

The Top Five Residence-by-Investment Options for Asian High-Net-Worth Investors Seeking Domicile Diversification

In a dynamic and ever-changing world, wealthy individuals are seeking a plan B, C, and even D for themselves and their families, to protect against risk and safeguard their future. Global residence-by-investment opportunities provide sure-fire strategies to secure access to world-class infrastructure, healthcare, business, and education options and create international optionality while providing stability, security, and lasting legacies.

GET IN TOUCH

[View Dominic Volek's LinkedIn Profile](#)

[Find out more about Henley & Partners](#)

BY:

DOMINIC VOLEK,

Group Head of Private Clients, Henley & Partners

The ongoing uncertainty regarding what the foreseeable future will look like in terms of both wealth and lifestyle has resulted in a significant shift in how alternative residence is perceived by high-net-worth investors. Across the world, high-net-worth families are opting for investment migration as a means of overcoming the restrictions and limitations of their countries of origin and enjoying the flexibility of being able to live, work, study, and receive healthcare in countries of their choice.

Portfolio diversification through residence-by-investment

Diversifying your wealth and lifestyle portfolios by investing in a suite of complementary residence options enhances your global mobility and is the best possible insurance policy against ongoing economic and political uncertainty. *Henley & Partners* is proud to offer residence programs in some of the world's leading nations when it comes to commercial business opportunities and quality of life - and most include the possibility of acquiring citizenship after a period of residence and many have the added appeal of being hosted by countries in Europe, which is known for its stable democracies and excellent business and real estate investment opportunities.

Residence-by-investment programs provide high-net-worth individuals with the option of physically relocating and grant them the right to live, work, study, and receive healthcare in their new countries of residence. In today's world it is vital to design a portfolio that spreads jurisdictional risk in terms of personal access rights as well as investment. Each program offers a range of attractive investment options - from prime property to business start-ups - which are designed to cater to your family's unique requirements.

More than ever before, wealthy individuals are pursuing residence-by-investment options as the most effective way to access previously unimagined opportunities.

The Global Residence Program Index – a trusted ranking

In March, when *Investment Migration Programs 2021* was launched, *Henley & Partners* released the Global Residence Program Index - an annual comprehensive, systematic analysis and benchmarking of the world's



DOMINIC VOLEK

Henley & Partners

most notable residence-by-investment programs. The index was designed with high-net-worth families in mind and provides clear, current, and reliable advice. Updated annually by leading academic researchers, country risk specialists, economists, independent expert immigration and citizenship lawyers, and other industry specialists, the Global Residence Program Index reflects the relative worth of reputable residence programs around the world, respectively.

The 2021 Global Residence Program Index ranks 24 residence-by-investment programs according to factors considered attractive to prospective applicants and their families. These factors include the destinations' reputation, quality of life, tax benefits, and visa-free or visa-on-arrival access, among others. In this article we take a closer look at a selection of the leading programs in 2021, namely those hosted by Portugal, Italy, Switzerland, Greece, and Malta.

Portugal – A haven for investors and their families

As a full member of the EU, Portugal boasts an excellent reputation and is considered one of the world's most globalized and peaceful nations, with a good quality of life and a very high Human Development Index ranking.

¹ <https://www.pwc.com/sg/en/publications/assets/wealth-20-sink-or-swim-gx.pdf>

Ranked joint 1st in the Global Residence Program Index, the Portugal Golden Residence Permit Program is a five-year residence-by-investment program for non-EU nationals. Additional benefits of a Portuguese residence permit include an attractive taxation system, the eligibility to apply for citizenship after five years as a legal resident while keeping other citizenship(s), rich culture, mild climate, a high level of security, and family reunification.

As an applicant, you have three different options to be able to qualify for the program. The first option is a capital transfer of a minimum of EUR 1 million into a Portuguese bank account or specifically approved investment options, or EUR 350,000 for research activities of public or private entities that are part of the national scientific and technological system, or EUR 250,000 in support of artistic production or in the recovery or maintenance of national cultural heritage, or EUR 350,000 for the acquisition of units of investment funds or venture capital funds committed to the capitalization of companies incorporated under the Portuguese law, with a maturity of at least five years and with at least 60% of the investment portfolio in companies that have a head office in the national territory.

“In today’s world it is vital to design a portfolio that spreads jurisdictional risk in terms of personal access rights as well as investment. Each program offers a range of attractive investment options – from prime property to business start-ups – which are designed to cater to your family’s unique requirements.”

