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ECONOMY

INVESTMENT

## **Millionaires, you are welcome**

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### **Golden Visas**

The 'golden residence visas' programme has brought Portugal around €20 million. Indians, Chinese, Angolans, Russians, Brazilians and Venezuelans are among the main investors.

In six months, the golden residence visas programme for foreigners who invest in Portugal has managed to attract around €20 million to the national economy. An official source at the Ministry of Foreign Affairs (MFA) affirms that "26 residence permits have been granted for investment activity " and that "at present there are 59 applications under review."

The Ministry of Paulo Portas (Foreign Affairs Ministry) also notes that "the nationalities of the concerned parties vary widely" and adds that the first 'golden residence visa' was granted to an Indian citizen. The remaining candidates hail from various parts of the world, besides India: China, Brazil, Angola, Mozambique, Russia, the Ukraine, Venezuela, South Africa and even New Zealand and Nepal.

The twenty million brought in by foreigners from non-EU countries can be divided into three types of investment that give the right to a Portuguese residence visa: transfer of capital to the value of €1 million or more (can be investment in the capital of a company); create at least ten jobs (workers should be covered by Social Security), or through the purchase of real estate in the amount of €500,000 or more.

These are the doors to Portugal through investment. However, to keep the 'golden visa', citizens from outside the European Union, who do not originate from within the Schengen area, must ensure that during five years they follow the rules. In specific, not changing the conditions based on which the residence permit was accorded and a stay in Portugal of at least seven days in the first year and 14 days in the next two years. After five years with a 'golden visa', foreigners may even apply for Portuguese citizenship - which is an added attraction.

Incidentally, the 'competitive' character of the Portuguese 'golden visas' was the determining factor that made strategy consultant firm Henley & Partners decide

to set up an office in Lisbon, scheduled to open in July. Spread over more than 20 jurisdictions around the world, Henley & Partners has its head office on the island of Jersey and offers consultancy on citizenship and residency through investment.

### **Visas and resorts hand in hand**

The Director-General of Henley & Partners Portugal (HPP), Andrew Coutts, is confident about the success of the project. Proof of this is that Coutts himself has invested in the company newly created by the ILM Group, which Coutts founded in Portugal 14 years ago to provide strategic consultancy services in the areas of hospitality, leisure, tourism and assets. For Coutts, the 'golden visas' programme is "well structured and it is feasible". That's why it caught the attention of senior management at Henley, who together have "many years' experience analysing legislation in this area".

HPP will bring together lawyers specialising in residence visas and taxation, as well as consultants in the area of real estate. Actually, this sector, in particular the luxury resorts, is expected to develop hand in hand with Henley's activity in Portugal. Coutts is working in partnership with groups linked to upmarket residential tourism, seeing that investment in this area is one of the ways for a foreigner to be eligible for a 'golden visa'. However, for the Director-General of HPP, opportunities in investment in real estate in Portugal do not end with luxury residences. "There are other [types of] properties that can attract foreign capital and generate new business in areas such as wine production", said Coutts.

Last week, Henley Portugal, as well as the national system to attract foreign investors from non-EU countries, were showcased at the International Forum on Citizenship organised by the consultancy firm and at the Portuguese embassy in London. The *Agência para o Investimento e Comércio Externo de Portugal* (AICEP [Portuguese Agency for Investment and Foreign Trade]) took part in both events. "We have one of the most attractive and competitive residence permit systems," the executive director of AICEP, Pedro Pessoa e Costa assures us, stressing that all applications are "carefully scrutinised and monitored by the Portuguese authorities." [This is] not only to ensure that the investment stays in the country, but also as a precaution to ensure that the money brought to Portugal has a legitimate origin.

Together with the recent regime of permits for investors, Portugal has several features that nationals from non-EU countries value when choosing another destination for purposes of residence, including: security, political stability, strategic location, climate, culture and access to the Schengen area.

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The journalist travelled to London at the invitation of Henley & Partners

## **PROMOTING PORTUGAL**

Andrew Coutts, British, 50 years old, has spent more than two decades in Portugal. He began working for a consultancy firm and - in 1999 - founded the ILM Group, providing strategic advice in the areas of hospitality, leisure, tourism and assets. Coutts believes his personal experience can serve as an inspiration to foreigners interested in Portugal. It is the managing director of Henley & Partners Portugal, who is going to provide a "turnkey service": over and above the 'golden visas' bureaucracy, his team will also assist in investment projects, which will include finding property, for example.

## **EUROPEANS SEDUCE FOREIGN WITH 'GOLDEN VISAS'**

### **Spain**

Will grant residence permits to foreign investors who purchase more than €2 million of Spanish public debt. In the draft law there are also provisions for golden visas for foreigners who purchase property valued at more than €500,000.

### **United Kingdom**

Foreigners have to invest at least one million pounds (€1.2 million) and in that way get a residence visa. For example, 500,000 pounds can be applied in treasury bonds and the rest in real estate.

### **Austria**

Has a programme for foreigners to obtain citizenship through investment. Through a donation of €2 million for charity or €10million invested in the economy, as long as these create employment, generate exports or bring technology to the country.

### **Germany**

The residence visa is available to those who invest at least €250,000 and thus create jobs. The permit may become permanent after five years.

### **Switzerland**

Dream host country for many foreigners, it does not have a scheme that grants a residence visa via investment. However, wealthy people can get a kind of 'golden visa' through the payment of considerable annual taxes.