



An Roinn Dlí agus Cirt  
agus Comhionannais  
Department of Justice  
and Equality

# Immigrant Investor Programme

## Guidelines for Applicants

Published February 2019

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## Executive Summary

The Immigrant Investor Programme (IIP) was introduced by the Irish Government in 2012 to encourage inward investment for the creation of business and employment opportunities in the State. The IIP is designed to encourage investors and business professionals from outside the European Economic Area (EEA) to avail of opportunities of investing and locating their business interests in Ireland and acquire a secure residency status in Ireland.

Applicants must be high net worth individuals with a personal wealth of at least €2 million. Applications are determined by an Evaluation Committee, composed of senior civil and public servants from relevant Irish Government Departments and Agencies.

The programme offers four investment options for potential investors:

- **Enterprise Investment:** A minimum of €1 million invested in an Irish enterprise for a period of at least 3 years.
- **Investment Fund:** A minimum of €1 million invested in an approved investment fund for a period of at least 3 years. Such funds must be approved and regulated by the Central Bank.
- **Real Estate Investment Trusts (REIT):** A minimum investment of €2 million in any Irish REIT that is listed on the Irish Stock Exchange, for a period of at least 3 years.
- **Endowment:** A minimum €500,000 philanthropic donation to a project which is of public benefit to the arts, sports, health, culture or education in Ireland.

There are four steps to the IIP process–

1. Make an application, without committing any investment funding, on the basis of one of the above investment options.
2. Application approved by the Evaluation Committee.
3. Make the investment in accordance with your approved application.
4. Provide evidence that you have made the investment.

As part of the Irish Naturalisation and Immigration Service's (INIS) on-going commitment to ensure the highest degree of transparency and accountability for the programme, all applications will be subject to enhanced levels of due diligence processes in respect of anti-money laundering, Know Your Client, Politically Exposed Persons and sanction checks. Additionally, we are engaging in data sharing in accordance with the OECD common reporting standards (<http://www.oecd.org/tax/automatic-exchange/common-reporting-standard/>).

When all the criteria are met the Minister for Justice and Equality will issue you and your nominated family members with permission to reside in the State.

A non EEA national may apply under the IIP for permission for themselves and their spouse/civil partner and children under the age of 18 to reside in the State. Dependent children between the ages of 18 and 24 may also be considered if they are in full time education.

These guidelines detail the terms for applying and maintaining a permission to reside in Ireland under the terms of the IIP. The process aims to establish that the applicant is a suitable candidate and their proposed investment is eligible for the programme.

# Part 1 - The Application Process

## 1.1. INTRODUCTION

### 1.1.1. Who is the programme for?

- Investors who wish to undertake one of four eligible investments in Ireland
  - Enterprise Investment
  - Investment Fund
  - Real Estate Investment Trusts (REIT)
  - Endowment
- High net worth individuals with a minimum personal net worth of €2 million
- Investors who are of good character and have not been convicted of criminal offences in any jurisdiction
- Under no circumstances will a loan provided to the applicant for the purpose of making an IIP application be considered an appropriate source of funding.

### 1.1.2 What must investors do in order to be able to apply for the Programme?

- Make an application for approval under the IIP indicating the investment opportunity you wish to pursue.
- You must complete the application form and provide all requested supporting documentation including evidence of your net worth, details of the source of your wealth and evidence of good character.
- You must pay the non-refundable application fee of €1,500 by electronic funds transfer.
- Incomplete applications will be returned

### 1.1.3 When are investors required to commit to their chosen investment?

You are required to transfer the appropriate funds to your preferred investment option only after your application has been approved by the Minister for Justice and Equality. Your permission to reside in the State will only issue once evidence has been provided that the investment has been made.

### 1.1.4 OECD Data Sharing

In order to support the OECD's Common Reporting Standard, INIS through the Irish Revenue Commissions will spontaneously exchange the personal data of successful IIP applicants with the jurisdiction of tax residence of the successful applicants. Further information is available at <http://www.oecd.org/tax/automatic-exchange/common-reporting-standard/>

## 1.2. INVESTMENT OPTIONS

There are four investment options for non-EEA nationals who wish to acquire permission to reside in Ireland through the Immigrant Investor Programme.

### 1. Enterprise Investment

- A minimum investment of €1.0 million in an Irish enterprise for a minimum of 3 years.
- The enterprise may be a start-up established by the investor or an existing business registered in Ireland. The enterprise must be registered and headquartered in Ireland and the investment must support the creation or maintenance of employment.
- The investment may be in either a single Irish enterprise or spread over a number of Irish enterprises.
- The investment must be made in the name of the individual seeking residence under the Programme.
- A purely speculative investment aimed at increasing profits through reduction in staff or moving jobs offshore would not be acceptable for the purposes of the Programme.
- An investment by a corporation, even where owned 100% by the applicant will not be acceptable. An investment which comprises the purchase of publicly traded securities will not be considered as an eligible investment under the enterprise option.
- An investment in commercial property for the purposes of leasing or renting that property to tenants will not be considered as an eligible investment under the enterprise option.
- Categories eligible for consideration include investments in social housing and primary care centres.

