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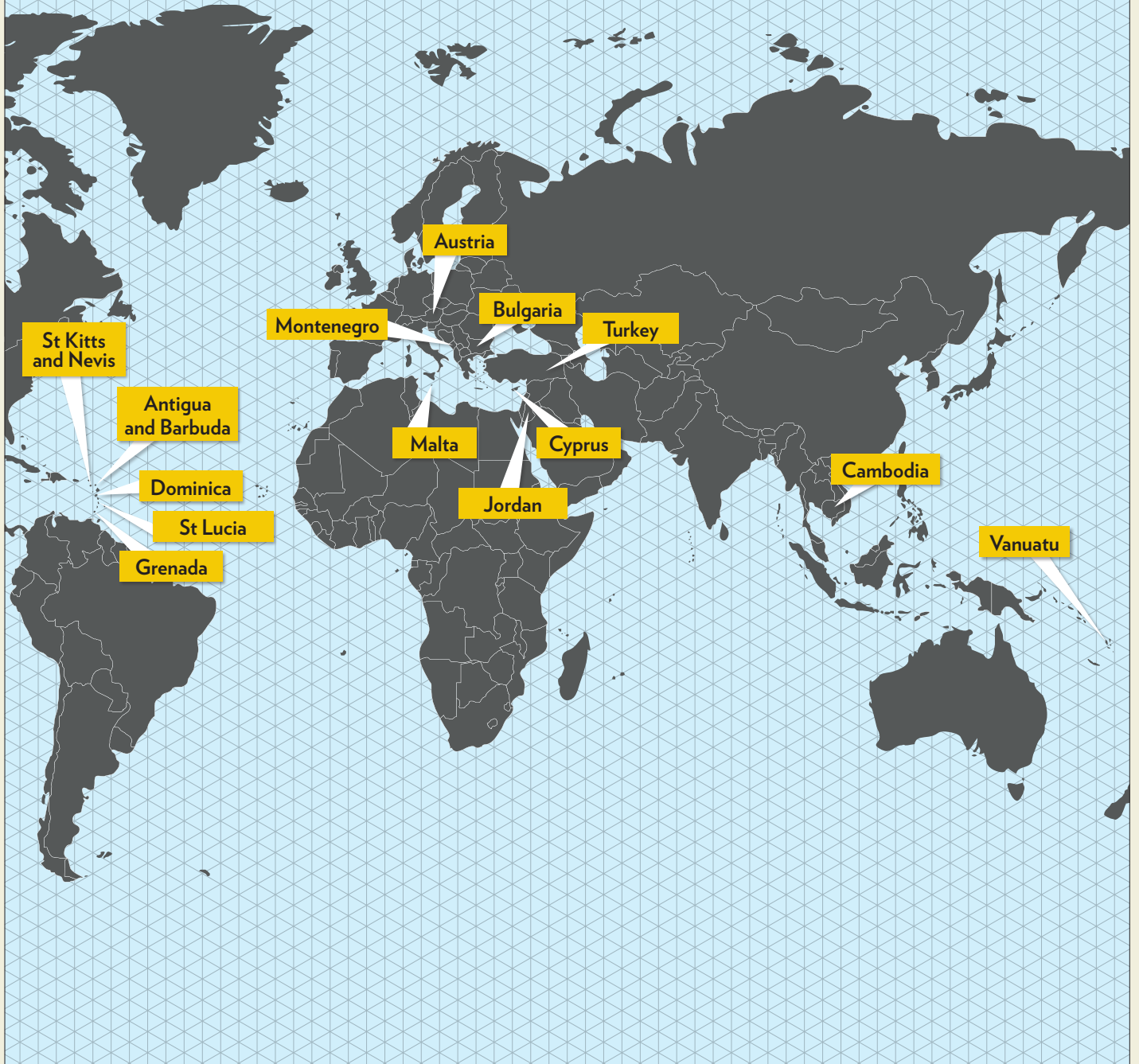
Special Report
August/September 2020

**A GUIDE
TO GLOBAL
CITIZENSHIP
THE 2020
CBI INDEX**

in association with

CS Global
partners 

The 14 citizenship by investment jurisdictions



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CBI schemes taking steps to address reputational issues

WRITTEN BY YURI BENDER

INTRODUCTION

With citizenship by investment schemes more popular than ever, countries offering these programmes are pulling together to help improve the industry's image

Covid-19 has proved the catalyst for many trends which private banking teams witness in daily practice. One of these is the use of Citizenship by Investment (CBI) programmes to help global families manage both their structures and expectations.

These sometimes controversial schemes – which typically offer a second citizenship in return for an investment into a country's infrastructure or tourism facilities – are increasingly seen as part of the solution to the wealth planning needs of global families.

“Very big families are considering relocation to different countries,” according to Anna Brugnoli, co-head of global wealth planning at UBS. These mega-clients “with a multi-jurisdictional exposure”, she reports, are searching for jurisdictions offering safety, a robust health system and practical evidence that their government has effectively managed the twin public health and economic crises.

“What we see is the question of ‘do I have the right citizenship?’” said Ms Brugnoli, during a panel discussion hosted by *PWM*, discussing trends revealed in the CapGemini World Wealth Report 2020.

This increase in enquiries since the advent of the pandemic is confirmed by leading CBI agents. “Uncertainty always drives the need to diversify

one's risk and secure the future of one's family,” says Micha Emmett, CEO of CS Global Partners. “So the current global crisis has led investors to explore alternative citizenship and residence options with a focus on healthcare and standard of living.”

The other major agent in the market, Henley & Partners, has registered a global increase of nearly 50 per cent in enquiries from January to April 2020, compared to the same period last year.

Both players report steady interest from applicants in China, the Middle East, Russia and Eastern Europe, with demand increasing most in tandem with civil rights clampdowns. “Events such as the legislative changes in Hong Kong are also incentivising applications,” says Ms Emmett.

A major growing market for second citizenships is emerging from South Africa and in the western countries of the continent. “West Africa has now very much discovered investment migration, with Nigeria as you would expect in the lead and Ghana very much on the radar,” says Paddy Blewer, H&P's UK director.

South Africa, which enjoyed its “breakthrough moment” two years ago, is seeing both its new and established wealth taking on a more global perspective and looking to add citizenships, typically from the Caribbean islands, to facilitate global travel opportunities.

BADLY BURNED

Although many jurisdictions have profited from this increasing demand, Cyprus and Malta have been badly burned recently, leading to the risk of some industry sectors remaining tainted. CBI has not generally been the source of the scandals, yet is often made a scapegoat by populist politicians.

A CBI programme launched in Cyprus, soon after the eastern

“We should no longer look at what we do as single cells, but what we can do as a collective

EMMANUEL NANTHAN [DOMINICA CBI UNIT](#)

Mediterranean island's financial system nearly collapsed in 2013, attracted Russian, Chinese, Cambodian and Malaysian applicants, many of whom were keen to invest in luxury resort developments.

But the authorities in Nicosia were forced to tighten vetting at the end of 2019, partly due to US legal proceedings and sanctions against individuals affected, and began a process to withdraw Cypriot nationality from 26 people who had invested in the CBI scheme.

Malta, another Mediterranean island and recent entrant to the EU, also found itself under the international spotlight, when the assassination of investigative journalist Daphne Caruana Galizia eventually led to the resignation of prime minister Joseph Muscat, following EU pressure.

Despite a building boom linked to its Individual Investor Programme, which has attracted “hundreds of investors” pouring millions into social housing, health centres and hospital upgrades, there is a realisation in Valletta that things have to be done differently. Greater transparency and more dialogue with the EU are seen as key improvements.

The Malta Individual Investor Programme Agency is in the process of being wound up, with a new unit being formed under the stewardship of Alexander Muscat, parliamentary



secretary responsible for Citizenship and Communities. Mr Muscat says he has “liaised with many institutions, including the European Commission, to understand their concerns and how we might address them,” with “new regulations” taking account of these concerns.

“There are many countries who offer similar opportunities, with far less stringent attention and due diligence processes,” says Mr Muscat. “Therefore, this opportunity may serve to strengthen the reputation of Malta’s financial services, rather than tarnish it.”