The second option is to make a real estate purchase with a minimum value of EUR 500,000 or a real estate purchase with a minimum value of EUR 350,000 for the refurbishment of properties older than 30 years or in an area of urban regeneration, including the cost of renovations. The third option is business orientated, with the option either to create a minimum of 10 new jobs or invest EUR 350,000 for the incorporation or increase of the share capital of a company that is registered in Portugal, creating or maintaining a minimum of five permanent jobs for a period of three years.

The threshold will be reduced by 20% - for the capital transfer for research activities, or for the support of

artistic production or in the recovery or maintenance of national cultural heritage, for either of the real estate purchase options, and for the creation new jobs within the business option - should the funds be committed to a low population density area, defined as less than 100 inhabitants per km² or with a GDP per capita below 75% of the national average.

The residence application takes three to eight months to process, and the permit is valid for a period of one year after issue and renewable for two subsequent periods of two years.

The Portugal Golden Residence Permit Program requires at least four trips to Portugal during the five-year period: twice at the initial application (to choose the qualifying investment and start the legal process, and to provide the biometric data) and at each renewal (year one and year three). Family reunification is possible at any stage of the program.

In addition to the right to live, work, and study in Portugal, the residence permit allows visa-free access to Europe’s Schengen Area and requires an average stay of seven days a year in Portugal over the five-year period which can also count towards citizenship eligibility.

Italy – Attractive options for high-net-worth families

Home to many great works of art and architecture, Italy’s strategic location in the heart of the Mediterranean Sea makes it an ideal place to live. Italy is a founding member of the EU and the third-largest economy in the eurozone. As a resident, you will enjoy high standards of living, education, and healthcare, and a unique quality of life.

To qualify for residence status in Italy, you can choose to invest in one of two program options. The first option is the Investor Visa Program - joint 2nd in the Global Residence Program Index - where you would need to satisfy one of three requirements, namely, an investment of a minimum of EUR 2 million in Italian government bonds, a minimum of EUR 500,000 in Italian corporate bonds or shares (reduced to EUR 250,000 if investing in innovative start-ups), or a non-refundable donation of EUR 1 million in projects of public interest in Italy, such as culture, education, ecology, immigration management, research and development, arts, and heritage. The investment needs to be maintained during the validity of the visa. Your spouse, children, and dependent parents may also request a visa along with your application without additional investment.

The second option is the Elective Residence Program - a further qualifying option suitable for individuals who can prove their stable annual income at a certain quantity from abroad.

Whether you opt for the Investor Visa Program, or the Elective Residence Program, your visa will be granted for two years and is renewable for a further three-year period, provided that the investment is maintained. The process of obtaining a visa usually takes three to four months, and the investment must be made within three months of entry into the country. To obtain the visa, investors must demonstrate a stable income and the purchase or rental of residential real estate in Italy.

There is no minimum number of days of physical presence in Italy required, but you will be expected to be reachable at your given address and not stay outside Italy for more than 365 days during the validity of the visa.

As an Italian resident, you will have access to excellent medical care and education facilities, and visa-free travel to Europe's Schengen Area. Successful applicants can apply for a permanent residence permit after five years of legal residence in Italy. After 10 years from the initial granting of the visa, investors may apply for citizenship by naturalization. EU citizens are eligible after only four years of residence.

Switzerland – An excellent business environment for corporations and entrepreneurs

Ranking among the top countries in which to live, Switzerland is home to many international organizations and is noted for its multi-cultural and plurilingual society and its politically and economically stable environment. While often perceived as a very expensive country to live in, the overall cost of living and of doing business in Switzerland compares favorably with France, Germany, the Netherlands, and the USA.

Many of the world's major companies have chosen Switzerland as the location for their global, European, or regional headquarters, their international finance operations, or research and development facilities. Switzerland is keen to attract not only large corporations but also small- and medium-sized enterprises and private entrepreneurs. The Alpine country is business-friendly by tradition and offers a solution for every need and expectation.

Ranked joint 2nd in the Global Residence Program Index, the Swiss Residence Program is designed to

assist non- EU or non- European Free Trade Association nationals to obtain a residence permit. The Swiss Residence Program requires that you be a financially independent individual who is not gainfully employed in Switzerland, but will agree to pay a minimum in net annual taxes of CHF 250,000, dependent on the applicant and the canton of residence. This is seen as granting residence to a potential taxpayer and therefore in the 'fiscal interest' of the canton of residence.

