

Cyprus Investment Program 2019

ARETI
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Overview

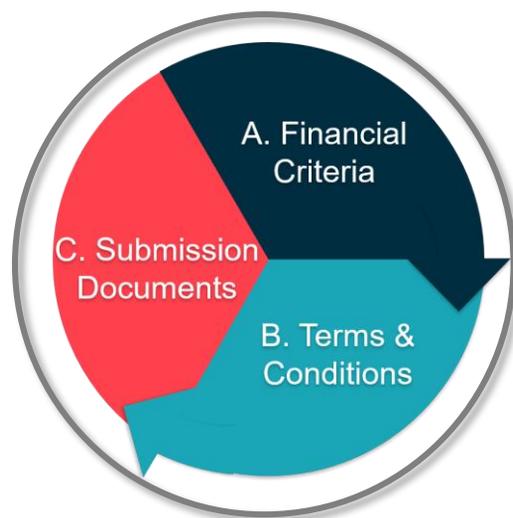
On the basis of the Cyprus Investment Programme (CIP), which has been established and revised by the Government of Cyprus by virtue of the subsection (2) of section 111A of the Civil Laws of 2002-2019, a non-Cypriot citizen may apply for the acquisition of the Cypriot citizenship based on the Cyprus Investment Programme, provided that the criterion A1 and one of the financial criteria A2-A5 are fulfilled either

- personally or
- through a company/ companies in which he/she participates as a shareholder –in proportion to his/her holding percentage, or
- through investments done by his/her spouse or
- jointly with the spouse or even as a high-ranking senior manager of a company

as they have been introduced by the Council of Ministry decision dated 13/02/2019 and are applicable from the 15/05/2019 and onwards.

Moreover, a high-ranking senior manager may apply, provided that he/she receives such a remuneration that generates for the Republic tax revenues of at least €100,000 over a three-year period and provided that this tax has already been paid or prepaid.

Basic Steps of the procedure



The applicant should have made the necessary investments during the three years preceding the date of the application and must retain the said investments for a period of at least five years as from the date of the naturalization.

The investor may replace the investment during the said five-year period, provided that he/she has obtained beforehand an approval by the Ministry of Finance.

A. Financial Criteria

A.1 Donation to the Research and Innovation Foundation and the Cyprus Land Development Corporation:

(a) The applicant must have donated at least €75.000 to the Research and Innovation Foundation.

Furthermore, the aforementioned obligation is lifted, if

- the applicant has invested at least €75.000 in a certified innovative enterprise or a certified social enterprise or
- the applicant has purchased/established/participated in Cypriot Companies or Businesses of a total amount equal to the 20% of the required investment amount of the below mentioned criterion A.3 in a company whose operations fall within the primary sector of the economy, or the secondary sector of the economy (excluding constructions), or in the sectors of research and development, education, health and renewable energy sources.

(b) The applicant must have donated at least €75.000 to the Cyprus Land Development Corporation for the financing of housing schemes for affordable housing, but also for the materialization of other housing schemes/measures



Key factors that make Cyprus an attractive destination for investment, is the highly specialized human capital, the reliable legislative and regulatory framework, the stable tax system and the safety and stability conditions prevailing in the country.

A.2 Investment in real estate, land development and infrastructure projects.

Developments and infrastructure projects. Under this criterion, the applicant has to invest at least €2 million for the purchase and/or construction, and/or for creation of developments such as commercial projects and/or development in the tourist sector and/or for any other infrastructure projects. However, if the land is eligible for construction, a business plan needs to be presented to the relevant Authorities for approval.

The total investment can be a minimum of €2 million if one residential property is of at least €500.000 (excluding VAT). However, if the applicant has invested in housing units that have already being used for the purpose of acquiring the Cypriot citizenship via the CIP, the above provision will be in force provided that the total amount of the investments, including the privately-owned residence, is at least €2,5 million.



A1. Research and Innovation Foundation
- € 75.000



A1. Cyprus Land Development Corporation
- € 75.000

€ 15.000



A2. Investment in Real Estate
- €2,0 million



A.3 Purchase or Establishment or Participation in Cypriot Companies or Businesses
- €2,0 million



A4. Investment in Alternative Investment Funds or financial assets of Cypriot Companies/ organizations that are licensed by CySec - - €2,0 million



A5. Combination of the aforementioned investments

A.3 Purchase or Establishment or Participation in Cypriot Companies or Businesses:

The Applicant can invest at least €2 million in order to purchase, incorporate or participate in companies, that have physical presence and activities in Cyprus and employ at least five Cypriot or EU citizens. The minimum number of employees increases where more than one applicant invests in the same investment..

