

# SCHEME FOR NATURALISATION OF INVESTORS IN CYPRUS BY EXCEPTION

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**SCHEME FOR NATURALISATION OF INVESTORS IN CYPRUS BY EXCEPTION on the basis of subsection (2) of section 111A of the Civil Registry Laws of 2002-2013**

As per the decision of the Council of Ministers dated 24th May 2013, a non-Cypriot can apply for the acquisition of Cyprus Citizenship by Investment, if he/she, subject to certain conditions, proceeds with a direct investment in the Republic of Cyprus.

A non-Cypriot citizen, who meets one of the following economic criteria, either personally or through a company/ companies in which he/ she participates as a shareholder - proportionally based on the percentage of participation, or even as a high-ranking senior manager of a company/ companies that meets one of economic criteria, may apply for the acquisition of the Cypriot citizenship through Naturalization by exception.

A high-ranking senior manager may apply, provided that he/she receives such a remuneration that generates for the Republic tax revenue of at least €100,000 for a three year period and provided that this tax has already been paid or prepaid.

The applicant should have concluded the necessary investments during the three years preceding the date of the application and must retain the said investments for a period of at least three years since the date of the Naturalization.

In addition, the applicant must fulfill the Terms and Conditions set out in Part B.

In the case where, following a periodic inspection, it has been ascertained that any condition is being circumvented, the Naturalization may be revoked.

## A. CRITERIA

### **A.1 Investment in government bonds:**

The applicant must have purchased state bonds of the Republic of Cyprus of at least €5,0 million.

or

### **A.2 Investment in financial assets of Cypriot companies or Cypriot organizations:**

The applicant must have purchased financial assets of Cypriot companies or Cypriot organizations (bonds/ securities/ debentures registered and issued in the Republic of Cyprus) of at least €5,0 million.

It is noted that these financial assets can be purchased either at issuance, or subsequently by the market.

or

### **A.3 Investment in real estate, land development and infrastructure projects:**

The applicant must have made an investment of at least € 5,0 million for the purchase or construction of buildings or for the construction of other land development projects (residential or commercial developments, developments in the tourism sector or other infrastructure projects and Resales subject to section C subsection 2(d)).

or

### **A.4 Purchase or creation or participation in Cypriot businesses or companies:**

The applicant must have made an investment of at least € 5,0 million in the purchase, creation or participation in businesses or companies, that are based and operating in the Republic. These businesses or companies should evidently have a tangible presence in Cyprus and employ at least five (5) Cypriot citizens.

It is noted that the mandatory conversion of deposits into shares is included in this criterion.

or

### **A.5 Deposits in Cypriot banks:**

The applicant must have personal fixed term deposits for three years in Cypriot banks or deposits of privately owned companies or trusts (in which he/she is the beneficiary owner) in the Republic of Cyprus of at least €5,0 million

or

**A.6 Combination of the aforementioned criteria A.1 (Investment in government bonds), A.2 (Investment in financial assets of Cypriot companies or organizations), A.3 (Investment in real estate, land development and infrastructure projects), A.4 (Purchase or creation or participation in Cypriot businesses or companies) and A.5 (Deposits in Cypriot banks):**

The applicant is required to have a combination of the above amounting to at least €5,0 million.

or

**A.7 Persons whose deposits with the Popular Bank Public Company Ltd have been impaired due to the measures implemented after the 15th March 2013:**

The applicant has incurred an impairment in deposits amounting to a total of at least €3,0 million.

In the case where the applicant has incurred an impairment in his/her deposits under €3,0 million he/she may apply, having made an additional investment through the criteria A.1 (Investment in Government bonds), A.2 (Investment in financial assets of Cypriot companies or Cypriot organizations), A3 (Investment in real estate, land development or infrastructure projects), A.4 (Purchase or creation or participation in Cypriot businesses and companies) and A.5 (Deposits in Cypriot Banks) for the balance of the required amount of the aforementioned criteria.

or

**A.8 Major Collective Investments:**

The Council of Ministers shall have the right on special occasions, to reduce the above criteria (A.1 (Investment in Government Bonds), A.2 (Investment in financial assets of Cypriot companies or Cypriot organizations), A.3 (Investment in real estate, land development or infrastructure projects) and A.4 (Purchase or creation or participation in Cypriot businesses and companies):

I. To €2,5 million for investors, who demonstrably participate in a special collective investment scheme, provided that the total value of the investment is at least €12,5 million.

It is noted that for the above mentioned provision (I), the investment for the Criteria A1 until A4 may be realized through a different salesman/ provider (physical or legal entity).