**Why choose this option? – The Enterprise Investment option will be suitable for investors who wish to create a new enterprise or invest in an existing business in Ireland. This option will facilitate investors who have their own investment or business strategy and see the benefits of Ireland as a location.**

### 2. Investment Fund

- A minimum investment of €1.0 million in an approved Investment Fund for a minimum of 3 years.
- The monies invested by the fund on behalf of IIP applicants must be invested in a manner consistent with the programme objectives (in other words relating to investments that would, if made by an individual applicant on their own behalf, be likely to qualify under the programme). All funds must be invested in Ireland and must represent equity stakes in Irish registered companies that are not quoted on any stock exchange.
- The funds and fund managers must be regulated by the Central Bank of Ireland to conduct business in Ireland.
- Only fund managers with an established record of managing regulated funds will be accepted to manage funds in Ireland.
- A list of Investment Funds that have been approved for the purposes of the Immigrant Investor Programme by the Irish Naturalisation and Immigration Service (INIS) can be obtained by writing to: Investor Unit, Irish Naturalisation and Immigration Service, 13-14 Burgh Quay, Dublin 2

**Why choose this option? – This option allows investors to avail of the services of approved professional investment intermediaries to invest in the future potential of Ireland's Enterprise sector.**

### 3. Real Estate Investment Fund (REIT)

- A minimum investment of €2 million in any Irish REIT that is listed on the Irish Stock Exchange. The €2 million investment may be spread across a number of different Irish REITs.
- The full REIT investment that has been approved for the Immigrant Investor Programme must be held for three years from the date of purchase. During this three year period the number of shares in the REIT approved for qualification under the IIP must be retained by the investor even if their value rises above the €2m original investment.
- After three years from the date of purchase, the investor may divest no more than 50% of the shares purchased for the IIP. Where an investor has divested shares during year three, the investor may, after four years from the date of purchase, divest no more than a further 25% of the shares purchased for the IIP. After five years from the date of purchase, no requirements on the retention of shares will apply to investors.
- A REIT is a listed company, used to hold rental investment properties. It is a globally recognised standard for investment in rental property assets, already established in many developed economies including the US, Europe, Asia and Australia.
- The aim of a REIT is to provide an after-tax return for investors similar to that of direct diversification. To eliminate the double layer of taxation that 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.
- Only REITs that have a listing or have applied for a listing on the Irish Stock Exchange and which have given notice to the Revenue Commissioners under Section 705E of the Taxes Consolidation Act 1997 are eligible for the REIT investment option under the Immigrant Investor Programme.
- The investor must declare an intention to invest in a REIT as part of the application process. The Evaluation Committee will make a recommendation to the Minister as to whether or not the person should be accepted under the programme prior to the investment.
- Limits may be imposed by the Evaluation Committee at its absolute discretion on the number of REIT investments qualifying under the Immigrant Investor Programme if necessary in order to prevent any perceived distortions in the Irish REIT market.
- For more information on REITs in Ireland please refer to the appropriate webpage on the website of the Irish Stock Market - <http://www.ise.ie/Learn-More-About/REITs/>.

**Why choose this option? – An investment in a REIT provides an investor with a lower-risk property investment model in which the investment is diversified into a pool of properties. The debt limits within the REIT reduce exposure to negative equity risk, and REITs are income producing investments which are required to distribute the majority of profits each year, and so generate a regular income stream for investors.**

#### 4. Endowments

- A minimum endowment of €500,000 in a project of public benefit in the arts, sports, health, cultural or educational field.
- The endowment should be regarded as a philanthropic contribution with a clear public benefit. Investors will receive no financial return or recoupment of the principal.
- The endowment must not displace or supplement current or capital expenditure as voted by the Oireachtas (the Irish parliament). It is important that the endowment is visible to the public and beneficial to the wider community
- Where a group of five or more investors wish to combine their philanthropic endowments to contribute to an appropriate project, a minimum investment of €400,000 per investor will qualify under the Programme.

#### Why choose this option?

**The endowment option will facilitate investors who wish to actively engage in philanthropy and who wish to champion projects that benefit the public at large. It is the most straightforward option and once the endowment is made no further financial obligation is required under the Immigrant Investor Programme.**

#### 1.3. APPLICATION FEE

You must pay the non-refundable application fee of €1,500 by Electronic Funds Transfer. Please ensure you write 'IIP' and your passport number in the 'Reason for Payment' and/or 'Reference' section. The Department's bank account details are:

BIC:	BOFIE2D
IBAN:	IE65 BOFI 9000 1782 4921 91
Name of Account	Department of Justice and Equality
Bank name	Bank of Ireland
Bank address	2 College Green, Dublin 2

The €1,500 fee covers the principal applicant and all nominated family members. Application fees are non-refundable in the event of incomplete or unsuccessful applications.

#### 1.4. SUPPORTING DOCUMENTATION

The IIP application form lists the documents which must be submitted with your application. **All documents must be apostilled by the Ministry of Foreign Affairs and the Irish Embassy in the applicant's country of residence.** These documents must be submitted by email to [iip&stepapplications@justice.ie](mailto:iip&stepapplications@justice.ie) along with your application form:

#### Enterprise Investment

- If the applicant is investing in an existing Irish business or is relocating a business to Ireland, s/he must submit the most recent audited accounts for that business in support of the application.
- For investments in existing businesses, relocating business and new business proposals, the applicant should submit a comprehensive business plan, which clearly identifies the

financial investment being made in support of the application for residency under this programme.

- The business plan should indicate how the funds will help create or maintain employment in the business. Business plans may be completed in the template which is available for download on the INIS web-page [www.inis.gov.ie](http://www.inis.gov.ie).
- The plan should also be clear as to the extent of the equity in the business being acquired by the investor and the manner in which the investor will receive a return on the investment.

### **Investment Fund**

- Details of the supporting documentation when applying for the Investment Fund option are available on a separate link on the main Immigrant Investor Programme web page entitled “Immigrant Investor Funds - Guidelines for Fund Applications”.