A.4 Investment in Alternative Investment Funds or Registered Alternative Investment Funds or financial assets of Cypriot companies or Cypriot organizations that are licensed by Cyprus Securities and Exchange Commission:

The applicant should have bought units of at least €2,0 mln from alternative investment funds (AIF) or Registered Alternative Investment Funds (RAIF) established in the Republic of Cyprus, licensed/registered and supervised by the Cyprus Securities and Exchange Commission (CySec) and whose investments are made exclusively in the Republic of Cyprus, in investments that meet the criteria of this Programme or in areas approved by the Minister of Finance. It is permitted for these AIFs or RAIFs to invest in secondary market stock-market values of the Cyprus Stock Exchange an amount that does not exceed the €200.000.

The applicant has the option to purchase financial assets of Cypriot companies or organizations, which have proven physical presence and substantial economic activity in Cyprus, of at least €2 million, such as bonds, bills and securities, issued with the approval of the CySec, and have as a purpose the financing of the investment plans exclusively in Cyprus.

A.5 Combination of the aforementioned investments

The applicant may proceed with a combination of the above investments, provided that the total investment will amount up to at least €2,0 million.

B. *Terms and Conditions*

1. A **Clean Criminal Record** issued by the country of origin of the applicant and by the country of residence if it differs from the country of origin. Furthermore, his/her name must not be included in the list of persons whose assets, within the boundaries of the European Union, have been frozen as the result of sanctions.

2. An applicant whose application for citizenship in any other member-state of the European Union had been rejected, is not eligible to apply for the acquisition of the Cypriot citizenship through the Cyprus Investment Programme.*

3. **Schengen Visa:** The applicant must hold a valid Schengen visa.*

4. **Residence in the Republic of Cyprus:**

4.1 In all cases listed in Part A, the applicant must possess a permanent privately-owned residence in the Republic of Cyprus, the purchase price of which must be at least €500.000, plus V.A.T.

4.2 Members of the same family, who apply separately as investors, can collectively acquire a property, provided that each applicant owns a share corresponding to €500.000.

4.3 If the purchase price of the residential property exceeds the amount of €500,000, the excess amount can be calculated and included in the whole investment.

5. **Investment in residential properties**

5.1 If the applicant has invested only in housing units, the total investment can be minimum €2 million if one of the residential properties is at least €500.000 (excluding VAT).

5.2 If the applicant has invested in housing units that have already been used for the purpose of acquiring the Cypriot citizenship, the above provision will be in force provided that the total amount of the investments is at least €2,5 million, including the privately-owned residence.

6. **Residence Permit in Cyprus: The applicant and adult family members, prior to their naturalization as Cypriot citizens must hold a residence permit in Cyprus for a period of at least 6 (six) months.**

*It is noted that the aforementioned in paragraphs 1 and 2 also apply for the family members of the investor that are eligible to apply for the acquisition of Cypriot citizenship.

Investment Options	Research and Innovation Foundation - € 75.000	Cyprus Land Development Corporation - € 75.000	Investment of €2 Mln (exc. VAT)	Residential property € 500.000
1A. Investment in Commercial Real Estate	✓	✓	✓	✓
1B. Investment In Real Estate	✓	✓	✓	(included in the total amount of 2 mln)
2. Purchase or Establishment or Participation in Cypriot Companies or Businesses	✓	✓	✓	✓
3. Investment in Alternative Investment Funds or financial assets of Cypriot Companies/ organizations	✓ (exempted under certain conditions)	✓	✓	✓
4. Combination of the aforementioned investments	✓ (exempted under certain conditions)	✓	✓	✓



Submission Documents

For the evaluation of the applications the form (M127) as well as the following documents must be submitted:

1. Clean Criminal Record: (a) Certificate of Clean Criminal Record from the country of origin and the country of residence (if different). (b) Due Diligence Report issued through an internationally accepted database ensured through a subscription (e.g. Wolrd Check, LexisNexis Diligence, Regulatory DataCorp Inc. etc.). The report must be dated no later than thirty days from the date of its submission.

(c) Declaration by the applicant concerning any citizenship applications he/she may have submitted in any other member-state or member-states of the European Union.

2. Schengen Visa: Copy of a valid Schengen Visa

3. Residence in the Republic of Cyprus:

- (a) Contract of Sale.
- (b) Title Deeds or Proof of Registration of the contract with the Lands and Surveys Department.
- (c) (Proof of payment of the agreed purchase price.
- (d) Copy of the wire transfer to a Cypriot commercial banking institution in the name of the seller or the seller's company.
- (e) An evaluation certificate from an independent registered land surveyor, if required by the Ministry of Interior or the Ministry of Finance.
- (f) Town-planning permit, provided that it is required by the Town and Country Planning Law.
- (g) Declaration by the mortgage lender in the benefit of whom the purchased property or properties is mortgaged

that will waive the mortgage, provided that the investor or the seller will pay the lender the amount conscribed in the declaration (bank waiver). (h) Project completion certificate signed by the architect of the project.