The authorities are keen to point out this is a new initiative rather than a strengthening of the previous programme. Action has started against four families granted passports under the previous regime. Two of these have already had their citizenship removed.

Jurisdictions providing citizenship in return for investments must be more proactive in implementing robust measures to improve due diligence processes, says Les Khan, CEO of the St Kitts and Nevis (SKN) Citizenship by Investment Unit. He is the first to admit that the global CBI industry has a “reputational issue”.

The country whose Unit he heads, which launched its CBI programme in 1984 and today offers visa-free access to 156 countries including the UK and EU member states, is working hard to change the image. SKN is introducing biometric checks for all applicants, as well as checking their details against international law enforcement databases. This process will not stop after citizenship has been granted.

“Once an applicant is approved, we continue to monitor them through our due diligence partners,” says Mr Khan. “In the case of negative information being received, the person’s passport could be withdrawn and ultimately,

the citizenship cancelled.”

Nationals from countries on US and European sanction lists are automatically excluded from the CBI programme, as are citizens of other “countries of concern” including Afghanistan and Iran. Regional co-ordination is also increasing, according to CS Global Partners. Caribbean CBI jurisdictions now send files to CARICOM’s Joint Regional Communication Centre (JRCC), which works with international partners to flag persons on sanctions and other similar lists. Flagged files result in an applicant being rejected.

Additionally, all Caribbean countries have provisions stating that if a person is rejected for a visa from any country with which the citizenship by investment jurisdiction has a visa-free treaty, then that person cannot obtain economic citizenship. An applicant can ‘cure’ a rejection by reapplying for a visa to that country. A further example can be found in Grenada, where legislation stipulates an applicant denied citizenship by investment in another Caribbean jurisdiction shall not be approved for citizenship in Grenada.

The Caribbean islands are not resting on their laurels, especially when it comes to working with international law enforcement bodies. Their governments understand that the “national interest” today lies in keeping a strong, transparent and clean reputation.

“We recognise that more can be done on this front,” stresses Mr Khan. “We look forward to working with our regional and international counterparts to cement the future

Despite a building boom linked to Malta’s Individual Investor Programme, which has seen millions invested in social housing, health centres and hospital upgrades, there is a realisation in Valletta that things have to be done differently

success of the CBI industry, which is so crucial to our economies.”

VITAL FUNDS

The necessity of this money for island economies is not in doubt. CBI has helped transform SKN’s reliance on sugar cultivation to a more sustainable footing, developing tourism and allowing the country to invest in its national infrastructure. Direct investment has also been channelled into priority areas such as education, health, climate change resilience, infrastructure, and tourism. As a result of government investment in public services including law enforcement, there has been an annual 30 per cent fall in crime.

To accommodate record numbers of tourist arrivals, totalling more than 1m in 2019, EC\$13.5m (US\$5m) from the CBI Programme has been invested in the new cruise ship dock at Port Zante.

But perhaps the biggest indicator of the industry’s growing maturity is the recognition that it makes more sense for smaller countries to work together rather than compete for the same market. “We need to look in the mirror as an industry, not look at our competitors,” volunteers Emmanuel Nanthan, head of Dominica’s CBI unit.

He is aware that for property developers in his storm-ravaged nation, CBI is the only viable channel for inward investment. If jurisdictions cannot preserve their integrity, the window for investment will be limited.

“These are trying times for the global industry. We should no longer look at what we do as single cells, but what we can do as a collective.” [PJM](#)

The 2020 CBI Index

Entering its fourth year of publication, the CBI Index is the world's most reliable comparison tool for active citizenship by investment (CBI) programmes. It serves as a practical guide for individuals and entities wishing to learn more about economic citizenship while providing a comprehensive, data-driven study of the CBI industry and the issues that shape it.

The industry has continued to evolve since the publication of the 2019 Index. Key developments include investment changes, moves towards greater family inclusiveness, and increased oversight of agents and real estate stakeholders.

Significant threshold changes were implemented in the Caribbean. In Antigua and Barbuda alone, the government decided to make its limited-time offers on real estate purchases and National Development Fund (NDF) contributions a permanent feature of its programme. It also added a new real estate option for US\$200,000, modified its University of the West Indies Fund option, and standardised Government Fees.

The Caribbean also spearheaded several adjustments to its family provisions — most notably in Dominica and St Lucia.

After a difficult 2019, in which the Cypriot government revised its criteria for awarding economic citizenship, Cyprus set new CBI regulations in the summer of 2020. These are reportedly tied to anti-money laundering legislation to bolster the programme's credibility. Malta also announced that significant changes can be expected under the 'second version' of its Individual Investor Programme, set to be unveiled in September.

An unprecedented challenge for the industry came in the form of the Covid-19 pandemic which, in addition to tragic loss of life, led to the imposition of national lockdowns and the closure of international borders. In response, many CBI programmes were forced to adapt their processing procedures, resulting in both temporary and long-term changes.

In the 2019 CBI Index, new market entrant Montenegro was not featured in the rankings. However, after issuing its first CBI approval in February 2020, its CBI

programme has now been included.

As such, the 2020 CBI Index assesses the CBI programmes of 14 countries: Antigua and Barbuda, Austria, Bulgaria, Cambodia, Cyprus, Dominica, Grenada, Jordan, Malta, Montenegro, St Kitts and Nevis, St Lucia, Turkey, and Vanuatu.

Reflecting industry trends, a new Family Pillar has been introduced. A separate Certainty of Product Pillar has also been added, absorbing previous stability measurements and incorporating further considerations such as programme caps. Considerable adjustments were also made to the Freedom of Movement Pillar, where settlement rights were integrated into scores.

As always, data was collated from relevant industry sources, including legislation; government circulars and memoranda; programme application forms and guidelines; official media and statistics channels; and direct correspondence with governments and their authorised representatives.

The data is used to give each country a final score out of 90, as well as a percentage score. ●

A TIMELINE OF CITIZENSHIP BY INVESTMENT

1984
St Kitts
and Nevis



1985
Austria



1993
Dominica



2002
Cyprus



2009
Bulgaria



2013
Antigua
and Barbuda

Cambodia
Grenada



2014
Malta



The future of CBI

With its widespread lockdowns and travel bans, 2020 has ushered in unprecedented economic downturns and uncertainty. Yet, towards the end of Q1, the immigrant investor industry had already produced record applications — and record yields. This has resulted in many countries hastening their adoption of citizenship by investment (CBI).

Egypt has been toying with the idea of CBI since 2018. In September 2018, its parliament passed a law granting citizenship after a five-year period of continued residence to foreign nationals who deposit E£7m (US\$438,000) in one of the country’s state-owned banks. Before this, Egyptian law only allowed for citizenship after 10 years of legal residence.

In December 2019, Egypt moved closer to the launch of a bona fide CBI programme when its government approved a draft decision establishing conditions for the grant of citizenship to foreign nationals in exchange for investments or donations. The

government reportedly outlined four specific routes to citizenship: the acquisition of state-owned property, the acquisition of a stake in an investment project, the making of a direct deposit with the Central Bank of Egypt to be returned after five years, or the making of a non-refundable contribution.

In 2018, Mauritius also looked set to institute a CBI programme. In his 2018/19 budget address, prime minister Pravind Jugnauth of Mauritius proposed a scheme that would allow foreign nationals to obtain citizenship in exchange for a non-refundable contribution of US\$1m to the Mauritius Sovereign Fund.

Elsewhere, in east Africa, noise was made in November 2019 about the possibility of a Kenyan programme with a minimum investment threshold of approximately US\$200,000.