### **Real Estate Investment Trust**

- As part of the application process an investor need only indicate that a REIT investment is their preferred option and that they have the required funding for their investment. The investor must not indicate which individual listed REIT they intend to invest in. This is to avoid market sensitive information being provided.
- Any investments in a REIT made prior to the granting of approval of a REIT investment under the Immigrant Investor Programme will not be considered an eligible investment. The required minimum €2 million investment in a REIT must be made only after conditional approval has been granted.

### **Endowment**

- Applicants who wish to pursue the endowment option should provide details of how the endowment funds are to be utilised by the beneficiary and how their endowment will be of public benefit in Ireland.
- The business plan template at the bottom of the Immigrant Investor Programme [web page](#), can be adapted by the investor or the receiving organisation for this purpose.

In addition to the specific requirement for the investment options above, all applicants will be required to submit the following evidence in support of their application.

#### **1.4.1 Evidence of Net Worth**

All applicants for the Immigrant Investor Programme must clearly demonstrate that they have a legally acquired minimum net worth of €2 million. Applicants must clearly demonstrate that they are independently wealthy and do not rely on funds which are solely owned by another individual.

In addition to the declaration of Net Assets Section on the application form, you are required to provide an explanation of all of your financial activities for the previous 12 month period.

Please indicate:

#### **1. Your income**

- the job title and duration of the employment (if you changed functions during this period);
- monthly salary;
- bonuses and commissions,
- dividends and annual income;
- gifts and inheritances and their source (in the case of a gift, explain the reason for it and the donor’s financial capacity to offer it).



## 2. Your investments

- the nature and amount of the investment in the enterprise;
- the percentage (%) of shareholders' equity acquired,
- the names of the shareholders and their equity interest in the enterprise and the name of the shareholder who sold their equity interest;
- the origin of the funds that allowed this investment;
- the registered capital of the enterprise following the transaction, the purchase price of real estate property acquired during this period; the amounts of personal investments, purchases of shares or other securities and the investment income that you derived from them.

## 3. Your loans

- bank loans and the date of repayment of such loans;
- mortgage loans contracted and the date on which you repaid your mortgage;
- any other type of loan.

*If need be, add tables to clearly illustrate the history of the acquisition of your funds.*

**Under no circumstances will a loan provided to the applicant for the purpose of making an IIP application be considered an appropriate source of funding.** As part of the IIP application Process, INIS will undertake a comprehensive examination of the sources of proposed funding and will require significant supporting documentation attesting to the source of the funds and appropriate independent verification of said documentation from suitably qualified legal advisors in the relevant jurisdictions. If an applicant seeks to rely on loaned funds for the purposes of an IIP application, the application will be refused.

### 1.4.2 Evidence of Funds for Investment

The applicant must provide evidence of the funds that they intend to use for the proposed investment, the provenance of those funds and the ability of the applicant to transfer those funds to Ireland. The funds that are intended for investment must clearly be identified in the relevant section of the application form.

### 1.4.3 Evidence of Source of Funds

It should be noted that as part of INIS's on-going commitment to ensure the highest degree of transparency and accountability for the programme all applications will be subject to further enhanced levels of due diligence processes in respect of anti-money laundering, Know Your Client, Politically Exposed Persons and sanction checks. These enhanced procedures form part of a suite of measures, which will include future sharing of information with Irish and international tax authorities.

Applicants should also be aware that the Criminal Justice (Money Laundering and Terrorist Financing) (Amendment) Act 2018 increases the obligations on credit and financial institutions, lawyers, accountants, and high-value goods dealers in relation to money laundering and terrorist financing. In particular, it imposes requirements on those entities relating to assessing the risks of money laundering and terrorist financing involved in carrying out their businesses by putting policies in place to mitigate that risk and carrying out customer due diligence measures.

Whether the money is held in a financial institution regulated by the Central Bank of Ireland or overseas at the time of application, the applicant must supply every item of evidence that is necessary to establish the source of his/her money. We will contact the source of these documents to confirm the information as necessary.

We will consider the following sources of funds, where the evidence is provided:

1. business and investment activities
2. deeds of sale
3. inheritance and gifts
4. divorce settlement

## **1. Business and Investment Activities**

If the funds are sourced from the applicant's business and investment activities, the applicant should provide financial accounts together with a verification letter from a registered legal adviser who is permitted to practice in the country where the applicant's business activities are operating. This letter must confirm that the applicant can lawfully extract the money from the business.

The required financial accounts must be a profit and loss account or income and expenditure account if the organisation is not trading for profit. The financial accounts should be prepared and signed off in accordance with legal requirements and should clearly show the amount of funding available for investment.

The verification letter, in the form of an original document from a legal adviser permitted to practice in the country where the applicant's business activities are operating, must confirm that the applicant can lawfully withdraw the funds from the business. The letter must be an original document and not a copy and must show:

- the name of the legal adviser who is confirming the details;
- the registration or authority of the legal adviser to practise legally in the country in which the business is operating;
- the date on which the details are confirmed and
- confirmation that the applicant can lawfully withdraw the funds from the business in question.

## **2. Deeds of Sale**

If the funds are being sourced from the proceeds of a sale of assets, the applicant should submit original documents in the form of the deeds of sale of assets accompanied by a verification letter from a registered legal adviser who is permitted to practice in the country where the sale was conducted.