## **B. TERMS AND CONDITIONS**

**1. Clean Criminal Record:** the applicant must have a clean criminal record. Furthermore, his name must not be included on the list of persons whose property is ordered to be frozen within the boundaries of the European Union.

**2. Residence in the Republic of Cyprus:** In all cases listed in Part A, the applicant must hold a permanent privately-owned residence in the Republic of Cyprus, the purchase price of which must be at least €500.000, plus V.A.T.

It is noted that members of the same family, which apply separately as investors, can collectively acquire a residence, provided that the total value of this home-property covers the amount of € 500.000 per each applicant.

## **C. SUBMISSION OF DOCUMENTS**

In order to examine any applications the submission of the form (M127) and of the following is required:

### **1. Clean Criminal Record:**

Certificate of Clean Criminal Record from the country of origin and the country of residence (if it differs).

### **2. Residence in the Republic of Cyprus:**

(a) Contract of Sale.

(b) Title Deeds/ Receipt for lodging the contract with the Lands and Surveys Department

(c) Receipts for paying the agreed purchase price

(d) Copy of the wire transfer in the Cypriot commercial banking institution in the name of the seller or the seller's company

As for the investment Criteria the following are required, depending on the case:

(a) Certificate of Registration of the company/ companies by the Registrar of Companies

(b) Certificate of shareholders by the Registrar of Companies or certificates evidencing that the applicant is the beneficial owner of the company/ companies

(c) Audited Accounts of the company (or companies) for the last three years preceding the year of the application

(d) If the applicant is a high-ranking senior manager the submission of the employment contract and the receipt from the Department of Inland Revenue is additionally required.

Any other document that might be requested either by the Ministry of Interior, or by the Ministry of Finance.

Furthermore, depending on the case, the following are required:

### **1. Investment in Government bonds**

(a) Receipts from the Treasury of the Republic of Cyprus for the purchase of the Government bonds.

## **2. Investment in financial assets of Cypriot companies or Cypriot organizations**

- (a) Title/titles and other documents regarding the financial assets.
- (b) Copy of the wire transfer in the Cypriot commercial banking institution in the name of the company or the organization

## **3. Investment in real estate, land development or infrastructure projects**

- (a) Contract of sale.
- (b) Title Deeds/ Receipt for lodging the contract with the Lands and Surveys Department
- (c) Receipts for paying the agreed purchase price
- (d) Copy of the wire transfer in the Cypriot commercial banking institution in the name of the seller or the seller's company

## **4. Purchase or creation or participation in Cypriot businesses and companies**

- (a) Contract of sale.
- (b) Receipts for paying the agreed purchase price
- (c) Certificate of shareholders by the Registrar of Companies or certificates evidencing that the applicant is the beneficiary owner of the company/ companies
- (d) Copy of the wire transfer in the Cypriot commercial banking institution in the name of the company or the organization
- (e) Confirmation from the Social Insurance Department as to the insurable income of the Cypriot employees in the company
- (f) Confirmation from the Inland Revenues Department as to the taxable income of the Cypriot employees in the companies or businesses that the applicant invested in.

## **5. Deposits in Cypriot banks**

- (a) Confirmation from Cypriot banks as to the fixed term deposits for three years of the applicant or the companies in which he is the beneficiary owner or of the trust in which he is the beneficial owner
- (b) Copy of the wire transfer in the Cypriot commercial banking institution

## **6. Impairment of deposits in the Popular Bank**

(a) Confirmation as to the level and the time of the impairment of the deposits

(b) In the case of deposits of companies of which the applicant is the beneficiary owner, the Certificate of Registration of the Company by the Registrar of Companies and/or any other evidence, along with a declaration from the trustee of the funds confirming the beneficial owner should be attached

None of the above affect the absolute discretion of the Council of Ministers in taking a Decision.

## **D. CRITERIA AND CONDITIONS FOR FAMILY MEMBERS (SPOUSE AND CHILDREN)**

In essence, once the Cypriot citizenship is granted, the spouse and the financially dependent adult children (18 years and above) of the investor may apply for the Cypriot citizenship without having to satisfy the economic criteria.

### **1. Financially dependent persons:**

Adult children of an investor are considered as financially dependent if they are students up to the age of 28 and are attending an institution of higher education aiming to obtain a diploma or an undergraduate or a master's degree. The Decision excludes individuals who are studying for the acquisition of a professional qualification (e.g. chartered accountants or barrister) or individuals who are studying for the acquisition of a second, third etc. diploma or degree (either undergraduate or master's). Additionally, an investors' child with severe physical or mental disability that makes him/her unable to work is also considered as financially dependent.