For years, Vanuatu has reaped the benefits of being the sole provider of CBI in Oceania, attracting a number of nationals from nearby countries, as well as China and south-east Asia. However, this may soon change. In March, the government of the Solomon Islands

Visit [pwmnet](#) for an expanded version of the CBI Index, including detailed profiles of all 14 citizenship by investment programmes

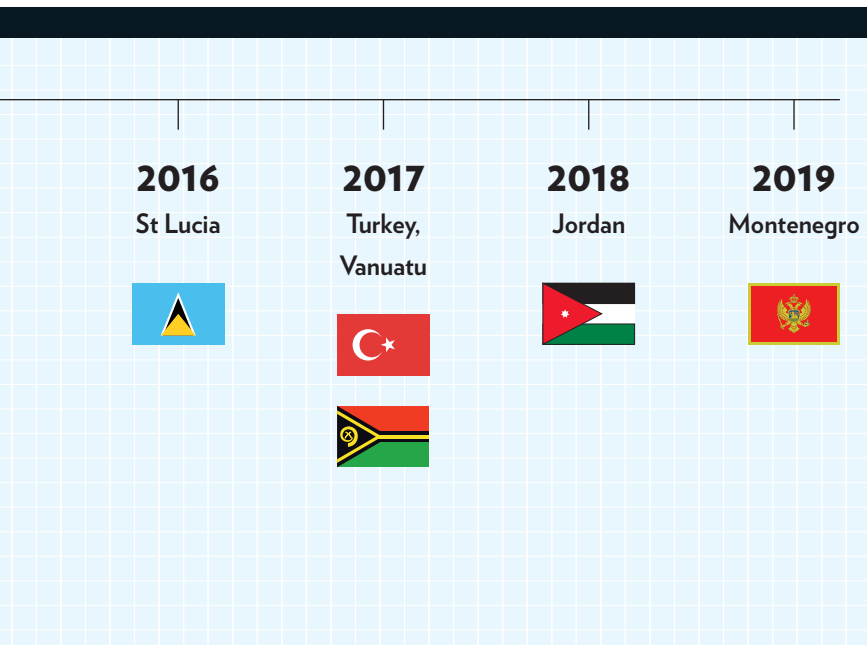
confirmed plans to establish its own CBI programme, with parliament expected to scrutinise provisions by the end of the month. In parallel, government advisory groups have been involved to provide guidance on adherence to industry best practices.

Other Pacific island nations that have often been slated as potential CBI providers include Micronesia, Palau, and Tuvalu.

Following plummeting tourism numbers as a result of Covid-19, the Maldives proposed in May 2020 that it should introduce CBI. No official plans to implement a formal programme have been revealed, although there is speculation that any such programme would be linked to the country’s famous luxury resorts.

Launched in 2018, Moldova’s short-lived CBI programme came under immediate fire for its lack of transparency and inadequate due diligence. In June 2019, newly-elected members of parliament voted to abrogate the programme in its first reading, but were stalled by contractual obligations with the programme’s concessionaire. In July 2019, after the successful completion of only two applications, the Moldovan parliament placed a moratorium on further applications, which was extended twice until 1 September 2020. However, after the European Union made the second tranche of its €100m (US\$116m) macro-financial assistance payment conditional on, among other terms, Moldova repealing CBI provisions, its parliament repealed the programme in its second reading, in June 2020, with an overwhelming majority of votes. The repeal takes effect upon expiry of the moratorium on 1 September 2020.

Elsewhere in Europe, at the tail end of 2019, Albania’s prime minister recognised what he called “the enormous potential” of economic citizenship, strongly indicating that a CBI programme may be on the horizon for his country. ●



Industry responses to the Covid-19 pandemic

UPDATING PROCESSES

The citizenship by investment industry has been quick to respond to the global Covid-19 crisis

Citizenship by investment (CBI) countries — particularly those with long-established systems and experienced processing staff — have largely been quick to respond to the Covid-19 crisis. They have provided a range of solutions, both temporary and permanent, to alleviate administrative burdens for applicants and authorised agents.

CLOSURES AND ONLINE SUBMISSIONS

In the Caribbean, Grenada was the first CBI jurisdiction to warn stakeholders that the Covid-19 outbreak in Wuhan, China, may affect the processing times of applications made by Chinese citizens and residents. Grenada was also the first country to suspend receipt of hard copies of applications.

Other Caribbean countries quickly followed and, by the end of March 2020, the CBI units of Dominica, St Kitts and Nevis, and St Lucia had all issued circulars announcing that they would move their processes online to reduce transmission of the disease. Dominica, whose unit had already accomplished a swift switch to remote processing in the aftermath of the 2017 hurricane season, drew on experience to adapt to the social distancing requirements of Covid-19 and continue to process at a rapid pace. Grenada, on the other hand, took some weeks to implement a working CBI management online information systems platform.

The response of Pacific island-nation Vanuatu, where, as late as July 2020, not a single case of Covid-19 had been reported,



Covid-19 has had a major impact on international business and travel

stood in contrast to the Caribbean CBI countries. Indeed, while the Caribbean reduced in-person gatherings — but retained capacity — Vanuatu's citizenship commission remained fully open while warning applicants that it would be unable to deliver citizenship certificates to successful applicants abroad. Additionally, provision was made for applicants to take the oath of allegiance via video conference link until the easing of travel restrictions.

The Montenegro Investment Agency suffered an interruption in application submissions under the newly fledged Montenegrin CBI programme, citing the nation's Covid-19 border closure as the primary cause for the standstill.

DOCUMENTARY ADJUSTMENTS

A number of countries, including Grenada and St Kitts and Nevis, also applied temporary adjustments to documentary requirements to further ease the document-gathering process for applicants, many of whom were subject to rigorous lockdown protocols in their home countries.

REGULATORY CHANGES

Cypriot authorities, in a bid to alleviate the economic consequences of Covid-19, indicated in April that they would begin processing applications scheduled for 2021

in 2020, although it is unclear when approvals for these applications will be issued.

St Lucia's Citizenship by Investment (Amendment) Regulations, 2020, made on 12 May, introduced a limited-time offer for the purchase of 'Covid-19 relief bonds'. These temporary bonds, available until 31 December 2020, can be issued in exchange for a lower investment, but must generally be held for longer than under previous regulations.

Other Covid-19 limited-time offers were also introduced by St Kitts and Nevis, and Antigua and Barbuda, both of which are particularly appealing to large families.

USE OF CBI FUNDS

In Malta, 80 per cent of the revenue from the Individual Investor Programme (minus payments to the programme's sole concessionaire and the Malta Individual Investor Programme Agency) was temporarily redirected into the Consolidated Fund. Normally, only 30 per cent would flow into the Consolidated Fund and the rest would be delivered to the National Development and Social Fund. The additional income diverted to the Consolidated Fund is to be used to mitigate the impact of Covid-19 by bolstering the country's economy and health sector. ●

Covid-19, CBI, and new investor priorities

SELECTING A SCHEME

The pandemic has forced investors to reconsider what they are looking for in a CBI programme

Before the Covid-19 crisis, investors looked to second citizenship as a platform from which to dive head-on into a world of greater interaction, travel, and globalisation. Mobility rights took, almost inevitably, centre-stage. However, by blocking international travel, the Covid-19 pandemic has had the effect of reminding investors and the wider world of the fundamental importance of 'home'.

In other words, Covid-19 has shifted investor priorities, refocusing them on places that are healthy, pleasant, and welcoming.

HEALTHY

Investors are now less interested in their ability to undertake 'health tourism', than in being able to find responsive, working healthcare systems where they live. While Covid-19 has highlighted the inadequacy of healthcare and related support systems in some countries, the disease was successfully traced, contained, and treated in others. In Vanuatu, for example, the government quickly froze all non-cargo travel, resulting in the island-nation recording, as of July 2020, no Covid-19 cases. Many Caribbean island-states were

Investors are placing increasing importance on verdant nature, clean air, and clean living

also successful in their containment of the disease, reporting few cases and widespread recovery.

PLEASANT

As working from home becomes the norm, investors are ascribing more value to domestic wellbeing. The environment is a key component of this, and includes air quality, the surrounding ecosystem, and available food. In stark contrast to the smog, concrete jungles, and processed fast-food offered by many of the world's capitals, countries like Dominica offer verdant nature, sunshine, clean air, and year-round access to lush fruit and vegetables. Albeit less entrenched in unadulterated nature, Malta is also a fine example of beauty and clean living, having ranked 85th out of 100 nations analysed in 2019 by air monitoring platform IQAir.

WELCOMING

For some, the Covid-19 pandemic has been an opportunity to showcase the strength of their communities and social capital. Organised charitable and philanthropic action played a role in this, as did the efforts undertaken to support people made vulnerable by strict lockdown and social distancing rules. To be able to rely on compassion, kindness, and consideration in one's community is now more critical than ever before.

