

PHL's richest availing of property investments in Portugal, Malta

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WHILE the Philippines, aided by the continued growth of the real-estate sector and other industries, enjoys the fruits of long, hard-earned economic policies championed by the previous administration over the last six years, the rest of the world is looking to grow exponentially by using these same tools to pursue sizable investment in their respective economies.

Dominic Volek, managing director and the head of Southeast Asia operations of Henley & Partners Singapore

A growing number of countries, particularly those in the Far West, now offer immigrant investor programs, exchanging residence rights or citizenships for significant economic investments, such as real-estate assets within specific time periods.

Interestingly, the extremely wealthy members of society are availing themselves of these programs in droves, opting to purchase condotels, beachfront villas and other heritage structures in various parts of Europe. In fact, it was revealed that the world's richest families and individuals have shelled out an estimated \$2 billion to acquire nationalities of their choice.



Residence and citizenship planning has established itself as an important industry over the last few years, providing a rapidly growing number of wealthy individuals the privileges of visa-free travel, as well as better security, quality of life and education in exchange for a significant and meaningful economic contribution.

"We've had a lot of clients from the Philippines who have now made significant investments to acquire citizenship in Portugal," said Dominic Volek, managing director and the head of Southeast Asia operations of Henley & Partners (H&P) Singapore. "Real-estate investment is very strong in Portugal among wealthy Filipinos and those from Southeast Asia. In fact, of the 3,000 applicants we've had in Portugal from this region, 95 percent came through real-estate investments." Henley & Partners, the global leader in residence and citizenship planning, recently launched its "Global Residence and Citizenship Programs 2016 Report," which ranks the 19 most relevant residence-by-investment programs, as well as the top 8 citizenship-by-investment programs available throughout the world today.

"Aside from Portugal, we also offer over 20 resident options, and the top 5 investment destinations for Filipinos are Portugal, the United Kingdom, Malta, Cyprus and Antigua," Volek added.

The rationale behind these moves is more than just enjoying an access to visiting some of the world's most progressive countries, but more of having access to investment opportunities, particularly via real-estate assets.

A big and exclusive global investment circle

Out of the 19 residence programs reviewed by H&P, Portugal's Golden Residence Permit Program has again emerged as the world's best residence-by-investment program, with a score of 80 out of 100. It is followed by Belgium (78) and Austria (77) in second and third place, respectively.

Others on the list are Malta (72), the United Kingdom (69), Australia (68), the United States (67), Canada (66),

Switzerland (64), Spain (58), Jersey in the Channel Islands (57), Latvia (56), the United Arab Emirates (52), Monaco (51), Singapore (50), Cyprus (47), Hong Kong (46), Greece (40) and Bulgaria (36).

Preference for greater mobility

As a case study, let's take a closer look at the Portugal residence program. Portugal boasts of an excellent reputation, the H&P report cites, with a very high Human Development Index ranking, and is considered one of the world's most globalized and peaceful nations with a great quality of life. A full member of the European Union (EU), it is among the oldest countries in Europe with a rich history, a lively culture, stunning beaches and beautiful countryside.

Investors looking to apply for residence in Portugal can do so through three different ways. The first one is through property acquisition, where applicants avail themselves of either a real-estate investment with a minimum value of €500,000 or another with a minimum value of €350,000 for the refurbishment of properties older than 30 years or in an area of urban regeneration.

The second option can be in the form of capital investments, where applicants can choose from any of these options: 1) transfer a minimum of €1 million into a Portuguese bank account or specific approved investment option; 2) invest a minimum of €500,000 in venture-capital funds for capitalization of small and medium-size companies; 3) invest €350,000 in research activities, which are part of the national scientific and technological system; 4) invest €250,000 in support of artistic production for the recovery or maintenance of national cultural heritage. "The act of becoming a resident often enhances the mobility of an individual with respect to travel to other countries, and is therefore definitely a factor that motivates residence investments" the H&P report revealed: "While a Chinese national, for example, can travel visa-free to 50 countries, a Chinese citizen resident in Europe's Schengen area can travel to an additional 26 countries visa-free within the area, as well as some other countries that honor Schengen residence documents."

The last and final option, meanwhile, involves generating a minimum of 10 new jobs through business investments. The path to obtaining citizenship in Portugal is longer than other countries, requiring six years of legal residence, although with minimal physical presence required for citizenship.

"The Philippines is the fastest-growing immigration market here in Southeast Asia. If we could do 50 to 60 applications from the Philippines this year, we will be very happy," Volek admitted, adding that those from Southeast Asia join others from China, Russia and the Middle East as H&P's top 5 clients worldwide. "Some of our clients go to us to be able to get access to the EU member-states and other destinations at their leisure, and also have the option to send their kids abroad for high-quality education. However, most of our clients based here in Southeast Asia are really more concerned in just being mobile."

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