

⁸³ Operative Guidelines.

⁸⁴ The information on the content of this report is not in the legislation nor could it be ascertained due to the impossibility to obtain stakeholder input.

⁸⁵ Operative Guidelines.

⁸⁸ Operative Guidelines.

⁸⁹ Operative Guidelines.

⁹² Operative Guidelines.

⁹³ Article 26-bis(3) TUI.

Due diligence and security considerations	Procedure to verify due diligence and security considerations	Competent authorities and non-public bodies	Ex-post checks
<p>It is not necessary to provide a criminal record relating to periods of stay in Italy⁹⁰.</p> <p>If the required certificates are not foreseen by local regulations or if there are objective reasons which prevent the applicant from acquiring them, s/he will have to communicate to the Committee, that after consultation with the Italian diplomatic and consular representation, may propose to the Committee to grant an exemption⁹¹.</p>			

⁹⁰ Operative Guidelines.

⁹¹ Operative Guidelines.

III. RIGHTS GRANTED BY THE PERMITS⁹⁴

1 RIGHTS GRANTED TO INVESTORS

The right on equal treatment is reflected in the TUI which defines discrimination as “any conduct which, directly or indirectly, involves a distinction, exclusion, restriction or preference based on race, colour, ethnic origin, beliefs and religious practices, and which has the purpose or the effect of destroying or compromising the recognition, enjoyment or exercise, under equal conditions, of human rights and fundamental freedoms in the political, economic, social and cultural fields and in every other sector of public life”⁹⁵.

Pursuant to Title V of the TUI, third-country nationals that are regularly residing in Italy have the right to:

- recognition for professional qualification,
- professional development,
- education and access to universities,
- social integration,
- social assistance.

It is assumed that the rules relating to other fields e.g. access to labour market, social welfare, rights arising from pension, health insurance that are applicable to third country nationals who are employees or self-employed may also be applied to investors.

The TUI also states that the judge can, at the request of a party, order the cessation against a behaviour of a private individual or of the public administration that produces discrimination on racial, ethnic, national or religious grounds, of the injurious behaviour and adopt any other appropriate provision, to remove the effects of discrimination⁹⁶.

2 RIGHTS GRANTED TO THE INVESTORS' FAMILY MEMBERS

The residence permit for family reasons described in Section II.1.5 of this Report allows access to welfare services, schools and professional training, registration in employment lists and the performance of subordinate or autonomous employment positions⁹⁷.

General rules provided in the TUI provide that the State, regions and local authorities favour the dissemination of all information useful for the positive inclusion of foreigners in the society in particular regarding their rights and duties, the various opportunities for integration and personal and growth offered by public administrations and associations⁹⁸. This may also cover possible integration courses that however do not seem to be mandatory. The same antidiscrimination rules provided above apply to family members.

⁹⁴ The information in this Section could not be further elaborated upon due to the impossibility to obtain stakeholder input.

⁹⁵ Article 43(1) TUI.

⁹⁶ Article 43(2) TUI.

⁹⁷ Article 30(2) TUI.

⁹⁸ Article 42(1) TUI.

3 OTHER BENEFITS

A specific tax regime can be applied to investors who benefit of the investors scheme. This is a special tax regime for new residents (non-necessarily investors). According to the information provided on the website of the Ministry of Economic Development⁹⁹, investors who are granted a residence permit can benefit of a special tax regime for new residents holding substantial sources of income abroad. Such possibility was introduced by the 2017 Budget Law¹⁰⁰ which amended Article 24-bis of Italian Tax Code¹⁰¹ by providing Article 24-bis which set forth an optional tax regime that allows new residents to substitute regular taxation on their entire income generated outside Italian territory by paying, once a year, a EUR 100,000 lump sum. The new regime is applicable, upon request, to anybody who is willing to move their tax residence to Italy, but only if they have not been resident in Italy for at least 9 out of the last 10 years¹⁰².

⁹⁹ Ministry of economic development ‘Investor visa for Italy’ available at <https://investorvisa.mise.gov.it/index.php/en/home-en/special-tax-regime-for-new-residents>.

¹⁰⁰ Budget Law 2017 and pluriannual budget law for 2017-2019 n. 232 of 11 December 2016 (*Bilancio di previsione dello Stato per l'anno finanziario 2017 e bilancio pluriennale per il triennio 2017-2019*). O.J n 297 of 21 December 2016 available at <http://www.gazzettaufficiale.it/eli/id/2016/12/21/16G00242/sg>

¹⁰¹ Decree of the President of Republic n. 917 of 22 December 1986 ‘Single text on the income taxes’ (*Decreto del Presidente della Repubblica n. 917 del 22 Dicembre 1986 ‘Testo Unico delle Imposte sui Redditi’*) O.J of 31 December 1986 available at <http://www.altalex.com/documents/leggi/2014/12/10/tuir-testo-unico-delle-imposte-sui-redditi>.

¹⁰² Ministry of Economic Development, ‘Investor visa for Italy’, available at <https://investorvisa.mise.gov.it/index.php/en/home-en/special-tax-regime-for-new-residents>.

IV. INTERACTION BETWEEN RESIDENCE AND CITIZENSHIP SCHEMES¹⁰³

The Italian legal framework provides that holders of a residence permit can obtain the Italian citizenship. According to Article 9 of Law n. 91 of 5 February 1992 setting up new rules on citizenship¹⁰⁴, Italian citizenship can be granted to a third country national who has legally resided in Italy for at least 10 years. This is a general rule and it also applies to investors holding a residence permit.

The citizenship request is submitted to the territorially competent Prefect of the place where the third country national is resident. The request must contain the description of the criteria on the basis of which the citizenship is required and all needed authentic documents. The documents are¹⁰⁵:

- Extract of the birth certificate, or equivalent;
- Family status;
- Documentation concerning the citizenship of the parents, when this is needed for the acquisition of citizenship;
- Criminal record certificates from the States of origin and residence;
- Italian criminal record certificate;
- Residence permit;
- Copy of the marriage certificate when this is needed for acquisition of citizenship by marriage.

The research did not identify any statistical data on the number/percentage of third-country nationals who obtained citizenship on the basis of investors' residence permits.

¹⁰³ The information in this Section could not be further elaborated upon due to the impossibility to obtain stakeholder input.

¹⁰⁴ Law 5 February 1992, n. 91 'New rules on citizenship', OJ n. 38 of 15 February 1992.

¹⁰⁵ Article 1, Decree of the President of Republic 18 April 1994, n. 362 'Rules on the proceedings for the acquisition of Italian citizenship'.

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

There are no legal or policy measures establishing a mechanism to monitor the economic impact and financial efficiency of residence permits for foreign investors in Italy. Furthermore, there are no studies on this field either.

No estimates and conclusions on the efficiency of investors' residence schemes in Italy can be drawn due to the scarcity of information and the impossibility to obtain input from stakeholders.

Presumably, it is too soon to draw any conclusions as the scheme just entered into force in July 2017, less than a year ago since the drafting of this Report.