

Naturalization of Investors in Cyprus by Exception

The Council of Ministers of Cyprus with their Decision dated 19.3.2014 have laid down the requirements and process for a Scheme for Naturalization of Investors In Cyprus By Exception.

A non-Cypriot citizen, who meets one of the following economic criteria (A), either personally or through a company in which he participates as a shareholder - proportionally based on the percentage of participation, or even as a high-ranking senior manager of a company that meets one of economic criteria (A), may apply for the acquisition of the Cypriot citizenship through Naturalization by exception.

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

Criteria

A.1 Investment in government bonds:

The applicant must have purchased state bonds of the Republic of Cyprus of at least €5.0 million. Or

A.2 Investment in financial assets of Cypriot companies or Cypriot organizations:

The applicant must have purchased financial assets of Cypriot companies or Cypriot organizations (bonds/ securities/ debentures registered and issued in the Republic of Cyprus) of at least €5.0 million. It is noted that these financial assets can be purchased either at issuance, or subsequently by the market. Or

A.3 Investment in real estate, land development and infrastructure projects:

The applicant must have made an investment of at least € 5.0 million for the purchase or construction of buildings or for the construction of other land development projects (residential or commercial developments, developments in the tourism sector or other infrastructure projects). Or

A.4 Purchase or creation or participation in Cypriot businesses or companies:

The applicant must have made an investment of at least € 5.0 million in the purchase, creation or participation in businesses or companies, that are based and operating in the Republic. These businesses or companies should evidently have a tangible presence in Cyprus and employ at least five (5) Cypriot citizens. It is noted that the mandatory conversion of deposits into shares is included in this criterion.

Or

A.5 Deposits in Cypriot banks:

The applicant must have personal fixed term deposits for three years in Cypriot banks or deposits of privately owned companies or trusts (in which he/she is the beneficiary owner) in the Republic of Cyprus of at least €5.0 million. Or

A.6 Combination of the aforementioned criteria A.1 (Investment in government bonds), A.2 (Investment in financial assets of Cypriot companies or organizations), A.3 (Investment in real estate, land development and infrastructure projects), A.4 (Purchase or creation or participation in Cypriot businesses or companies) and A.5 (Deposits in Cypriot banks):

The applicant is required to have a combination of the above amounting to at least €5.0 million. Or

A.7 Persons whose deposits with the Popular Bank Public Company Ltd have been impaired due to the measures implemented after the 15th March 2013:

The applicant has incurred impairment in deposits amounting to a total of at least €3.0 million. In the case where the applicant has incurred an impairment in his/her deposits under €3.0 million he/she may apply, having made an additional investment through the criteria A.1 (Investment in Government bonds), A.2 (Investment in financial assets of Cypriot companies or Cypriot organizations), A.3 (Investment in real estate, land development or infrastructure projects), A.4 (Purchase or creation or participation in Cypriot businesses and companies) and A.5 (Deposits in Cypriot Banks) for the balance of the required amount of the aforementioned criteria. Or

A.8 Major Collective Investments:

The Council of Ministers shall have the right on special occasions, to reduce the above criteria (A.1 (Investment in Government Bonds), A.2 (Investment in financial assets of Cypriot companies or Cypriot organizations), A.3 (Investment in real

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estate, land development or infrastructure projects) and A.4 (Purchase or creation or participation in Cypriot businesses and companies):

To €2.5 millions for investors, who demonstrably participate in a special collective investment scheme, provided that the total value of the investment is at least €12.5 millions.

In addition, it is noted that for the above mentioned provisions, the investment for the Criteria A1 until A4 may be realized through a different salesman/provider (physical or legal entity).

1. Clean Criminal Record: the applicant must have a clean criminal record. Furthermore, his name must not be included on the list of persons whose property is ordered to be frozen within the boundaries of the European Union.
2. Residence in the Republic of Cyprus: In all cases listed in Part A, the applicant must hold 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.

It is noted that members of the same family, which apply separately as investors, can collectively acquire a residence, provided that the total value of this home-property covers the amount of € 500.000 per each applicant.

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