KEY TO A BETTER HOME

Home and citizenship are closely intertwined, as only citizenship can give certainty that a person will be able to settle somewhere indefinitely. Second citizenship is, therefore, a necessary stepping stone for investors to obtain a home that fulfils the priorities and needs brought to light by the Covid-19 crisis. And, as the CBI Index highlights, there are few options for citizenship that are as expeditious and straightforward as citizenship by investment. ●



Debunking CBI: citizenship vs passports

WHAT IS CITIZENSHIP?

There is a misconception that citizenship by investment is the same as buying a new passport

As many immigration professionals know all too well, the process of obtaining citizenship of a country is often confused with the process of obtaining a passport. For instance, it is a common misconception that successful applicants for economic citizenship are simply handed passports upon the making of an investment — a notion that perpetuates the false impression that an applicant exchanges ‘cash for passports’.

In reality, while economic citizens can apply for and receive passports, this takes place after the grant of citizenship in a manner independent of the citizenship by investment (CBI) process. In European and Caribbean jurisdictions, the CBI process ends when an applicant receives a certificate of naturalisation or registration. After receiving such a certificate, it is the prerogative of the applicant to apply for a passport from the relevant passport office.

Akin to the CBI process, the passport application process also requires the presentation of certain forms and documents, albeit to a lesser degree. However, this is overseen by the relevant passport office rather than by the ‘unit’ or other citizenship committee. Furthermore, while the CBI process must generally be undertaken through a

government-authorised representative, the process of obtaining a passport can (but need not) be completed independently of any third party.

Drawing a distinction between citizenship and passports is important. While passports are the property of the state, citizenship, on the other hand, belongs to the individual. Passports, for example, have a limited period of validity and must be renewed at regular intervals. Most CBI countries issue adult ordinary passports that are valid for 10 years, and child passports that are valid for five years. Passports can also be summarily cancelled, for example, if a country decides to add biometric features to its passports. Citizenship, however, is for life and can only be revoked in the most exceptional of circumstances.

Citizenship and passports are often conflated — citizenship does not automatically result in being handed a new passport





TYPES OF PASSPORT

A successful CBI applicant may apply for and receive an ordinary passport. This is the most common type of passport and is issued as a form of identification and as a means to travel.

Other types of passport include official and diplomatic passports. Official passports, sometimes called ‘service’ passports, are passports issued to government officials, and often their accompanying dependants, for work-related travel. Diplomatic passports are passports issued to accredited diplomats (and their accompanying dependants) for the purpose of official international travel. Neither official nor diplomatic passports are issued to economic citizens.

CBI VS DIPLOMATIC STATUS

The use of permanent diplomatic representation is an established practice that can be traced to the late-Medieval Italian city-states. Despite the wide adoption and evolution of permanent missions, however, many small-island

nations do not have the means or wherewithal to station embassies across the globe. Hence, for those countries, the issuance of diplomatic passports to persons who can take it upon themselves to become spokespersons for the nation is an essential tool.

It is unfortunately common for people to conflate the CBI process with the practice of issuing diplomatic passports. To suggest that CBI and the issuing of diplomatic passports are at all related is misguided. To echo a statement by the government of Grenada in December 2019: “The two are governed separately, and have their own rules for implementation, under clear policy guidelines.”

Firstly, diplomatic passports are issued only to diplomats — persons who, by virtue of their high international repute, have the ability to foster strong international relations and represent the interests of the state to which they are accredited. The diplomat’s citizenship is irrelevant to their ability to receive

The issuance of diplomatic passports to persons who can take it upon themselves to become spokespersons for the nation is an essential tool — but it does not make them a citizen of the country

a diplomatic passport, meaning that diplomatic passports may be issued to citizens and non-citizens alike.

An individual who is not a citizen, but who receives a diplomatic passport, does not become a citizen of the country to which they are accredited. As such, any privilege conferred on the holder of a diplomatic passport is by virtue of that individual’s status as an accredited diplomat. Conversely, through CBI, a non-citizen receives citizenship of a country and thereby attains the same rights and duties afforded to all other citizens by virtue of that status alone.

Secondly, diplomatic passports — issued legitimately — are not done so in exchange for an investment or payment of any kind. In fact, payment for a diplomatic passport is an act that is condemned by the international community at large. CBI, however, is not only recognised, but a growing feature of the laws of nations, from the Caribbean to Europe, the Middle East, and Oceania. ●

Family reunification: because together is better

GLOBAL FAMILIES

New to 2020, the Family Pillar asks which citizenship by investment programmes offer the greatest opportunities for families that wish to stay together during the process

The addition of the Family Pillar to the 2020 edition of the CBI Index reflects the fact that family eligibility is an increasingly significant consideration for prospective investors choosing citizenship by investment (CBI). While all CBI countries allow some dependants to be included in an application, how widely the definition of 'dependant' is construed depends on the country. The cost of the addition of dependants is also a factor to be considered and varies greatly from programme to programme.

JURISDICTIONAL APPROACHES TO DEPENDANT ADDITIONS

In respect to spouses, most CBI countries define 'spouse' by marriage. It is generally accepted that only one spouse may be included in an application. St Lucia, for example, specifies that, in the case of legal civil polygamy, 'spouse' means the first husband or wife.

Countries that permit the inclusion of adult children do so up to the ages of between 25 and 30 years. Of these countries, many require the demonstration of financial dependency or attendance at an institution of higher learning.

For instance, while Montenegro merely stipulates that an adult child must be "dependent on the applicant," in Vanuatu, an adult child between the age of 18 to 25 years must be residing with, or dependent on, the applicant or their spouse and attending full-time education. Dominica

is even more liberal than Montenegro, allowing adult children to simply show they are substantially supported by either the main applicant or the main applicant's spouse.

Granularity also exists between regions. Whereas Cyprus permits the inclusion of parents of the investor (provided they hold a permanent, privately-owned residence in Cyprus), Malta allows the inclusion of both parents and grandparents, whether of the investor or the investor's spouse. In Malta, parents and grandparents must be over the age of 55 years, "wholly maintained or supported by the main applicant", and form part of the household of the main applicant. In the Caribbean, neither Dominica nor Grenada impose age limitations on parents and grandparents (although age-related cost distinctions exist in Grenada), while St Lucia excludes grandparents altogether.

Dominica, Grenada, and St Lucia are

Family eligibility is an increasingly significant consideration for prospective investors choosing citizenship by investment



Picture courtesy of Joshua Yerman/St. George's University



the only CBI countries to allow siblings to form part of an application. Distinctions remain, however. Grenada, for example, requires siblings to be aged at least 18 years, while St Lucia only allows the inclusion of siblings below the age of 18 years. As a result, St Lucia requires the consent of the sibling's parent or guardian. Dominica, on the other hand, includes siblings aged 25 years and under, but requires the consent of all persons with parental responsibility for siblings who are minors.

THE COST OF INCLUDING A FAMILY MEMBER

Although a plurality of approaches is taken across the industry, more CBI countries are realising the importance of family reunification for investors, many of whom have large family structures. As a result, the overarching trend in recent years has been to expand the remit of eligible dependants and implement increasingly competitive prices for families.

In July 2020, St Kitts and Nevis announced the implementation of a limited-time offer, valid for a period of six months. Under the offer, the Sustainable Growth Fund (SGF) contribution amount for families of up to four was reduced to US\$150,000, making the SGF just as attractive to families as it is to single applicants.

Recently, St Lucia's Citizenship by Investment (Amendment) Regulations, 2020, made applications under the Programme's National Economic Fund (NEF) cheaper for families. The regulations reduced the required contributions under the NEF for applicants applying with a spouse, and applicants applying with a spouse and up to two other qualifying dependants. They also implemented a reduced contribution amount for certain additional qualifying dependants.

In May 2020, Antigua and Barbuda made family-friendly changes to the fee structure under its University of the West Indies Fund option. Under the new changes, the minimum number of persons that must be included in an application under the option was increased from four to six, but the required contribution amount was dropped to US\$150,000 including Government Fees.

In Bulgaria, a draft bill was published in March 2020 proposing amendments to the Immigrant Investor Programme. This included a proposed change to the programme's fast-track option that would allow the spouse of the investor to apply for citizenship after three years of holding permanent residence status, instead of

Dominica and Grenada take the top spot in the new Family Pillar, achieving perfect scores across the board for their broad range of family-friendly provisions

the current five-year timeframe. This approach contrasts that of many other jurisdictions, as it makes the more expensive fast-track option more appealing to small families.