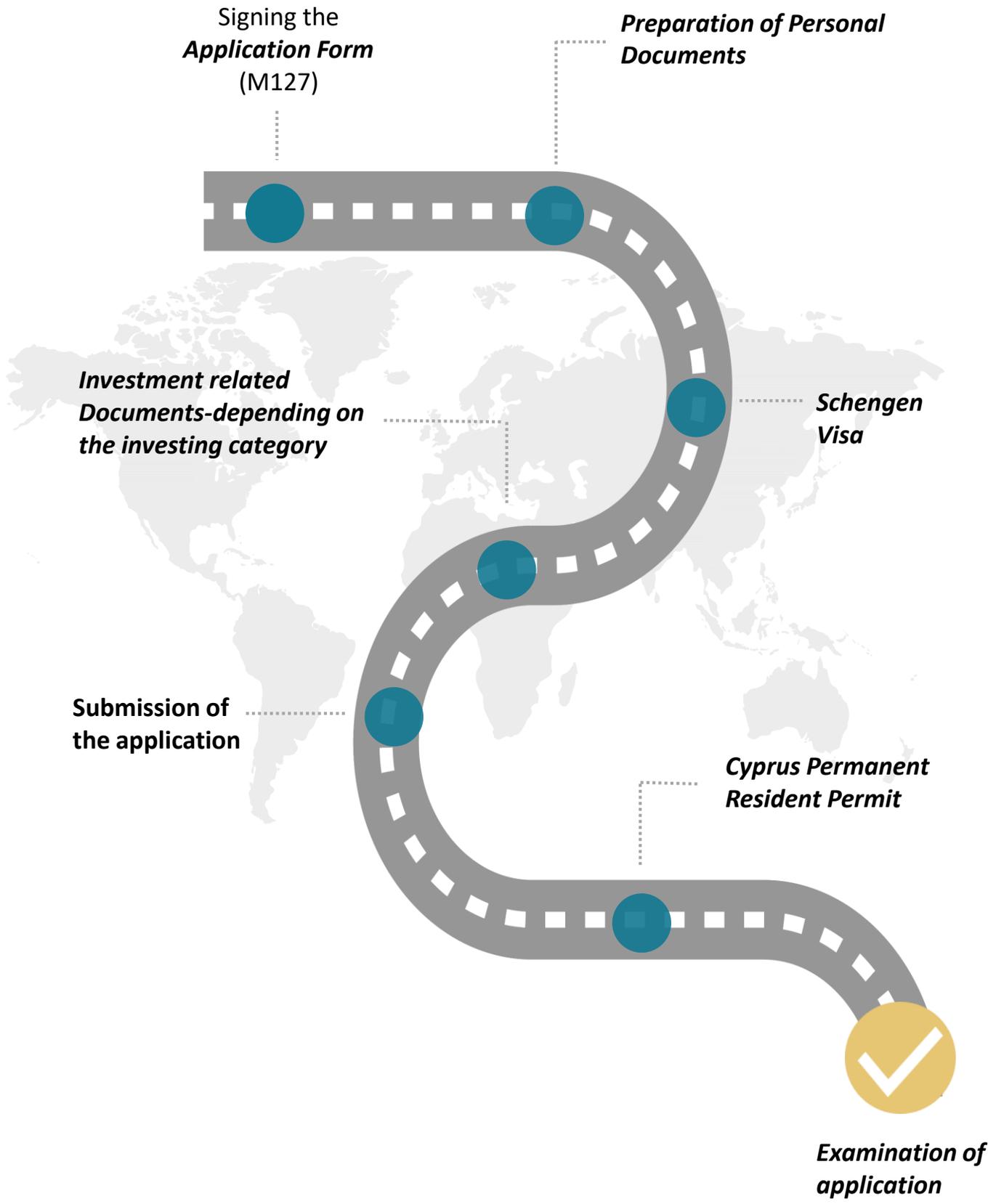
If the purchased property is under construction it is required either to maintain an amount equal to the 5% of the purchase value in a special account or for the seller to issue in the benefit of the purchaser a performance bank guarantee equal to the 5% of the purchase value.

