

Future of the investment migration industry



NIRBHAY HANDA
Henley & Partners

“A lot of people, particularly in the developed world are looking at investment migration as a means to hedge against any radical fiscal policies that the country may come up with, and this is particularly the case with the American entrepreneurs.”

How do you see the future of the investment migration business?

I think investment migration as a concept is going to become extremely relevant going forward in the future. We've seen a level of democratisation of wealth. As you know, retail investors have access to a lot of sophisticated wealth management tools. They also have access to a lot of information about alternative assets, and I think that democratisation is going to trickle in with people wanting to choose their own governance in the future or deciding the jurisdiction they want to reside in. The second piece I firmly believe, is deurbanisation. We've seen the rise of location-independent entrepreneurs in places like Portugal, which are thriving at the back of that. We've also seen a rise of location-independent employees in companies, including Twitter, Airbnb, Upwork, the list goes on.

The final piece is investment migration is not going to be only limited to the developed world. We're going to see places in different parts of the world, and we've seen that with Jordan's citizenship by investment program — families are not just keen to get an alternative residence in the developed world, they're also keen to get a residence in a different jurisdiction in a different continent because now they're looking at investment migration as a means to build resilience. So, the more diversified their residencies are, the better prepared they are for the future.

What are the new drivers that are prompting families to engage investment migration opportunities?

I think historically investment migration was centred around families who physically wanted to move. So, we saw a great deal of interest in the US EB-5 Program, the Quebec Investor Migration Program, but now, families are looking at investment migration as a means to build resilience or as a means to hedge their overall sovereign risk. We call it the four Cs, particularly additional assets and the crypto world, COVID-19, crisis or conflict that we've seen on the geopolitical side of things, and climate change are also the new drivers of investment migration. A lot of people, particularly in the developed world are looking at investment migration

GET IN TOUCH

[View Nirbhay Handa LinkedIn's Profile](#)

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

as a means to hedge against any radical fiscal policies that the country may come up with, and this is particularly the case with the American entrepreneurs. I would say these are the couple of new drivers for investment migration that we're seeing with our clients.

As countries compete for talent, what would be some of your pragmatic recommendations to governments?

I believe countries that have a structured residence or citizenship by investment program are always going to have an edge over others. The second piece that governments need to understand is entrepreneurs are always going to be attracted to places which allow them to hire foreign talent and overcome talent shortages, right, and a good example of that is what we've seen in UAE. Entrepreneurs are increasingly looking at UAE. The whole world is converging there at the back of their policies around bringing in talent-short professionals within the economy. The third piece is obviously the connectivity. Particularly at the back of this pandemic, we've seen places like Hong Kong, they have suffered the footfall of entrepreneurs where places like Singapore who are really stepping up are able to retain

and track new entrepreneurs within the jurisdiction.

The fourth piece is neutrality. It plays a key role and eventually entrepreneurs are always going to be attracted to jurisdictions that are financially, economically, and socially neutral, and those that offer them conducive fiscal infrastructure for their start-ups to grow. Finally, entrepreneurs are going to be attracted to jurisdictions that offer them a tenacious banking infrastructure that gives them the longevity for their wealth initiatives that they're looking for. Historic successive places like Switzerland and Singapore are based on those principles, and countries which are going to proactively implement that going forward will always have an edge over the others.

What are some of the key programs that are most appealing to Asian families at the moment?

We see a lot of interest particularly around Malta. In Malta, you could become a citizen over a span of 18 months through naturalisation. For example, let's say you're an Indonesian family, you acquire multi-citizenship. Now you could live, settle, work anywhere in the European union with a multi-

passport. The second program that we see a lot of interest is the Montenegro Citizenship by Investment program which is a new entrant in the industry. It's been really popular, particularly with the American entrepreneurs seeking exposure to Europe. I would also say we see tremendous interests particularly on the Caribbean Citizenship by Investment Programs, and I think what's prompting that is they offer a great benign hedge against any macro adversities major countries can go through. And again, particularly for the emerging and developing part of the world, citizenships in the Caribbean could be quite travel friendly and they are able to enhance their overall mobility. So, as a result of that, the Caribbean Citizenship by Investment programs, remain very bullish.

Finally, we're starting to see a lot of interest in the talent independent visas, particularly Australia. Australia is keen to attract high calibre tech entrepreneurs who would like to make Australia their home and build their businesses from Australia, and this is to cover any gaps, particularly within their technology and innovation ecosystem. So, I would say these would be the four key trends that we're seeing from families that we work with, Michael. Thank you. ■