INIS will require the deeds of sale of assets such as business or property if the applicant has generated these funds from this source for the purposes of this application. This should be accompanied by confirmation from a registered legal adviser, who is permitted to practice in the country where the sale was conducted, that the sale was genuine and that the funds realised are available to the applicant. All deeds of sale should meet the relevant legal requirements of the country in which the sale was conducted. As a minimum requirement the deed of sale document must show -

- the name of the applicant,
- the monetary value of the sale,
- the date of the sale.

If a sale is required to be registered on an official public register in the country of sale, a copy of the relevant registration should be submitted.

The verification letter in the form of an original document from a legal adviser, permitted to practice in the country where the sale was conducted, must clearly show the following –

- the name of the legal adviser confirming the details,
- the registration or authority of the legal adviser to practise legally in the country in which the sale was made,
- the date of the sale,
- the date of production of the letter confirming the sale,
- the details of what was sold and the amount of money received from the sale, net of any mortgage or other loan,
- the name of the person receiving the money from the sale,
- the date that the money was transferred,
- that the sale was valid according to the laws of the country in which it was conducted.

### **3. Inheritance and Gifts**

If the applicant has been the beneficiary of an inheritance which has enabled his or her application, then a notarised copy of the will which conferred this benefit on the applicant should be provided together with a verification letter from a registered legal adviser permitted to practise in the country where the will was made confirming the validity of the will. If the applicant has received assets, rather than money, then the applicant may not use estimates of the value of the assets as evidence of funds for investment.

The will should contain the following information –

- the date of the will,
- the applicant should be identified as a beneficiary of the will,
- the amount of money that the applicant has inherited
- the names of any executors, plus any codicils (additions) to the will that impinge on the amount of money that was received,

The verification letter should be an original document from a registered legal adviser, permitted to practice in the country where the will was made, and must clearly demonstrate:

- the name of the legal adviser confirming the details,
- the registration or authority of the legal adviser to practice legally in the country in which the will was made,
- the date of the document produced by the legal adviser confirming the will,
- the date that the applicant received the money as a result of the settlement of the will
- the names of the person making the will and the beneficiaries,
- confirmation of the amount of money received by the applicant,
- that the will is signed and valid,
- that the will is valid according to the laws of the country in which it was made.

If the applicant has been the beneficiary of a gift which has enabled his or her application, the applicant must explain the reason for it and provide evidence of the donor's financial capacity to offer it.

## 4. Divorce Settlement

If the applicant has obtained the required funding as a result of a divorce settlement, a notarised copy of a financial agreement following a divorce should be provided together with a letter from a registered legal adviser permitted to practice in the country where the divorce was decreed. Where the applicant has received possessions or assets, rather than money, estimates of the value of the items will not be accepted as evidence of funds available for investment.

The verification letter in the form of an original document from a registered legal adviser permitted to practice in the country where the divorce was decreed, must clearly state the following –

- the name of the legal adviser confirming the details the registration or authority of the legal adviser to practice legally in the country in which the divorce was decreed,
- the date of the document produced by the legal adviser confirming the divorce settlement,
- the date that the applicant received the money as a result of the settlement,
- the names of the persons who are divorced,
- confirmation of the amount of money received by the applicant,
- confirmation that the divorce settlement is complete and valid.

All of the funds required to meet the conditions of the Immigrant Investor Programme must be capable of being transferred to Ireland and convertible to euros. Many jurisdictions have controls over the transfer of currency and it will be necessary for the applicant to prove that the funding can be transferred to Ireland if the application is successful.

Applicants should provide a letter from their bank or financial institution as evidence that the funds can be transferred into Ireland. This must be an original letter, on the official letter-headed paper of the bank or financial institution. It must have been issued by an authorised official of that institution and must confirm the following details –

- the name of the beneficial owner of the funds, which should be the applicant,
- the date of the letter,
- the amount of money to be transferred,
- that the money can be transferred to Ireland if the application is successful,
- that the institution will confirm the content of the letter to the Irish Naturalisation and Immigration Service upon request.

The bank or financial institution must be regulated by the official regulatory body for the country in which the institution operates and the funds are located.

## 1.5. EVIDENCE OF CHARACTER

All applicants, as well as their nominated family members over the age of 16 must submit their application with a statement of character from the police authorities of each country in which they have resided for more than six months during the 10-year period prior to your making an application.

Applicants must supply a due diligence report from a reputable international risk management and security screening organisation.

## 1.6. REJECTION OF APPLICATIONS

The decision of the Minister for Justice and Equality on an application is final and a rejection of an application for residence under the Immigrant Investor Programme shall not be subject to a review or appeal. This does not, however, prevent the person concerned from making a new application at a later date.

Where an application is rejected, the Irish Naturalisation and Immigration Service will communicate the reasons for that rejection in writing to the applicant.

## Part 2 - The Approval Process

### 2.1 HOW YOUR APPLICATION IS DECIDED

All complete applications for a residence permission under the Immigrant Investor Programme, consisting of candidates' application forms, supporting documentation, details of their investment proposals and the findings of the due diligence checks carried out by INIS will be presented to the Evaluation Committee. The Evaluation Committee will consider the proposal and may seek further information from the candidate if required.

The Evaluation Committee will make recommendations to the Minister for Justice and Equality.

### 2.2 THE EVALUATION COMMITTEE

The Evaluation Committee is composed of senior officials from relevant Irish Government Departments (Ministries) and Irish State Agencies involved in enterprise development in Ireland. The Evaluation Committee convenes at least four times to assess applications for residency under the Immigrant Investor Programme. Details of the application windows are posted on the INIS [website](#).

Applications are assessed on the basis of the profile of the applicant, the commercial viability of the project, employment outcomes associated with the proposed investment and the overall benefit to the Irish State.

