

Top Six Citizenship by Investment Options for Global Investors in 2022

The 2020s have heralded an era of extreme instability across the globe. Since the decade began, two Cs have consistently driven interest in residence and citizenship by investment: Covid and climate change. In 2022, a third C – conflict – has taken center-stage as a global driver. The shockwaves that have followed Russia's invasion of Ukraine are reverberating across the world, creating even greater levels of uncertainty and volatility for individuals, families, businesses, investors, and governments alike.

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While the coronavirus appears to be in retreat in some parts of the world, the chaos persists, and it remains an unpredictable adversary. On the other hand, the Intergovernmental Panel on Climate Change is very clear in its severe warnings on impending climate breakdown, recently confirming that our planet will warm by 3.2°C in some parts of the world this century. And the Russia-Ukraine war has plunged the world into another crisis, adding strain to already vulnerable economies. These events and circumstances impact the lives of people in multiple ways, including their mobility and economic activity.

Against this backdrop, the demand for location independence and optionality that [investment migration](#) provides continues to rise as investors flock to ensure they are well prepared for the next global or regional disruption. Across the world, high-net-worth families are opting for [residence](#) and [citizenship](#) by investment to gain access to business, career, educational, and lifestyle opportunities on a global scale and transcend the constraints of being confined to one jurisdiction.

Residence versus citizenship by investment programs

[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. [Citizenship](#) by investment programs provide the privilege of acquiring a second or alternative citizenship, which grants you all the rights associated with that nationality, including its passport and therefore greater travel and settlement freedom.

More than 100 countries have some form of [investment migration](#) legislation in place. Of these, about 35 investment migration programs are running successfully, many of which were designed and set up by *Henley & Partners*. More than ever before, wealthy individuals are pursuing alternative residence and citizenship options as the most effective way to access previously unimagined opportunities.

Trusted rankings of residence and citizenship by investment programs

While the number of investment migration programs is



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on the rise and there is no shortage of rankings, reliable professional comparative analyses of such programs are rare. Governments generally benefit from ample resources when designing their programs, but individual investors do not always enjoy the same degree of empowerment when deciding on where to invest.

In March, *Henley & Partners* released [Investment Migration Programs 2022](#) — an annual comprehensive, systematic analysis and benchmarking of the world's most important [residence](#) and [citizenship](#) by investment programs. The publication features two indexes — the [Global Residence Program Index](#), which ranks 25 programs, and the [Global Citizenship Program Index](#), which ranks 14. Both have been designed with the high-net-worth investor in mind and provide clear, current, and trustworthy advice. Updated annually by leading academic researchers, country risk specialists, economists, independent expert immigration and citizenship lawyers, and other industry specialists, the two indexes reflect the relative worth of reputable residence and citizenship programs around the world, respectively.

In this article we take a closer look at the leading six citizenship by investment programs in 2022, namely those hosted by Malta, Austria, Montenegro, and North Macedonia in Europe, and St. Lucia and St. Kitts



and Nevis in the Caribbean.

Malta – A top option for high-net-worth families

[Malta's](#) Granting of Citizenship for Exceptional Services by Direct Investment Regulations (S.L. 188.05) (the Regulations) offer you and your family a premium citizenship by naturalization option while simultaneously providing the opportunity for you to contribute to the growth of the country's economy.

Ranked 1st in the 2022 [Global Citizenship Program Index](#), the Regulations allow for the granting of citizenship by a certificate of naturalization to foreign individuals and their families who contribute to the country's economic development.

Situated in the center of the Mediterranean Sea, Malta enjoys an excellent reputation for its great climate, friendly people, low crime rate, and superb quality of life. An attractive place in which to live or own a second home, Malta is a transparent, reputable financial center and a jurisdiction for international business and also has excellent air links. In recent times, Malta has embraced the crypto revolution and was at the forefront of regulating cryptocurrency transactions.

Applicants and all adult dependents must hold Maltese residence status for at least 36 months (or by exception 12 months) before they may apply for citizenship. Main applicants must be 18 years or older and are required to invest a minimum of EUR600,000,

or by exception EUR750,000, depending on the residence status length (36 or 12 months, respectively) as well as purchase a residential property in Malta for at least EUR700,000 or lease a residential property for at least EUR16,000 per annum. Whether you purchase or rent, the property must be held for five years and cannot be sublet during that time. You would be required to purchase a property or a 36-month lease agreement during the initial residence period as well as donate a minimum of EUR10,000 to a registered sport, cultural, scientific, philanthropic, animal welfare, or artistic non-governmental organization or society as approved by Community Malta Agency, the Maltese government agency responsible for administering the Regulations and processing applications.

Each application is thoroughly checked and assessed and undergoes a four-tier due diligence process, including thorough background checks. Under the Regulations, applications are limited to 400 annually and 1,500 in total. Once the residence requirement is fulfilled, successful applicants may apply for citizenship of Malta. Applicants are able to include a spouse, children under the age of 29, parents aged 55 and over, and grandparents in the main application.