3. Criteria regarding the investment (when applicable):

- (a) Certificate of Registration of the company/ companies by the Registrar of Companies.
- (b) Certificate of shareholders by the Registrar of Companies or certificates evidencing that the applicant is the beneficiary owner of the company/ companies.
- (c) Audited accounts of the company (or companies) for the last three years preceding the year of the application.
- (d) If the applicant is a high-ranking senior manager, the submission of the employment contract and the receipt from the Department of Inland Revenue are additionally required.
- (e) If the investment is made by the spouse of the applicant or jointly, a marriage certificate is required

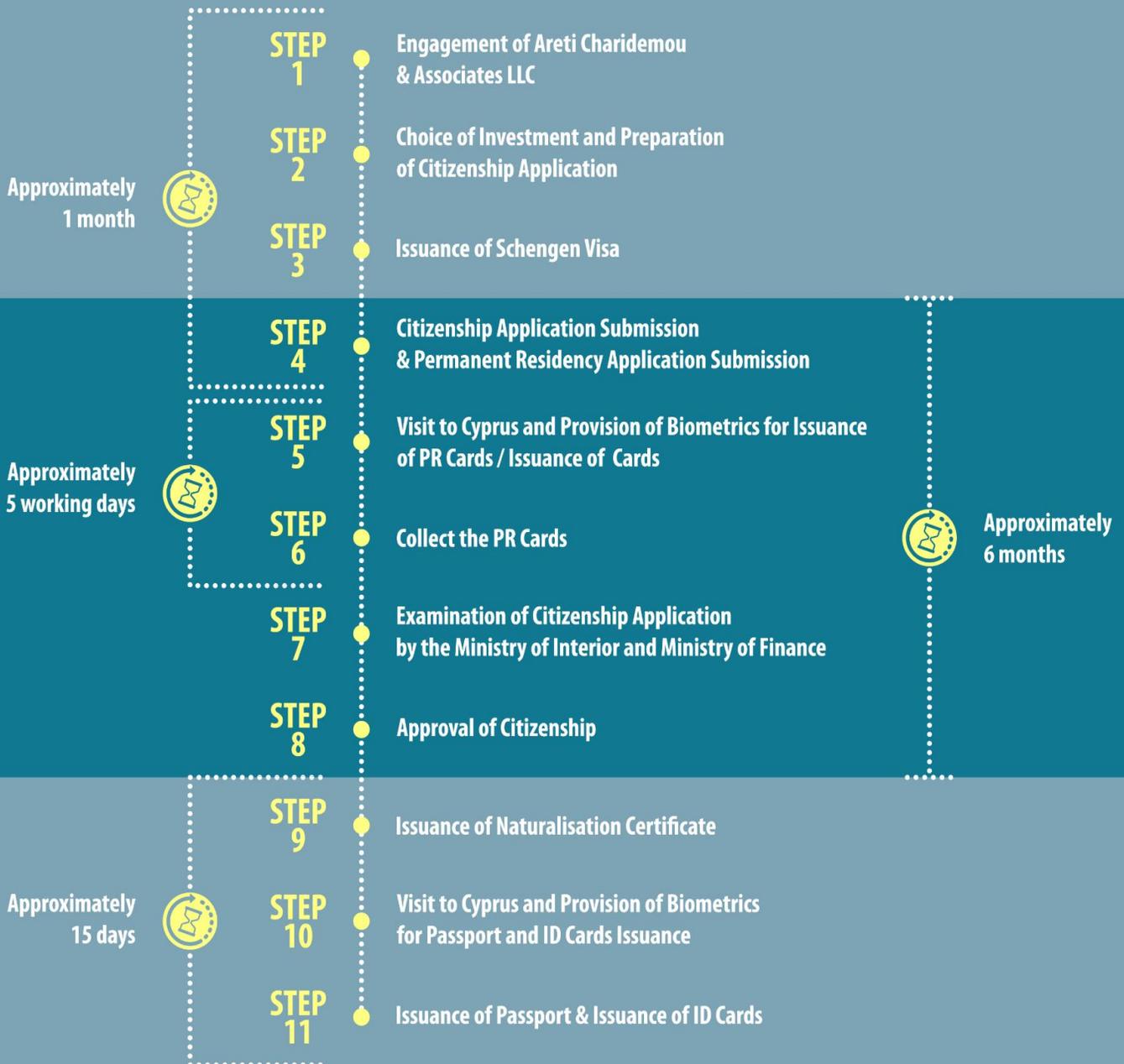
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Preparation & Submission of Documents



CYPRUS INVESTMENT PROGRAMME

Step-by-step procedure



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The content is based on the "Cyprus Investment Programme" on the basis of subsection (2) of section 111A of the Civil Registry Laws of 2002-2019 established and revised by the Government of Cyprus. Photos by [Stelios Triantafyllidis](#) and Nasa on Unsplash.

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