SECURING A LEGACY: POST-CITIZENSHIP ADDITIONS

Another trend in recent years has been to expand post-citizenship offerings, which give investors a 'second chance' to ensure no family member is left behind.

In Dominica, and St Kitts and Nevis, the remit of post-citizenship additions is particularly wide, with both countries allowing for the addition of children born prior to the grant of citizenship. 'Children' is defined more widely in Dominica, however, where persons aged 30 years or under may be included, while St Kitts and Nevis allows only the inclusion of minor children. Both countries also allow for post-citizenship spousal additions, as well as the addition of parents and grandparents.

Finally, most jurisdictions allow newborn children of economic citizens to be registered as citizens in their own right. This reflects the core notion that citizenship can be passed down to one's descendants, and ensures that the benefits of citizenship are felt for generations. ●

Is it Mr Kollakis, Kallakis, Καλλακης or Καλλακис?

CASE STUDY

Translating a person's name incorrectly can circumvent lax due diligence systems, but multilingual due diligence can help mitigate this risk, writes **former director of the UK National Fraud Intelligence Bureau, David Clarke**

Verifying that investors applying for citizenship are indeed who they say they are involves researching their identity and history, based on the details and documents they supply. This process becomes more complex when the documents provided require translation. Without effective due diligence, a slight alteration in the English spelling of a person's name could, for example, help to conceal their presence on a sanctions list.

Prior to the 2008 financial crisis, Britain's most successful confidence tricksters, Stephan Kollakis and Martin Lewis, were two small-time fraudsters who sold phony heraldic titles. They eventually progressed to conning two big banks out of £750m (US\$963.6m). They did this by reinventing themselves as property tycoons Achilleas Kallakis (with an 'a') and Alex Williams. They succeeded in cheating the banks for five years, taking mortgages for London properties that were overvalued and pretending they had a major Hong Kong corporation and a US oil family as tenants and investors.

Their deception was only discovered when a bank in Germany, looking to purchase the debt, made local enquiries about their stories. Kallakis and Williams were eventually prosecuted by the UK's Serious Fraud Office and, in 2013, they



Advances in passport security features offer little protection against those who have genuine passports issued in error

were sentenced to 10 years in prison. The stolen money, however, was never recovered.

Kallakis and Williams used fake documents and a friendly lawyer prepared to commit crime. Fake passports, birth certificates, and company ownership papers that are convincing (or genuine but issued in error) can pose serious problems for governments and financial institutions that are not prepared to spot deception.

Advances in passport security features, such as biometrics and the UK's document checking service pilot, have gone a long way to tackling counterfeiting. However, these have limitations in terms of genuine passports issued to those who have obtained them

Without effective due diligence, a slight alteration in the English spelling of a person's name could help to conceal their presence on a sanctions list

illicitly. In 2016, journalists revealed that a little-known law — which gave those living in former Portuguese colonies the right to come to Europe — had been exploited by criminals who sold fake documents that entitled the holders to obtain an authentic EU passport.

These risks can be mitigated by requiring a wide variety of documentation, instructing third-party checks, and ensuring that multilingual due diligence is performed on individuals.

People applying for citizenship by investment in a reputable jurisdiction must supply a range of personal information and supporting documents as evidence of their identity, history, wealth, and assets. Those from countries where English is not the first language will generally supply these in their local language along with a translation that

has been certified and notarised by a trusted party. Countries seeking to attract only citizenship investors of the highest quality also outsource multilingual, enhanced due diligence to external firms. This results in a more expensive due diligence process, and additional work for authorities and their partners, but the effort is rewarded when it prevents citizenship being granted to those who could harm the nation. On the other hand, while seemingly cheaper and faster, due diligence systems lacking breadth and a third-party, multi-lingual dimension, such as the models applied, for example, in Cambodia, Jordan, and Turkey, leave countries and their international partners open to national security concerns.

Multilingual enhanced due diligence applies the following additional controls:

As applications can come in a range of languages, multilingual due diligence is extremely important

1. Official identity documents and other supporting information that require translation are provided by a reputable organisation that has no conflict of interest with the applicant and are approved by the authority.
2. Where necessary, online and face-to-face interviews with the applicant are conducted in the applicant's mother tongue using a professional interpreter, acting on behalf of the authority, who has no conflict of interest with the applicant.
3. Names of applicants that have been translated into English are verified by professional linguists from a reputable organisation that has no conflict of interest with the applicant.
4. External due diligence is conducted in both English and the applicant's language of origin (or the language of the country in which the applicant resides) using fuzzy matching, phonetics, and machine learning tools.
5. Inquiries to verify information supplied by the applicant are conducted, on behalf of the authority, by a professional investigator proficient in English and the local language and dialect, who has no conflict of interest with the applicant.
6. Accurate records are kept to evidence multilingual external due diligence, including the online search criteria used and the identities of linguists employed, and these are managed in accordance with the ISO:27001 data security standard. ●



David Clarke is the former director of the UK National Fraud Intelligence Bureau and a commentator for BBC television. Mr Clarke created the AMLiss due diligence service for Guildhawk

Overview of the methodology

METHODOLOGY

The CBI Index is now built around nine pillars, designed to measure global citizenship programme features and jurisdictional desirability

The CBI Index is a rating system designed to measure the performance and appeal of global citizenship by investment (CBI) programmes across a diverse range of indicators. Its purpose is to provide a rigorous and systematic mechanism for appraising programmes, to facilitate the decision-making process for individuals considering them, and to bring value to the CBI industry.

The CBI Index assesses all countries with operational CBI programmes, which, in 2020, include the following 14 nations: Antigua and Barbuda, Austria, Bulgaria, Cambodia, Cyprus, Dominica, Grenada, Jordan, Malta, Montenegro, St Kitts and Nevis, St Lucia, Turkey, and Vanuatu. After delays to commencing the processing of applications, Montenegro becomes the fourteenth and latest addition to the CBI Index.

The primary methodological objective for the CBI Index is to isolate factors — or ‘pillars’ — that satisfactorily measure programme features and jurisdictional desirability. Having featured seven pillars since its inception in 2017, the 2020 CBI Index has introduced two new pillars: ‘Family’ and ‘Certainty of Product’. The nine pillars that constitute this year’s CBI Index, therefore, include:

1. Freedom of Movement
2. Standard of Living
3. Minimum Investment Outlay
4. Mandatory Travel or Residence
5. Citizenship Timeline
6. Ease of Processing

7. Due Diligence
8. Family
9. Certainty of Product

Arriving at an appropriate rating for the nine pillars involved a complex combination of benchmarking, statistical analysis, and comparative investigation.

Each of the nine pillars is scored out of a maximum of 10 points, calculated on an averaging basis from the scores of composite indicators and sub-indicators. The maximum score attainable by a programme is 90, with all final scores also expressed in terms of a percentage of the total points available. For example, a perfect 90-point score would be expressed as 100 per cent.

It should be noted that, owing to the vast number of statistics, indicators, and sub-indicators available for analysis, no single approach exists for the rating of CBI programmes. In framing the CBI Index, however, reliance was placed on official sources and publications from institutions of the highest international standing, as well as on the specialised input of industry experts, whose contributions and responses were used to obtain and interpret both qualitative and quantitative data used in the construction of the CBI Index.

It should further be noted that, whenever possible, points were awarded based on evidence from official sources and the letter of the law. Because announcements of changes to CBI programmes are often made many weeks and months in advance of their actual implementation, the CBI Index limits its evaluations to changes confirmed by governments themselves and associated legal facts.

Finally, the 2020 CBI Index does not consider temporary changes resulting from the Covid-19 crisis, except when a programme’s ability to respond and adapt to present needs is measured as Part of the Certainty of Product Pillar.

PILLAR 1: FREEDOM OF MOVEMENT

Freedom of movement within and between countries is of paramount importance to any individual seeking second citizenship. This holds true whether the individual wishes to travel for work purposes, to visit family, or for leisure.