The minor children (under the age of eighteen) of an investor have the right to acquire the citizenship according to the provisions of section 110 (3) of the Civil Registry Law.

### **2. Application**

a) Investor's Spouse

The application is submitted to the Ministry of Interior. The application can be submitted along with the application of the investor so that both spouses will be able to acquire the Cypriot citizenship simultaneously. The list of the necessary documents is as follows:

- Application Form M127 fully completed and signed before a Registrar of a Cypriot court or a consular officer
- Copy of the investor's Certificate of Naturalization (if the application is not submitted simultaneously with the investor)
- Copy of the investor's Cypriot passport (if the application is not submitted simultaneously with the investor)
- Birth Certificate

- Copy of passport
- Certificate of criminal record from the country of residence of the applicant
- Marriage Certificate
- Copies of advertisements in a daily newspaper - two consecutive posts
- Two passport size photographs
- Curriculum Vitae

Note 1: The original application (M127) and all the required original documents are to be submitted to the Ministry of Interior. Along with the original application and documents, an additional photocopy of the application and all the documents should also be submitted.

Note 2: All the documents issued by a foreign authority should be translated to either Greek or English and be duly authenticated (they should bear the stamp «APOSTILE» if they are issued by countries that have signed the Hague Convention, otherwise they should be sealed by the Ministry of Foreign Affairs of the issuing country and the diplomatic mission of the Republic of Cyprus in the issuing country).

b) Investor's adult children (eighteen years old or above)

The application is submitted to the Ministry of Interior, after the investor has acquired the Cypriot citizenship. The list of the necessary documents is as follows:

- Application Form M127 fully completed and signed before a Registrar of a Cypriot court or a consular officer
- Copy of the investor's Certificate of Naturalization
- Copy of the investor's Cypriot passport
- Birth Certificate
- Copy of the applicant's passport
- Certificate of criminal record from the country of residence of the applicant
- Marriage Certificate (if applicable)
- Copies of advertisements in a daily newspaper - two consecutive posts
- Two passport size photographs
- Curriculum Vitae
- Copy of the undergraduate degree (if the applicant studies for a master's degree)

- Certificate of attendance at a Higher Education Institute (Original)

Or

- Medical Certificate attesting the disability (Original)

Note 1: The original application (M127) and all the required original documents are to be submitted to the Ministry of Interior. Along with the original application and documents, an additional photocopy of the application and all the documents should also be submitted.

Note 2: All the documents issued by a foreign authority should be translated to either Greek or English and be duly authenticated (They should bear the stamp «APOSTILE», if they are issued by countries that have signed the Hague Convention, otherwise they should be sealed by the Ministry of Foreign Affairs of the issuing country and the diplomatic mission of the Republic of Cyprus in the issuing country).

c) Investor's minor children (under the age of eighteen)

The application is submitted after the investor has acquired the Cypriot citizenship to the Civil Registry and Migration Department where it is also processed. The list of the necessary documents is as follows:

- Application Form M126 fully completed and signed by the parent before a Registrar of a Cypriot court or a consular officer
- Copy of the investor's Certificate of Naturalization
- Child's birth certificate
- Parent's marriage certificate
- Copies of the child's and parents' passports
- Certificate of criminal record from the country of residence of the applicant
- Written consent of the non-Cypriot parent
- Two passport size photographs
- €80 fees

Note: All the documents issued by a foreign authority should be translated into either Greek or English and be duly authenticated (they should bear the stamp «APOSTILE» if they are issued by countries that have signed the Hague Convention, otherwise they should be sealed by the Ministry of Foreign Affairs of the issuing country and the diplomatic mission of the Republic of Cyprus in the issuing country).

## E. FEES PAYABLE FOR EACH APPLICATION

Concerning the **investor** the amount of **€2.000** is paid on submission of the application and, if the application is approved, the amount of **€5.000** is paid as a fee for the issuance of the Naturalization Certificate.

Concerning the **investor's spouse** the amount of **€2.000** is also paid on submission of the application and, if the application is approved, the amount of **€5.000** is paid as a fee for the issuance of the Naturalization Certificate.

Concerning the **investor's adult child** the amount of **€2.000** is also paid on submission of the application and, if the application is approved, the amount of **€5.000** is paid as a fee for the issuance of the Naturalization Certificate.

Concerning the **investor's minor child** the amount of **€80** is paid on submission of the application.

## F. TIME FRAME FOR THE EXAMINATION OF AN APPLICATION

Approximately three months.

## G. OUR FEES ON ASSISTING WITH SCHEME FOR NATURALISATION

€20,000 for an investor plus VAT at 19% and any out of pocket expenses

€30,000 for a family plus VAT at 19% and any out of pocket expenses