### 2.3 REQUIREMENTS WHEN YOU HAVE BEEN APPROVED

Applicants and their nominated family members who are successful and whose investment proposals are approved by the Evaluation Committee and the Minister for Justice and Equality, will be issued with a pre-approval letter inviting them to proceed to make their investment. The investment must be made within 90 days of the date of this letter.

When the investment is complete, the applicant must submit the following documents to the Minister.

#### Enterprise Investment

1. A letter from a solicitor, who is permitted to practice in the State, confirming the funds have been invested in the Irish business/enterprise.
2. A letter from the enterprise/business stating the financial value that has been invested in their business/enterprise.
3. Evidence of transfer of funds to include payment remittance and bank statement showing transfer of funds.

#### Investment Fund

1. A letter from a solicitor, who is permitted to practice in the State, confirming the funds have been invested in the investment fund.
2. A letter from the Fund Investment Manager stating the financial value that has been invested in the fund.
3. A copy of the applicant's subscription certificate.

#### Real Estate Investment Trust

1. A letter from a solicitor, who is permitted to practice in the State, confirming that €2 million has been invested in the REIT.
2. A letter from the REIT company stating the financial value that has been invested in the REIT.
3. A copy of the applicant's share certificate.

## Endowment

1. A letter from a solicitor, who is permitted to practice in the State, confirming the funds have been donated to the registered charity.
2. A letter from the registered charity stating the financial value that has been donated to their charity.
3. Evidence of transfer of funds to include payment remittance and bank statements showing transfer of funds.

When the Minister is satisfied that the investment have been undertaken, an approval letter will issue granting the applicant a residence permission. This permission is valid for 2 years from the date of issue of the letter.

## Part 3 - Residing In Ireland

### 3.1 REGISTERING YOUR PERMISSION ON ARRIVAL IN IRELAND UNDER THE IMMIGRANT INVESTOR PROGRAMME

When applicants have fulfilled all investment and documentary requirements and have been issued with a letter granting them permission to reside in the State, they should make an appointment to register their permission at Burgh Quay registration office in Dublin.

All successful candidates and their nominated family members will be granted a residence permission in Ireland under “Stamp 4” conditions. “Stamp 4” conditions permit foreign nationals to work, to study or to start their own businesses in Ireland.

**The Immigrant Investor Programme recognises that investors who benefit from the programme may have substantial business and financial interests outside of Ireland. Therefore, actual physical residence in Ireland is not a condition for renewal of your residency permission under the Immigrant Investor Programme. This condition applies to both investors and their nominated family members. The programme simply requires investors and their family members to visit Ireland at least once per calendar year.**

### 3.2 RENEWAL OF RESIDENCE PERMISSION

Your immigration permission is initially for two years and may be renewed subject to certain conditions being fulfilled during this period. You must write to us 3 months in advance of your renewal date seeking renewal of their permission and provide evidence that:

A – Your designated investment is still in place, or your philanthropic donation has been utilised by the registered charity.

B - You have not become a financial burden on the Irish State.

C - You have not been investigated, indicted or convicted in relation to any criminal offence in any jurisdiction.

A letter will issue renewing your permission for a further 3 years once you have met these conditions.

After the initial five years your immigration permission may be renewed subject to certain conditions being fulfilled during this period. You must write to us 3 months in advance of your renewal date seeking renewal of your permission and provide evidence that:

A – Your designated investment has remained in place for the required time period, i.e. a minimum of three years; no further evidence is required for philanthropic donations.

B - You have not become a financial burden on the Irish State.

C - You have not been investigated, indicted or convicted in relation to any criminal offence in any jurisdiction.

A letter will issue renewing your permission for a further 5 years once you have met these conditions.

It should be noted that investment performance is not a condition for residence. As long as you commit your funds for the required period of time your residence will be renewed.

After this period, your investment in Ireland will be deemed completed for immigration purposes. There will be no further conditions requiring you to make an investment in Ireland. Thereafter your immigration permission will be renewed by the Registration Office for further five year periods subject again to conditions B and C above.

### 3.3 ELIGIBLE FAMILY MEMBERS

Residency status, on similar terms, to the principal applicant is also available for spouses/partners and minor children (i.e. children under 18 years of age) for whom the principal applicant and/or their spouse or partner has legal guardianship.

In certain cases, children between the ages of 18 and 24 will be considered for residence under the programme where:

- They are unmarried and do not have a life partner
- They are financially dependent upon their parents (e.g. they are in full time education)

### 3.4 DISCOUNT FOR EDUCATION EXPENSES

To facilitate investors who wish to educate themselves or their family members in Irish higher education institutions, an investor may avail of a discount on their investment for any 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 the investor and/or their family member who has been accepted on an academic programme in one of the above educational institutions.
- The expenses must be indicated as part of the application process (see relevant section of the form)
- The maximum discount allowable is €50,000.
- Retrospective education expenses cannot be included.

Investors will need to include a letter from the college confirming that an offer of a place has been accepted by the investor or their family member. The letter from college should also confirm the fees for each year of the programme.

### 3.5 NATURALISATION

The Immigrant Investor Programme does not provide for preferential access to naturalisation for successful applicants. Successful applicants are free to apply for naturalisation in the normal manner under the provisions of the Irish Nationality and Citizenship Act 1956 (as amended). 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, i.e. 5 years.

