

Citizenship sale: 140 from 25 countries buy passports

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Some applicants for €650,000 naturalisation looking for business opportunities offered by island.



Joseph Muscat with Henley's Christian Kalin (foreground) at a Henley & Partners conference in Malta. Photo: Ray Attard

A total of 140 foreign nationals have been processed for naturalisation as Maltese citizens under the Individual Investor Programme, MaltaToday has discovered.

100 of these applicants were represented by Henley & Partners, the concessionaire and originator of Malta's 'golden passport' programme, which sells citizenship for €650,000 together with mandatory investment requirements of €350,000 in property and €150,000 in financial instruments.

The rest of the applicants were promoted by other licensed representatives, which in total now are 82 financial services practitioners and lawyers.

The 140 applicants hail from 25 countries, none it appears from Europe. A source who spoke to MaltaToday said applicants who had been impressed with Malta had sent over "business delegations investigating the set-up of business projects and offices."

Malta hopes to use its generous 80% tax rebate for multinationals channelling profits to the island, and the low 15% flat-rate tax for highly-skilled individuals and CEOs earning over €75,000, to attract the global rich in acquiring a passport.

Few applications hailed from the United States, with a majority of applications hailing from Russia and other Eurasian nations, the Middle East and the Far East. Countries like China do not allow dual citizenship.

Joseph Muscat's government hopes it will reap €150 million from this year's applicants – 90% of the €650,000 'donation' for the passport will be passed on to a posterity fund that is supposed to finance capital projects, housing, schools and healthcare.

Henley & Partners representative Christian Kälin said the IIP's success should not be hidden. "It is important to mention the programme's success... and it is also important for us [Henley] to state that it is successful," Kälin told MaltaToday. Henley has already revealed that over 50 main applicants have already received their residence permits, placing them firmly on the route to achieving full citizenship of Malta.

The IIP does not come without its critics: the Nationalist opposition mounted a successful campaign to force the initial €650,000 passport sale to be backed up by real investment opportunities, and also by residence requirement.

After the initial scheme was lambasted by the European Parliament, the Maltese government sought the green light from the European Commission, which originally contended that EU citizenship should not be put for sale without consultation from other member states.

Following talks in Brussels, the Maltese government introduced a one-year residency requirement, which critics however surmise could be as little as six months under international tax law definitions.

Opposition leader Simon Busuttil has vowed to publicise the names of people naturalised under the IIP, to which he will have access to as a member sitting on a high-level committee monitoring the programme's application.