In addition to the Swiss Residence Program, there are further immigration categories under which non-EU persons may become resident in Switzerland. As a foreign national, you may acquire residence and work permits to become gainfully employed in Switzerland if your Swiss employers can prove that you are indispensable for a specific function in the company, that you possess the relevant qualifications for this function, and that no suitable candidate can be found in the Swiss or European labor markets. Alternatively, if as a foreign national you establish and are employed in a senior position by a company in Switzerland, a residence and work permit may be issued under the economic promotion program. If you are a retired foreign national of at least 55 years of age, you may be able to obtain a residence permit if you can show close ties with Switzerland and have sufficient funds.

Henley & Partners' Swiss offices are best positioned to advise and assist you in all matters regarding doing business in Switzerland and provide legal, administrative, and support services on an ongoing basis.

With a residence permit, you will have the right to live and study in Switzerland and benefit from its political, social, and economic stability, the highly qualified and motivated workforce, its first-class infrastructure and world-class secure banking and insurance facilities, and the possible fiscal incentives for substantial investments.

Greece – Prime choice for real estate investors

A member state of the EU, Greece offers its residents a number of reassuring benefits including high levels of safety and security, excellent education opportunities, robust healthcare options, and a dependable rule of law.

The Greece Golden Visa Program - ranked 3rd in the Global Residence Program Index - enables non-EU nationals and their family members to obtain permanent residence permits that may be renewed every five years.

To qualify for the program, one of the most attractive options is to invest in real estate with a minimum value

of EUR 250,000 plus the applicable taxes, a 10-year lease agreement for hotel accommodation or furnished tourist residences in tourist accommodation complexes, or a 10-year time-sharing agreement for hotel accommodation.

Other options include making a capital contribution with a minimum value of EUR 400,000, purchasing shares, bonds, or government bonds with a minimum acquisition value of EUR 400,000 (or a minimum acquisition value of EUR 800,000 for shares or corporate bonds), or making a capital transfer term deposit of at least EUR 400,000 to a domestic credit institution for at least one year, with a standing order for renewal.

It usually takes one to two months for your application to be processed. Your residence will be applicable to the whole family, including your spouse, children under 21 years old, and parents of the main applicant and spouse. You will also be eligible to apply for citizenship after seven years of residence. As of December 2020, minors are now allowed to apply for a Greek Golden Visa as a main applicant through purchasing real estate or opening a time deposit bank account in Greece. A valid visa is required to enter Greece, and all accompanying documentation must be certified and translated into Greek.

With a Grecian residence permit, you may enjoy visa-free travel within Europe's Schengen Area. There is also no requirement to reside in Greece and an unlimited expiry date of the residence permit. From an investment perspective, the program gives you the opportunity to rent out your investment property or the ability to hold shares and receive income from the dividends of a company registered in Greece.

Malta – A sound new addition to any investment portfolio

The small yet highly advanced nation of Malta is the Mediterranean's best-kept secret. The EU country has risen to be one of Europe's leading investment locations, driven by its reputation for stability, predictability, and security. The island nation's spectacular natural beauty and Mediterranean lifestyle makes it a desirable place of residence for wealthy individuals and families. The Malta

Permanent Residence Programme offers the possibility of acquiring a European residence permit in an EU country that is neutral, stable, and highly respected.

The Malta Permanent Residence Programme requires a minimum contribution of EUR 175,000 in mixed capital. As the main applicant, you would need to be 18 years of age or older, with no criminal record, and must provide an affidavit declaring that from the date of the application, you have in your possession capital of no less than EUR 500,000 (EUR 150,000 of which should be in financial assets). You would be required to either purchase property to the value of EUR 350,000 (EUR 300,000 in South Malta or Gozo) or, alternatively, lease a property for EUR 12,000 per annum (EUR 10,000 in South Malta or Gozo), for a minimum of five years. A contribution of EUR 28,000 to the Maltese Economy if the residential property is purchased, or EUR 58,000 if the property is leased, is also required, and you would need to donate EUR 2,000 to a non-governmental organization and pay a non-refundable administration fee of EUR 40,000. Parents, a spouse, and children may also be included in the main application.

The processing time from submission of the application to approval is four to six months, thereafter you will have the right to reside, settle, and stay in Malta.

With a European residence permit, you will enjoy visa-free access to all the countries in Europe's Schengen Area. Malta is also conveniently and strategically located, with excellent sea and air links to Europe, Asia, and North Africa.

Access to multiple jurisdictions secures future optionality

Residence programs are able to provide high-net-worth families with the peace of mind associated with knowing that they have the option to relocate should the need arise. From business opportunities and attractive real estate options to culturally enriched high living standards, the wide variety of residence-by-investment programs available can cater to the unique needs of any high-net-worth family. ■

