

Residence and citizenship opportunities

Why is alternative residence or citizenship such a compelling option for wealthy businesspeople and families from the Middle East region? In an unsettled, ever-changing world, acquiring a second residence permit or passport is a wise investment decision and a strong insurance policy for the future.

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BATA RACIC, MANAGER AT HENLEY & PARTNERS, spoke at the Hubbis Middle East Wealth Management Forum in Dubai on 24 January. Henley & Partners is a leading residence and citizenship planning firm that has partnered with thousands of wealthy individuals and families worldwide, helping them secure alternative residence and citizenship in attractive countries around the world. In addition to its private client business, the firm runs a thriving government advisory practice that assists government officials in developing, implementing, and refining their investment migration programs.

Henley & Partners operates its



[BATA RACIC](#)
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Middle East business from Dubai, with a satellite office in Beirut.

Professional ‘alternative’ solutions

“The Henley & Partners team spans the globe, providing well-structured, well-optimized professional solutions to our clients within a regulated industry,” Racic explained.

“The process of acquiring alternative residence or citizenship should not be taken lightly,” he continued. “It can take anywhere between six months and five to six years, and is protracted, with extensive documentation and considerable due diligence required.”

For Middle Eastern clients, there are, understandably, increasing concerns over safety and global mobility, especially following the travel ban enforced by President Trump on residents of certain countries seeking to travel to the US. For this reason, regional appetite for residence and citizenship planning is constantly increasing.

Peace of mind

Racic highlighted the key reasons that the typical wealthy Middle Eastern individual or family would seek alternative citizenship. “Clients in the region are first and fore-

most seeking greater safety and security for themselves and their families, but they are also looking for an expanded opportunity set for their children and for future generations – not only in terms of business and career but also in terms of lifestyle and education.”

“I often say that we work in the ‘peace of mind’ industry, or the ‘plan B’ industry. In various parts of the world, we are witnessing a rising tide of nationalism and anti-globalization sentiment, with entry to the US and other traditionally open countries becoming increasingly restricted. As uncertainty and unpredictability mount, people want to have multiple options in place, to hedge themselves against future risk.”

Citizenship-by-investment involves a longer and more complex process than residence-by-investment, and it is often more expensive. But the citizenship that successfully applicants receive grants them full voting and settlement rights, as well as protection from their host country. In many cases, such citizenship can also be passed down to successive generations. Programs in the EU offer successful applicants the right to reside, work, study, and do business across all 28 member states, which represents the widest possible

scope of opportunity.

Residence, on the other hand, usually entitles successful applicants to live, work, and study in a specific country. In some cases – for example, Portugal – a residence card will also give the holder the right to travel freely within the Schengen Area, although this benefit does not include moving permanently to or working in another Schengen country. Residence programs typically require that the applicant be physically present in the country for a specific period of time, which for some individuals is a difficult requirement to meet.

Options available

According to Racic, Henley & Partners works closely with several Caribbean countries, promoting their citizenship-by-investment programs to international investors. The capital requirement for programs in the region have become increasingly competitive in recent months, with significantly reduced investment amounts usually offered for limited time periods.

“It is more affordable than ever to acquire an alternative nationality,” he said. “This is even true of Europe, where, for example, Malta has launched its Visa and Residen-

What’s driving investor migration for Middle East HNWIs?

Protection

- Increased privacy in banking and improved physical security

Education

- Graduation at a high ranking school and language skills are increasingly important as the basis for a successful career

Expatriation

- To renounce citizenship another citizenship must be acquired first

Security

- Guarantees a secure and truly permanent alternative place to go
- The permanent right to reside

cy Programme, which runs parallel to the country’s world-renowned citizenship program (the Malta Individual Investor Programme). Cyprus has also introduced new options in its citizenship program, decreasing the investment threshold from USD 2.5 million to USD 2 million currently.”

“Austria,” he explained, “is a key destination for a very limited pool of talented ultra-high-net-worth individuals who can bring venture capital or other innovative business opportunities to the country, an area of primary importance to the Austrian Government.”

Racic also highlighted the Henley Passport Index, a ranking of passports based on the number of destinations that can be accessed visa-free. Henley & Partners has

been producing this index for more than a decade. Germany ranks number one overall this year, followed by Singapore and Switzerland. Malta, with its successful citizenship program, also ranks in the top 10, while Caribbean countries all fall within the top 30.

Racic explained that investment migration programs usually have a residence requirement, requiring the individual to spend a specific amount of time in that country. This requirement will usually trigger a change in domicile, which also affects tax residence.

Europe is generally the preferred location for Middle Eastern clients seeking alternative residence or citizenship, due to the region’s advanced social and legal infrastructure and its excellent secu-

rity profile. European programs are, however, far more expensive than their Caribbean counterparts, which offer an appealing – and much cheaper – alternative for individuals looking primarily for increased travel freedom and mobility.

Racic noted that Henley & Partners is currently promoting seven countries for direct citizenship: four from the Caribbean (Grenada, Antigua and Barbuda, St. Kitts and Nevis, and St. Lucia) and three from Europe (Austria, Cyprus, and Malta).

In the residence space, there is a broader range of programs available (including Portugal, Thailand, and Malta), all of which offer considerable advantages and for a far lower total investment than that involved with obtaining an additional passport. ■

Current developments in investor migration