In the 2020 CBI Index, the Freedom of Movement Pillar measures the relative strength of each country’s citizenship on the basis of three equally weighted factors: the number of destinations to which a country’s passport allows travel without restriction, the number of prime business hubs to which it provides access, and the degree to which a given citizenship provides settlement rights in other nations.

It is assumed, for the purposes of this pillar, that the passport used for travel is an ordinary passport, and not a diplomatic or service passport.

Emphasis was placed on the total number of countries and territories that may be visited without applying for a visa. This includes both visa-free and visa-on-arrival destinations, as neither requires persons to receive a visa in advance of travel. Government and other official sources, including data from the United Nations World Tourism Organisation, were used to obtain up-to-date information on visa requirements for holders of each of the 14 passports under evaluation.

As business travel is a prime consideration for prospective global citizens, a passport’s ability to provide access to the world’s leading economic and financial centres was also evaluated. The World Bank’s Ease of Doing Business Index, Forbes’ Best Countries for Business, the World Economic Forum’s Global Competitiveness Report, and other authoritative sources were used to arrive at a list of the top centres for international business.

For both of these indicators, points were awarded on a descending scale, with

the highest score received by the country with visa-free or visa-on-arrival entry to the highest number of foreign countries or territories.

While the freedom to access a high number of jurisdictions is of critical importance to the citizenship investor, many also look at second citizenship as a gateway to ensuring long-term security and stability for themselves and their families. The addition of a settlement rights measure reflects this, making CBI countries that are part of broad free-movement regimes more attractive.

In order to assess settlement rights, value was placed both on the number of jurisdictions accessible within a given free-movement regime and on the nature of the rights afforded to the citizen, with distinctions drawn for rights that are conditional on a citizen undertaking work.

The European Union, the CARICOM Single Market and Economy, and the Association of Southeast Asian Nations free-movement regimes were also assessed against the total average United Nations Human Development Index score of the free-movement bloc under evaluation.

PILLAR 2: STANDARD OF LIVING

The Standard of Living Pillar is a measure of the quality of life offered by the 14 CBI jurisdictions under assessment. This pillar is vital to those who yearn to relocate and to secure a prosperous and fulfilling lifestyle. Similarly, it is key to those wanting to take advantage of local business opportunities or needing to transfer and safeguard their assets.

For this pillar, a wide range of official indicators were considered to allow for an accurate assessment. Consequently, establishing an appropriate benchmark was of paramount importance, as a country’s score must be viewed both as an absolute value and as a relative value, within the context of the other CBI countries.

Reliance was placed on the United Nations Human Development Index for factors such as life expectancy, education, safety, and income.

Past performance is not always a guarantee of future results in the field of economic growth in a rapidly developing world. As such, a country’s latest annual GDP growth statistics were used to indicate present-day economic circumstances as well as growth potential — a particularly important indicator for investors. Data was sourced from the World Bank’s Open Data Catalogue to ensure accuracy and consistency.

The Standard of Living Pillar also examines a country’s ability to promote freedom, and to protect the rights of individuals to act and to express themselves without undue constraints. Civil liberties and political rights within a jurisdiction were rated as part of this exercise, using sources such as Freedom House’s Freedom in the World Index.

PILLAR 3: MINIMUM INVESTMENT OUTLAY

The Minimum Investment Outlay Pillar measures one of the most practical and foremost considerations of CBI: how much capital is required for the investor to become an eligible applicant for the programme of their choosing.

The cost of applying for CBI increases with the number of dependants — or qualifying family members — included in an application. In some jurisdictions this increase is proportional, while in others the cost only increases following the inclusion of multiple dependants. To remain consistent across all jurisdictions, it was assumed that one applicant was applying for citizenship alone (i.e., the application consisted of a single applicant).

Where a CBI programme offers multiple investment options, the most affordable was selected for evaluation. For example, Dominica offers a single applicant the choice between a direct

contribution to the government and an investment in pre-approved real estate, with the latter being the more expensive alternative. The first option was therefore used to determine the minimum investment outlay for the Dominica CBI Programme.

This pillar considers pure investment requirements, exclusive of minor fees that may also apply. These may include application, processing, or due diligence fees that do not significantly alter the cost of a citizenship application. However, where countries had sizeable additional fees, such fees were taken into account.

The highest number of points was awarded to the country requiring the lowest minimum investment.

PILLAR 4: MANDATORY TRAVEL OR RESIDENCE

The Mandatory Travel or Residence Pillar examines the travel or residence conditions imposed on applicants both before and after the granting of citizenship. Often busy with running a business or with international travel of their own, citizens of the world have little time on their hands to fulfil minimum stay requirements.

A careful examination of the laws, regulations, and policies pertaining to each CBI programme was undertaken. First, it was determined whether any such prerequisites applied. Second, post-citizenship requirements were examined, as well as the consequences of failing to fulfil those requirements. Third, the extent of the travel or residence requirements were analysed, with physical visits for the purposes of attending an interview, swearing an oath of allegiance, or giving biometric information all considered.

It is important to note that physical, rather than nominal, requirements were taken into consideration.

In line with previous pillars, scrutiny focused on the main applicant rather than

any dependants that may be included in the citizenship application.

As having year-round freedom to travel is a highly valued liberty, programmes that waived both residence and travel requirements achieved the best score, followed by those with minimal requirements. The lowest scores were attained by programmes with extensive requirements.

In the 2020 CBI Index, the scoring system under the Mandatory Travel or Residence Pillar was amended to better encompass changing industry requirements, with the subtotals for mandatory travel requirements and residence requirements combined to yield the total pillar score.

PILLAR 5: CITIZENSHIP TIMELINE

The Citizenship Timeline Pillar looks at the average time taken for citizenship to be secured by the applicant.

The speed at which application forms and supporting documentation are processed, and the steps involved in approving an application, vary between programmes. Therefore, a thorough inspection of applicable laws, regulations, and policies was made to determine the official processing times mandated by each jurisdiction.

Extensive reliance was also placed on the first-hand experience of applicants, agents, and other stakeholders, whose contributions proved to be an invaluable tool in ascertaining citizenship timelines.

One of the key merits of CBI programmes is their ability to provide a rapid route to second citizenship; as such, the highest number of points was awarded to the programmes with the shortest turnaround times.

It should be noted that, in determining processing times, Covid-19-related delays were not factored into the assessment by virtue of the fact that

these delays, where felt, are expected to be temporary.

Additional merit was given to programmes offering fast-track processing options at an additional fee, as these provide an extra layer of certainty for the applicant who is urgently in need of second citizenship.

PILLAR 6: EASE OF PROCESSING

The Ease of Processing Pillar measures the end-to-end complexity of the CBI application process. In some jurisdictions, the application process can be a labour-intensive and painstaking task that is time-consuming for the applicant; in others, it is streamlined and the applicant receives clear directives on how to proceed. The overall effortlessness of the application process is a particularly important component and the promise of a smooth, hassle-free process can generate readiness to engage with a programme.

Multiple indicators were considered, commencing with entry qualifications such as previous business experience, a proven track record of achievement, or fluency in a language. Knowledge of local history or culture assessments and interview requirements were also weighed.

By its very nature as a naturalisation process, CBI involves a significant amount of paperwork, including both forms and supporting documents. Having the support of an official government website and of a dedicated CBI body to seek and obtain clarification was thus a factor in awarding points to a programme.

Extensive communication with advisors and legal experts is required where a jurisdiction mandates the purchase of real estate or other assets, and hefty paperwork must also be submitted as evidence of that purchase. Therefore, countries with compulsory purchasing requirements were deemed to burden the application process.

Programmes with fewer demands placed on the applicant, and with relatively

straightforward procedures, achieved higher scores for this pillar.

Unlike in previous editions, where the stability of each programme was assessed as part of this pillar, the 2020 CBI Index accounts for stability (and other indicators) in a new, standalone Certainty of Product Pillar.

PILLAR 7: DUE DILIGENCE

The Due Diligence Pillar focuses on each nation's commitment to ensuring that their programme remains transparent and effective at evaluating potential candidates for citizenship. It is, therefore, a measure of each programme's integrity.

The CBI Index focuses on the ability of governments to obtain information on and from applicants, such as by the performance of internal and external due diligence checks. Indicators comprise police certificate requirements — including the number of nations from which a certificate must be provided — as well as requests for fingerprints or biometric data.