**Please note that only residence where you physically reside in Ireland is considered for the calculation of the minimum residency period in naturalisation applications. Investors and their family members who exercise their right not to reside in Ireland under the Immigrant Investor Programme will not fulfil the residency requirements for naturalisation.**



### 3.6 WITHDRAWAL OF IMMIGRATION PERMISSION OR LOSS OF STATUS

Residency status under the Immigrant Investor Programme may be withdrawn in the following circumstances -

1. If the acquisition of the status was fraudulent;
2. In the event of the holder being the subject of a deportation order;
3. In the event of the holder being convicted of a criminal offence in any jurisdiction;
4. If the applicant fails to meet the conditions of the scheme as regards duration of the investment;
5. If the investor failed to disclose material information available to them at the time of the application or renewal that would, if known to the immigration authorities, have made them ineligible for the programme on the grounds of character.
6. Where the immigration permission of the main applicant/investor is withdrawn, then the permission granted to their family members are also withdrawn.

## Appendix 1

### GUIDANCE NOTE ON PROPERTY INVESTMENTS UNDER THE IMMIGRANT INVESTOR PROGRAMME

The Evaluation Committee established under the Immigrant Investor Programme (IIP) will look at each investment proposal on its own merits. However, based on the level of queries received, it may be helpful to give some guidance on how property based investments could potentially meet the requirements of the Programme, entirely without prejudice to the evaluation process.

A useful starting point in this respect is the underlying purpose of the Immigrant Investor Programme, which is the creation or maintenance of employment. The IIP has been designed accordingly to facilitate productive investment into Ireland and to position Ireland as a “business friendly” country. Sale of property or stimulation of the property market is not of itself an objective of the programme.

The investment should be aligned with the Government overarching policy initiatives as set out in Project Ireland 2040. Particular preference is given at the moment to investments in social infrastructure such as social housing, primary healthcare centers and nursing homes.

Currently, the programme does not have an option for residential property purchase.

## Appendix 2

### FREQUENTLY ASKED QUESTIONS

#### **Q1: How long does an application take?**

Applications take on average three to four months although they may take longer if the Evaluation Committee require more information from an applicant.

#### **Q2: What is the minimum time I must spend in Ireland to adhere to the rules of the programme?**

The applicant must spend a minimum of 1 day per calendar year in Ireland.

#### **Q3: What kind of personal net assets are acceptable for participating in the Irish Programme?**

Assets that have been acquired legally through legitimate business and commercial activity, inheritance, endowment and/or divorce. Applicants are required to demonstrate a minimum personal net worth of €2million.

#### **Q4: Are assets owned by my spouse acceptable as proof of €2 million net worth?**

No, assets solely owned by other individuals, including a spouse, will be not accepted as evidence of net worth.

#### **Q5: If I get married or have a child after receiving the residency, can I add them as my dependants?**

Yes the investor can add additional nuclear family members (spouse and dependent children under 24) to the permission. Documentary evidence of the marriage and/or birth will be required.

#### **Q6: What is the refund policy if my application is refused?**

There is no refund on application fees of €1,500.

#### **Q7: Can I work, study or travel in any other EU member state?**

Ireland can only issue permissions for residence in this State. You should check the residence requirements of other EU member states with the relevant immigration authority.

#### **Q8: Can I use the money gifted to me by a parent or other relative for an investment?**

Yes, provided it has been obtained legally and can be legally transferred and the applicant can demonstrate a net worth of at least €2m.

#### **Q9: Can I use retained earnings as investment or money coming from funds in a joint account?**

Yes, provided you have authority to transfer that money into the proposed investment.

#### **Q10: Where do I submit my completed application?**

- (i) Applications, including a copy of the original application form and supporting documentation, must be submitted by email to [iip&stepapplications@justice.ie](mailto:iip&stepapplications@justice.ie)
- (ii) The subject bar should clearly identify the name of the applicant and project name.
- (iii) The original signed application form and proof that the application fee of €1,500 has been transferred to the Department's account must be forwarded by post to:

**Investment and Start Up Entrepreneur Programmes, Irish Naturalisation and Immigration Service, 13- 14 Burgh Quay, Dublin 2, D02 XK70.**

Due to size limitations on the Department of Justice and Equality internet system, it may take several emails to send all the documentation to INIS.

**Q11: Do I need to liquidate my assets in my home country before moving to Ireland?**

No but you must be in a position to make the investment within 90 days of your pre-approval letter issuing.

**Q12: How many investor permissions are available for this program each year?**

Currently there is no limit on the number of permissions available.

**Q13: Do my school age children need to get a separate student permission?**

No, family members will be given Stamp 4 permission to reside in Ireland which will allow them to study here.

**Q14: Will my children be able to remain in school in Ireland if I leave Ireland?**

Yes, provided your permission is still valid.

**Q15: What age can my children still qualify under my residency (only up to age of 18?)**

Children under the age of 18 qualify under the IIP applicant's residency. Children between 18 and 24 will be considered under the programme where they are not married or in a de facto relationship and are attending full time education in Ireland and are still financially dependent upon the investor.

**Q16: What type of businesses qualify for immigrant investments?**

Any Irish enterprise that is headquartered in Ireland, has the bulk of its operations located in Ireland, where at least 60% of its employees are based in Ireland and at least 60% of its cost base is located in Ireland may qualify for IIP.

**Q17: Are any countries excluded from eligibility for the IIP?**

There are no countries excluded from the IIP although international sanction agreements to which Ireland is party may apply to some nationalities.

**Q18: When do I, as an immigrant investor, commit my investment amount?**

Upon receipt of your pre-approval letter from the INIS.

**Q19: Are there any minimum net worth requirements for Immigrant Investor Programme?**

Yes a personal net worth of €2 million is required.