One of the key advantages of acquiring Maltese citizenship by naturalization is visa-free or visa-on-arrival travel to 185 destinations, including the EU and Europe's Schengen Area, Australia, Canada, Hong Kong, Singapore, the UK, and the USA.

Austria – Favored by the ultra-high-net-worth investor

Few countries cater better to ultra-high-net-worth individuals than Austria. Considered one of the most stable countries in the world, Austria is credited for its extremely high standard of living.

Ranked 2nd in the 2022 [Global Citizenship Program Index](#), [Austria Citizenship by Investment](#) provisions require applicants to make a substantial contribution to the Austrian economy, such as a joint venture or a business investment. Passive investments, for example, in government bonds or real estate, generally do not qualify.

For citizenship to be granted based on a capital contribution, government approval at various levels is required, including, eventually, at the highest level (cabinet). It is therefore essential that you receive expert advice from the outset, that your individual case is carefully prepared, and that informal approvals are obtained from key authorities before initiating the formal application process.

Substantial fees apply depending on the individual case and the number of persons included in an application. Children aged under 18 years may be included in the same application. While no exceptions are made in this regard, a separate application for an older child may be prepared and lodged simultaneously and be included under the same capital contribution. The amount of your contribution would then need to be higher than the minimum required.

The application process generally takes between 24 and 36 months. A completely clean personal record (a certificate of no criminal record, and the like), a comprehensive curriculum vitae, background business information, and impeccable references must be provided by every applicant. Dependents must meet a

language requirement. There are no residence requirements, and applicants and their dependents become citizens of Austria upon attending a citizenship ceremony before a senior representative of government.

In addition to an exceptional quality of life and excellent transport and communications infrastructure, as an Austrian citizen, you would enjoy visa-free or visa-on-arrival travel to 185 destinations, including Europe's Schengen Area, Canada, Hong Kong, and the UK.

Montenegro – Invest in European real estate

Located on the Adriatic Sea, Montenegro is one of Europe's smallest countries, but this hidden treasure with all its natural beauty and history should not be overlooked. In recent years Montenegro has done an impressive job of improving its appeal on the world stage, and investors will be pleased to know that the government has extended the [Montenegro Citizenship by Investment Program](#) until 31 December 2022.

Montenegro is an excellent choice that is extremely popular as the country can cater to investors with a diverse range of interests and requirements. Montenegro ranks 3rd in the 2022 [Global Citizenship Program Index](#), and for successful applicants the time to citizenship is between eight and ten months.

Main applicants must be over 18 years of age, meet the application requirements, and contribute EUR200,000 to the Government of Montenegro — half of which is designated for the advancement of local under-developed, self-government units, and half for the Innovation Fund of Montenegro. In addition, a [real estate](#) investment must be made in an approved development project. This can either be at least EUR450,000 if investing in the capital Podgorica or Montenegro's popular coastal region or at least





EUR250,000 if investing in the northern or central regions of Montenegro (excluding Podgorica).

By participating in the [Montenegro Citizenship by Investment Program](#) you will acquire not only international real estate, but citizenship of a country that is an official EU candidate, with a multi-national, multi-lingual community, a mild, Mediterranean climate, beautiful scenery, and a low cost of living. Montenegrin passport holders also enjoy visa-free or visa-on-arrival travel to 123 destinations, including Europe's Schengen Area and Turkey.

North Macedonia – Europe's newest citizenship program

The [North Macedonia Citizenship by Investment Program](#) has entered the [Global Citizenship Program Index](#) in joint-4th place and will be of great interest to enterprising investors seeking a business-friendly, low-tax jurisdiction (10% personal and corporate income tax) in Europe. It allows foreign nationals to invest and apply for alternative citizenship in a country where English is widely spoken. In addition to significant tax benefits, the government's free economic zone policy promotes a liberal, open-market economy.

To be eligible to apply, investors who are at least 18 can either make an investment of EUR200,000 per adult applicant in a private investment fund held for a minimum two years or an investment of EUR400,000 per adult applicant as a direct investment in new facilities (not hospitality, restaurants, or retail), employing a minimum of ten people for an indefinite term, for at least one year.

Applications take two to five months, and one visit must be made as part of the procedure. There is no

language requirement. For those who would like to become citizens of a growing European economy, with visa-free or visa-on-arrival access to 125 destinations including Europe's Schengen Area, Hong Kong, Japan, Singapore, and Turkey, as well as an e-visa to India, the [North Macedonia Citizenship by Investment Program](#) is a great choice.

St. Kitts and Nevis – Perfect for families

St. Kitts and Nevis is a dual-island Caribbean destination that shares the 4th spot in the 2022 [Global Citizenship Program Index](#) for many good reasons. The islands offer pristine beaches and tropical landscapes, and their culture is diverse, with African, British, Carib, and French influences. It is an attractive location for owning a second home in the Caribbean, enjoying good air links to Europe and North America.