Emphasis was also placed on a country's ability to gather evidence on the applicant's source of funds, as this is a core step in denying citizenship to those profiting from, or involved in, the financing of illicit activity.

Increasingly, strict anti-terrorism and anti-money laundering legislation has prompted some governments to exclude persons of certain nationalities from their programmes, or to restrict funds transferred from certain jurisdictions, in order to ensure compliance with international sanctions. These trends are included among this pillar's indicators.

The greater a country's ability to perform background checks on applicants, the higher the score received.

PILLAR 8: FAMILY

The Family Pillar measures the extent to which investors can include immediate and extended family members in a primary application.

The 2020 CBI Index recognises that the rise of increasingly complex family relationships is driving investors to seek programmes that allow for a more diverse range of family members to be included under a primary application. Indeed, while all CBI programmes provide for the inclusion of spouses and minor children, only some countries allow the addition of adult children and extended family.

Multiple family member categories were considered, with points being awarded for the ability to include adult children, parents, grandparents, and even siblings under the primary application. Additional merit was also given to programmes that allow for the inclusion of family members of the main applicant's spouse.

Additionally, the degree of flexibility within each of these categories can differ radically from programme to programme. In the adult children category, for example, programmes that allow for the inclusion of children aged over 18 years with few restrictions achieved the most points. Those that require proof of a high degree of dependency — for example with a requirement that the child be in full-time education and fully supported by the main applicant — achieved fewer points.

As inclusivity has become an issue of global importance and increasingly relevant to the CBI industry, a point was awarded to those programmes that make provision for dependents living with a disability.

PILLAR 9: CERTAINTY OF PRODUCT

The Certainty of Product Pillar encompasses a range of factors that measure a programme's certainty across five different dimensions: longevity, popularity and renown, stability, reputation, and adaptability. With the CBI industry continuing its rapid growth, it is more important than ever to provide

investors with a means of differentiating a programme's relative robustness.

Longevity measures the age of a given programme. Popularity and renown evaluates the number of applications and naturalisations under each programme per year, as well as a programme's eminence in the industry.

As applicants and service providers prize continuity throughout the application process and beyond, the stability of each programme was also assessed. Here, importance was placed on whether any calls to end a particular programme had been made by authorities within or external to the CBI jurisdiction.

Additionally, countries with no cap on the number of applications that can be processed over the life of the programme scored more highly than jurisdictions that imposed a yearly maximum or a fixed total over a given period. For example, Montenegro's CBI programme is both time- and volume-limited, with the government planning to run the scheme until 2022 and limiting the total number of investors to 2,000.

The reputation of a programme was determined by the amount of negative press or number of scandals it has been linked to, affecting investors' broader perceptions of the countries in which they invest. Just as important, however, is evidence that programme funds are being utilised for social good. Points were awarded for a jurisdiction's transparent use of CBI funds, for example for the development of domestic healthcare, education, tourism, and other infrastructure.

Lastly, adaptability reflects a programme's ability to rapidly respond to, and sometimes even predict, the needs of applicants and the industry. More points were awarded to jurisdictions that have shown capacity to communicate with applicants, prospective applicants, and stakeholders — and to tweak their requirements accordingly. ●

THE RESEARCHER

The CBI Index was created by James McKay, an independent research consultant specialising in the end-to-end design and execution of data-driven research and analysis projects. Having read psychology and statistics at University College London, the founder of McKay Research provides strategic custom research and consulting solutions across a wide range of sectors, and actively works with some of the world's biggest independent providers of market intelligence across several industries including investment, technology, and manufacturing.

Mr McKay, who used guidance from the OECD's Handbook on Constructing Composite Indicators, employed a three-stage process to produce the latest version of the CBI Index. The first involved comprehensive primary and secondary research to chart all major developments in the world of economic citizenship over the past 12 months. The second comprised a detailed exploration of official macroeconomic and programme statistics to be used in evaluating CBI Index country performance. The third and final stage involved critically analysing and inputting all data collected throughout the research process, paying careful attention to maintaining the statistical continuity and integrity of the original index architecture.

A major methodological update was performed for the 2020 edition of the CBI Index which saw the addition of two new pillars to reflect the direction of the industry. This expanded nine-pillar index architecture provides investors with an enhanced toolset with which to measure the performance and appeal of global CBI programmes.

Key findings: Caribbean still outranks rest of world

KEY FINDINGS

The CBI Index's key findings present an evaluation of each country both overall and within the parameters of the nine pillars

The CBI Index is intended as a practical tool, both for those who wish to compare citizenship by investment (CBI) programmes as a whole and for those who wish to compare specific aspects of each programme. These aspects are reflected by the CBI Index's nine pillars: Freedom of Movement, Standard of Living, Minimum Investment Outlay, Mandatory Travel or Residence, Citizenship Timeline, Ease of Processing, Due Diligence, Family, and Certainty of Product.

PILLAR 1: FREEDOM OF MOVEMENT

European Union (EU) member states continue to offer the greatest number of countries and territories to which citizens can travel visa-free or with a visa-on-arrival, including free travel to the highest number of business centres.

Schengen Area members Austria and Malta retained their scores of 10, with Cyprus also achieving 10 this year. Cyprus' increase can be attributed to the fact that settlement rights are now considered under the Freedom of Movement Pillar. As members of the EU, Austria, Bulgaria, Cyprus, and Malta provide access to the greatest number of member states, the highest human development, and the greatest scope for movement of persons and workers. Bulgaria's score of nine is a result of the lower number of jurisdictions made accessible on a visa-free and visa-on-arrival basis.

The Caribbean island states of Antigua and Barbuda, Grenada, St Kitts and Nevis,

and St Lucia closely follow the European nations with a score of seven. Of the 20 business hubs assessed in the 2020 CBI Index, citizens of St Kitts and Nevis and St Lucia have visa-free access to 15, and citizens of Antigua and Barbuda and Grenada have access to 14. Despite a slightly lower score of six, Dominica saw the greatest increase in visa-free and visa-on-arrival offerings since 2019 of all 14 CBI jurisdictions under evaluation.

Unlike Dominica, which forms part of the CARICOM Single Market and Economy along with its Caribbean counterparts, Vanuatu does not belong to a free-movement regime. In the 2020 CBI Index, Vanuatu fell below Dominica with a score of five.

New entrant Montenegro scored four points and was followed in descending order by Turkey and Cambodia, with Jordan once again attaining the lowest score. Being a member of ASEAN's Economic Community did little to boost Cambodia's score, as citizens of both Montenegro and Turkey can travel without a visa to more than twice as many destinations as citizens of Cambodia.

Cambodia and Jordan each have visa-free access to only one business hub — in Cambodia's case, Singapore, and in Jordan's case, Hong Kong.

PILLAR 2: STANDARD OF LIVING

For the fourth consecutive year, Austria and Malta achieve the highest scores for standard of living with nine points. Their high life expectancy, safety levels, and ability to uphold basic freedoms propelled them to first place, as did their scores in education and gross national income. While Austria overshadows Malta with respect to education and gross national income, Malta performed better with respect to GDP growth and life expectancy. Cyprus achieves a score of eight and, once again, scored very highly in terms of citizens' freedom and safety.

Achieving a score of seven points, the next rank comprises a diverse range of countries: Antigua and Barbuda, Bulgaria, Grenada, Montenegro, and Turkey. The two Caribbean nations in this group score better with respect to freedom. Antigua and Barbuda saw a marked increase in GDP growth since the 2019 CBI Index, and Grenada once again achieved the highest score of any country for education (with 16.6 years of schooling on average). Turkey improved its 2019 score by one point, largely as a result of its long-term educational reforms. Although coming in lowest of the European nations for education, gross national income, and citizens' freedom, Montenegro's competitive score for standard of living was achieved through its strong showing for safety and GDP growth.

St Kitts and Nevis and Dominica follow with a score of six points. Citizens of both enjoy the freedoms of their European counterparts, and St Kitts and Nevis also improved its gross national income, an indication of an improving economy. Advancing economic conditions were also reflected in Dominica's improved score for GDP growth.