# **Immigrant Investor Programme**

## **Guidelines on Enterprise Investment Funds**

**December 2016**

The Immigrant Investor Programme (IIP) and the Start-up Entrepreneur Programme (STEP) were approved by Government in January 2012 and applications for both programmes have been accepted by the Irish Naturalisation and Immigration Service (INIS) since April 2012 and considered by the evaluation committee established under the programme.

The Government has indicated that the Immigrant Investor Programme would be open to accepting enterprise investments that were made through investment funds. However, in order for that to be possible, some guidance is necessary as to how such funds might operate and how an investment that is made through the medium of an investment fund would be considered within the evaluation process set up for the IIP. This document is therefore intended to set out some guidelines for those involved in fund management as well as those considering making an application under the IIP in respect of a fund investment.

### **Rationale**

While there have been some individual investments made under the IIP where one or more investors have sourced a commercial investment in Ireland, a common difficulty is that investors who might wish to come to Ireland under the terms of the programme lack familiarity with the Irish market and with the Irish business environment. As such they may be willing to invest but cannot identify a suitable project. An investment fund provides the link between the investor and the investment and will address the foreign investor's lack of knowledge of Ireland's potential. In addition, the Programme could also benefit from the involvement of investment professionals with a proven track record in investment management and who are regulated under the existing provisions of the Central Bank of Ireland.

Ultimately there are several benefits to investors of being part of a managed fund. A fund, where a large group of investors pool their assets to invest in Irish enterprises, gain the benefits of being a larger investor, allowing them to invest in a wider range of companies, to spread their risk, to have experts advise them on their investment and to have specialist service providers/ administrators manage the investment fund on their behalf.

### **Orientation**

The objective of the IIP is job creation and it is recognised that funds can play a critically important role in delivering on that objective. At its heart, the IIP, in common with similar programmes in a number of other jurisdictions, is a programme that uses the immigration system to incentivise foreign investment in Ireland. It is recognised that for many investors under the IIP the primary driver for the investment is the prospect of rights of residence in Ireland. In Ireland's case the trade off is essentially immigration for jobs.

However, an investment fund and the relationship between the fund and those who participate in it is a purely commercial matter. It is a private investment entered into freely by the parties. It is very important therefore to state clearly that

- (1) the Irish authorities cannot and will not have any role whatever in promoting the commercial interests of any fund or in any way endorsing its suitability as a financial investment**
- (2) No funds are appointed as an agent of the Irish Government and no fund may claim to be acting in any way on behalf of the Irish authorities in the conduct of its business or in its marketing.**
- (3) Neither the Immigration Authorities nor the Evaluation Committee established to consider applications under the IIP have any role in the regulation of investment funds.**
- (4) The Immigrant Investor Programme has no responsibility of any kind for the financial performance or conduct of investment funds or for any losses that may be incurred by an investor**
- (5) The Immigrant Investor Programme does not require an investor to make any financial transfers to the fund in advance of a decision on their application for residence under the IIP.**

At the same time there are various funds in operation in the market and the prospective applicant needs to know whether an investment in a particular fund would be regarded as a suitable basis for the purposes of an application for residence rights under the IIP. Not all fund investments would meet the requirements of the IIP. This is outlined further in the next section.

### **Funds that meet the requirements of the IIP.**

When an individual applies under the IIP for residence in Ireland there are essentially two components to the application, the person and the investment. The personal criteria relate to the good character of the individual, their net worth, the provenance of the funds invested etc. The investment component relates to the nature of their proposed investment, its jobs potential, business plan etc.

Unlike a single investment by an individual in a particular enterprise, a fund is likely to involve multiple investors and a portfolio containing several different investments. However for the purposes of the Immigrant Investor Programme the essential principle is the same for a fund investment as for an individual enterprise investment. It is important that any investments made through a fund would retain the essential character of the original programme, namely an actual investment in Ireland and potential job creation. Therefore, the Evaluation Committee will assess applications under the IIP in respect of an investment in a fund in much the same manner as it will evaluate an individual enterprise investment and in particular at the value added the fund delivers in terms of employment. The scale is clearly different and the business plan (or fund prospectus) will be less precise than in the case of an investment in a single enterprise but otherwise the assessment criteria are the same.

A great deal of consideration has been given to the issue of the extent to which the Department of Justice and Equality can signal that a particular fund meets the investment criteria for the IIP. It has been determined, notwithstanding the caveats set out earlier, that there is no way of doing this that can fully avoid the impression that a particular fund is in some way approved for the purposes of the programme and can attract investors on the basis of such an endorsement.

Therefore, a somewhat different approach is being adopted. It will still achieve the desired objective of informing prospective investors as to the prospects of an investment in the fund satisfying the investment criteria for the IIP.

Funds will not be pre-cleared as an investment under the IIP and there is no process for funds to apply to the Evaluation Committee in isolation from actual applications by investors. Therefore, the route for a fund to be accepted as an investment for the purposes of the IIP is for it to be part of an application by an individual investor. In other words, the applicant's proposed investment is an investment in the fund, details of which are attached to the application. If the investor's application is approved, then it is legitimate for the fund managers to point to this and to make the factual statement that "previous investors in the fund have had their applications under the IIP accepted".

## **Conditions Applicable to a Fund under the IIP**

### ***1. Regulatory regime***

All funds must have Collective Investment Scheme (CIS) authorisation from the Central Bank of Ireland. The funds investment managers must be located in Ireland. Therefore, all interested investment managers must have an authorisation under the Markets in Financial Instruments Directive 2004/39/EC (MiFID) from the Central Bank of Ireland.