Since 1984, the St. Kitts and Nevis Citizenship Act has allowed foreign investors to acquire citizenship, making it the oldest existing citizenship program. In 2006, *Henley & Partners* was mandated by the government to reform the program and to promote it internationally for several years. During this mandate, the [St. Kitts and Nevis Citizenship by Investment Program](#) became the most successful of its kind globally.

St. Kitts and Nevis offers a highly favorable taxation system and a range of excellent opportunities for investors, including a range of [real estate](#) options. Applicants choose one of three options: the purchase of real estate in an approved development with a minimum value of USD200,000 (resalable after seven years), or real estate in an approved development with a minimum value of USD400,000 (resalable after five years), or making a non-refundable contribution to the

Sustainable Growth Fund (SGF) of at least USD150,000 for a single applicant or USD195,000 for a family of up to four members. USD20,000 applies for each sibling, and an additional USD10,000 for each family member thereafter (other than a spouse or sibling).

The usual time frame for processing applications is between three and six months, but there is also an Accelerated Application Process that allows applications to be processed within 45 to 60 days. This is the only fast-track process of its kind in the region, making it an excellent option.

Compliance standards and due diligence checks are strict. The Citizenship by Investment Unit performs thorough background checks and will decline an application if the applicant makes a false statement or omits any relevant information. In some cases, the Unit may ask to interview the applicant, although this is not generally a requirement.

St. Kitts and Nevis citizens may take up residence in the country at any time, and for any length of time, with no minimum requirements, and there are no restrictions on dual citizenship. Citizens can travel visa-free or visa-on-arrival to 156 destinations, including Europe's Schengen Area, Hong Kong, Taiwan (Chinese Taipei), Singapore, and the UK.

St. Lucia – Attractive incentives for business owners

The [St. Lucia Citizenship by Investment Program](#) is the newest Caribbean offering, and ranks joint-4th in the 2022 [Global Citizenship Program Index](#). The small island nation attracts foreign business and investment, especially in its international banking and tourism industries.

Being a relatively small island, St. Lucia was able to isolate itself fairly rapidly from the pandemic, bolstering investor confidence. The island nation is moving towards a territorial tax structure and does not tax revenue earned outside St. Lucia. According to St. Lucia's Headquarters Act, for companies that move their headquarters to St. Lucia and hire at least 10 individuals (from abroad or locals), employees will pay no personal income tax and indefinite corporate tax, and all equipment can be brought into the country duty free.

Another drawback is that many business owners who are operating remotely can take advantage of St. Lucia's broad bandwidth and easy air access to the US and London and enjoy global access to the rest of the world while reaping the benefits of a more laid-back lifestyle. There are no residence requirements, and the investment and processing costs are relatively low.

There are four routes to citizenship. The first option is to purchase real estate with a minimum value of USD300,000 from an approved real estate development that must be held for a minimum of five years (additional costs may be required depending on the developer). The second option is to participate in an approved enterprise project with a minimum contribution of USD3.5 million plus the creation of at least three permanent jobs, or a joint contribution of USD6 million (each applicant committing a minimum of USD1 million) plus the creation of at least six permanent jobs. The third and most popular option is to make a non-refundable minimum contribution of USD100,000 to the National Economic Fund (NEF). Lastly, the fourth option is to invest in government bonds with a minimum value of USD250,000 under the limited offer Covid-19 Relief Bond, which has been extended to 31 December 2022. Alternatively, bonds





must have a minimum value of USD500,000. Both bond options are non-interest bearing and have a five-year minimum holding period.

The document requirements and application procedures are straightforward, and the application process should take three to four months from submission to issuing of the certificate of citizenship, assuming there are no areas of concern. Under the real estate option, the time frame may vary depending on the development.

St. Lucia is a member of the Commonwealth, and as a St. Lucian passport holder, you will have visa-free or visa-on-arrival travel access to 146 destinations including Europe's Schengen Area, Hong Kong, Singapore, and the UK.

Access to multiple jurisdictions secures future optionality

As the new Age of Uncertainty continues, [citizenship by investment programs](#) such as these bring security,

optionality, and peace of mind to those who choose to participate. Having options has become an essential part of any high-net-worth family's insurance policy for the 21st century — acquiring a second or alternative citizenship enables greater flexibility and access to the world's leading economies. In the current context, it is vital to design portfolios that diversify jurisdictional risk in terms of personal access rights as well as financial and [real estate](#) investment. The more jurisdictions a family has access to, the more diversified its assets and the lower its exposure will be to both country-specific and global volatility — now and in future.

If you wish to learn more about these or any other investment migration programs, please reach out to [Henley & Partners](#). As the pioneering firm and global leader in residence and citizenship by investment, we are best placed to successfully serve international clients and partners interested in acquiring alternative residence and citizenship options. ■