*Note: INIS and the Evaluation Committee for the Immigrant Investor Programme do not have any role whatsoever in the regulatory processes operated by the Central Bank of Ireland. All funds that form part of IIP investor applications are expected to have the appropriate regulatory authorisations at the time of application. Applications made in respect of funds that are without appropriate regulatory authorisation will not be considered. Neither INIS nor the Evaluation Committee will offer any advice on the regulatory process nor will they make any intervention with the Central Bank of Ireland on behalf of investment managers who are in the regulatory process.*

## **2. Investment Fund profile**

In addition to the appropriate regulatory authorisations for investment managers, the fund must meet the objectives of the Immigrant Investor Programme. The primary focus of the IIP is to attract investment into Irish businesses which will generate employment and further economic opportunities. An eligible fund should be a private equity or venture capital fund. Funds which invest in stock market quoted investment will not be considered. The target companies for the fund should be Irish Small and Medium Enterprises (SMEs) and other Irish based companies which are not currently quoted on any stock exchange.

Applicant investment managers should provide comprehensive details of:

- a. The target investment pool for the fund and the proposed sources of funding – investment funds are not required to raise funding exclusively through IIP applicants. Applicants should detail the proposed funding sources and their proportion of the total fund. Funds should have a minimum target size of **€20 million**.
- b. Investment Strategy –fund managers should provide comprehensive details of their investment strategy, the commercial sectors they will target, the company profile in which they intend to invest and the typical investment in each company. In order to maintain consistency with the Immigrant Investor Programme the minimum investment that must be allocated to a project for the purposes of an application under the IIP is **€1.0 million**, similar to that under the Enterprise option). The applicant fund manager should also detail how long investment funds will be committed to target investments. For the purposes of the Immigrant Investor Programme applicants are required to commit to an investment project or company for a minimum of three years. It is recognised that funds may receive monies or commitments from participants in advance of making an actual investment. However, when assessing whether an applicant satisfies the 3 year minimum condition, the start date is not that of lodgement of the investment in the fund but rather the date when the investment can be shown to have become active in Ireland (i.e. invested on their behalf by the fund).



- c. Management and investment fees – applicants should provide comprehensive details of the management fees and investment charges that they will operate in relation to the fund. This is to enable the Evaluation Committee to gauge how much of the funding raised under the Immigrant Investor Programme will be directed into the enterprise sector.
- d. Projected return based on strategy and current performance - Applicant fund managers should provide details of their fund valuation methods and the target return to investors. While the Immigrant Investor Programme does not attach any conditions to return on investment, the Evaluation Committee will require details of the target return on investment in order to satisfy themselves that the fund and the investment strategy is at least based on viable and realistic return projections. In effect this is the same approach as applied to individual investments.
- e. The fund should clearly state the employment projections of the investments under the fund when fully subscribed and invested and should also indicate the nature of prospective investments, for instance as between equity participation or finance.
- f. Whether as part of the fund documentation approved by the Central Bank of Ireland or by separate undertaking for the purposes of the IIP, the fund must provide such information as the Evaluation Committee might reasonably require in order to satisfy itself that funds lodged by an investor for the purposes of making an application under the IIP are still in place.

Any changes in the investment strategy of a fund must be notified to the Department. It should also be noted that previous acceptance of an application under the IIP in respect of a fund cannot act as a guarantee in respect of future applications. This is self-evident in the case of a fund which has altered its investment criteria or failed to comply with applicable conditions but could also be influenced by changes in the prevailing business environment over time .

**NB: All approved investment fund operators and potential investors under the Immigrant Investor Programme should note that INIS does not take any responsibility for the performance of approved investment funds. INIS does not conduct any oversight of fund operators and confers approved investment fund status on the basis of the external regulatory regime of the Central Bank of Ireland. Investors commit funds at their own risk and should be aware that the value of the funds is dependent on the performance of their fund manager and the value of their investment may rise or fall. However, fund performance is not a condition of renewal of immigration permission.**

### ***3. Submission of Applications***

*An investment fund manager* shall be deemed to be an appropriate representative of the investor in his/her dealings with the IIP in the same manner as a solicitor or accountant acting for that investor. However specific authorisation must be furnished by the client to that effect.

The usual criteria and supporting documentation requirement for applicants to the Immigrant Investor Programme shall apply regarding character, proof of wealth and source of funds. However, where the manager of an approved investment fund is submitting applications on behalf of clients, the following additional criteria also apply.

All applications for permission under the Immigrant Investor Programme involving an association with a managed fund will be assessed by the Evaluation Committee in the normal manner and according to the published criteria. It is preferred if all applications under this option come through the appropriate investment manager or through the legal representative which the investment manager has engaged to process applications.

### ***4. Conditions of Residence Permission for successful applicants***

Applicants who are successful will be granted immigration permission in the normal manner. However, some additional conditions shall apply to the renewal of their permission after two years.

It is accepted that the funding which applicants commit to the approved investment fund may not be invested immediately at the point of issuing the initial immigration permission. Some lags may apply while the fund manager conducts due diligence on target investments in Ireland.

However, the committed funding should be **held in an appropriate escrow account** until it is required for investment by the investment manager. In addition, it shall be a condition of renewal of immigration permissions after the initial two year period that the approved investment fund has drawn down the committed funding and invested it into the target companies, enterprises and projects.

All approved investment fund operators will be required to submit an annual report to the Evaluation Committee which details the overall value of the fund, the performance of the fund, the withdrawal and exit of any investors (immigrant investors or otherwise) the projected return on investment and the charges and fees which have been imposed by the fund manager.