Cambodia is joined by Jordan, St Lucia, and Vanuatu in last place for the Standard of Living Pillar, with five points. St Lucia dropped one point from 2019, largely owing to a decline in relative safety — a common occurrence for countries with small populations where low incidences of crime can have a notable impact on statistics. Vanuatu's single point loss over the previous period can be attributed to a small dip in life expectancy.

Although Cambodia remains joint bottom for gross national income, it once again achieved the highest GDP growth with 7.5 per cent, narrowly outdoing Antigua and Barbuda. Cambodia, Jordan, and Vanuatu all rank highly for safety despite appearing in the bottom group for their overall pillar scores, while

THE CBI INDEX											
Country	NINE PILLARS									FINAL RESULTS	
	Freedom of Mvmt	Standard of Living	Min Inv Outlay	Manatory Trv/Res	Ctznshp Timeline	Ease of Process	Due Diligence	Family	Certainty of Product	Total Points	%
Antigua & Barbuda	7	7	9	6	6	10	9	8	8	69	77
Austria	10	9	1	8	2	4	4	4	4	46	51
Bulgaria	9	7	5	6	1	4	7	5	4	48	53
Cambodia	2	5	8	8	8	4	4	2	3	44	49
Cyprus	10	8	2	6	6	7	7	6	6	58	64
Dominica	6	6	10	10	9	10	10	10	10	81	90
Grenada	7	7	9	10	9	10	10	10	8	79	88
Jordan	1	5	3	10	9	6	2	4	2	41	45
Malta	10	9	4	2	3	9	10	9	5	60	67
Montenegro	4	7	6	8	9	6	9	6	3	58	64
St Kitts & Nevis	7	6	9	10	10	10	10	9	10	80	89
St Lucia	7	5	10	10	9	10	7	9	6	73	81
Turkey	3	7	8	8	8	6	3	5	6	53	59
Vanuatu	5	5	9	8	9	10	6	7	5	64	71

St Lucia mirrors the Caribbean countries of Dominica, Grenada, and St Kitts and Nevis with a maximum score for citizens' freedom.

PILLAR 3: MINIMUM INVESTMENT OUTLAY

With the exception of new entrant Montenegro, the scores under the Minimum Investment Outlay Pillar remain unchanged from the 2019 CBI Index. Fluctuations in currency exchange rates have had little impact and jurisdictions have not significantly altered the minimum threshold amounts for single applicants. Dominica and St Lucia once again attain a score of 10 by virtue of having the industry's lowest threshold of US\$100,000. While also offering citizenship to successful applicants for US\$100,000, Antigua and Barbuda's already sizeable Government Fee increased to US\$30,000 on 1 April 2020, resulting in the country maintaining its score of nine.

The 2020 CBI Index once again assesses Vanuatu's Development Support Programme (DSP) over the Vanuatu Contribution Programme (VCP). Having only been changed from an honorary citizenship programme in 2018, it is now a possibility that the DSP will become Vanuatu's only CBI programme after a termination notice was issued to the sole authorised agent for the VCP in late May 2020. The minimum investment amount under the

DSP stands at US\$130,000, making it a more affordable option than Grenada and St Kitts and Nevis.

St Kitts and Nevis' implementation of a limited-time offer for contributions to the government's Sustainable Growth Fund only affects families, hence St Kitts and Nevis' minimum investment amount remains on par with Grenada at US\$150,000.

Cambodia and Turkey both scored eight, with Turkey's minimum investment threshold undergoing no further reductions since it was slashed by 75 per cent in 2018.

Montenegro's investment threshold scored six for its CBI Index debut. Its least expensive investment option is a €250,000 (US\$294,000) investment in industry-specific, government-approved development projects in northern and central Montenegro, plus a €100,000 fee to be used to assist underdeveloped communities in the country. A total investment amount of €350,000 is therefore required, in addition to a significant €15,000 processing fee.

Bulgaria is followed by Malta, whose minimum investment amount remains unchanged in the 2020 CBI Index, but is set to increase significantly following the beginning of the Individual Investor Programme's second iteration in September 2020. Jordan, Cyprus, and Austria also retained their investment requirements and were dealt the same scores.

* Each country's final score as displayed in the above table is not an aggregation of rounded-up sub-pillars but an overall performance score

PILLAR 4: MANDATORY TRAVEL OR RESIDENCE

There are five countries commanding this pillar: the Caribbean countries of Dominica, Grenada, St Kitts and Nevis, and St Lucia, as well as Jordan. These countries achieve perfect scores for imposing no travel or residence requirements on applicants, whether before, during, or after the grant of citizenship.

Newcomer Montenegro joined the second grouping of countries Austria, Cambodia, Turkey, and Vanuatu — all of which impose a one-time travel requirement on applicants — with a score of eight. Montenegro requires applicants to make a trip to collect their signed decision on the grant of citizenship from the Ministry of Internal Affairs. Turkey imposes a travel requirement for the purpose of supplying biometrics to obtain an ID card. However, some flexibility is afforded to applicants as biometrics can be taken at any Turkish consulate with the capacity to do so.

Antigua and Barbuda, Bulgaria, and Cyprus each scored six — a drop of one point due to methodological changes in the 2020 CBI Index, despite no change in programme requirements. People who obtain citizenship of Antigua and Barbuda must travel to the country to take the oath of allegiance and must be physically present for a minimum of five days within five years of obtaining citizenship. Children may fulfil these requirements



Picture courtesy of St. Kitts Tourism Authority

after they turn 18. Both Bulgaria and Cyprus, while not enforcing physical residence requirements, require two trips to be made over the course of the application. Physical residence is distinguished from nominal residence. In Cyprus, for example, although there is a requirement to hold property in the country as a ‘permanent residence’ indefinitely, no physical presence is required.

Malta’s considerably lower score of two is a result of its strict travel and residence requirements. Applicants must make two trips to Malta — the first to provide biometric data and the second to take the oath of allegiance — and must spend a minimum of 12 months in the country before the grant of citizenship.

PILLAR 5: CITIZENSHIP TIMELINE

With an average processing speed of three months, St Kitts and Nevis clinches the top position owing to its Accelerated Application Process. This is the industry’s only guaranteed fast-track route to citizenship, with successful applicants completing the process within 60 days of the submission, albeit for an additional cost.

Also with an average turnaround time of three months, and with a score of nine, are Dominica, Grenada, Jordan, Montenegro, and St Lucia. Vanuatu’s processing time increased in 2020, resulting in it too receiving a score of nine.

Montenegro issued its first application approval in February, only 95 days after submission, but processing times will need to be monitored as the programme comes under pressure to process a higher number of applications going forward. An increased focus on efficient

application processing over the past two years has seen Grenada’s processing times steadily decrease, helping the country climb up in the rankings. Its reduced processing time may be at least partly down to its adoption of a two-stage submission process in November 2019.

Jordan and St Lucia both maintained last year’s score; a possible indication that Jordan’s programme has not experienced a significant increase in investor demand over the past year. Turkey rose by two points, joining Cambodia with a score of eight, despite its ever-growing application numbers. Antigua and Barbuda and Cyprus maintained a score of six.

Malta, Austria, and Bulgaria remain the slowest CBI programmes, with respective processing times of 13 months, 24 months, and several years depending on the investment option taken.

PILLAR 6: EASE OF PROCESSING

For the fourth consecutive year, the Caribbean programmes dominate this pillar for their straightforward, streamlined processing models. Previous distinctions between the top scorer, Dominica, and the remainder of its neighbouring jurisdictions are now being reflected, along with other things, in a standalone Certainty of Product Pillar. Paving the way for further future collaboration, the Caribbean programmes apply similar processing mechanisms to ensure that the CBI process is not overly cumbersome for applicants. They do not require applicants to undergo mandatory interviews, language tests, or culture or history tests, for example. The Caribbean programmes also allow applicants to forgo requirements to demonstrate minimum business experience or a proven track

For the fourth consecutive year, the Caribbean programmes dominate the Ease of Processing Pillar

record of achievement, as is the case in Austria. Caribbean programmes are also famed for their responsive CBI units, and for official programme websites that are regularly updated. Vanuatu also joins the Caribbean at the top of the table in this regard.

Of the European programmes, Malta ranks highest with a score of nine, followed by Cyprus with seven. Both require applicants to invest in tangible assets — real estate, in both cases. This process burdens applicants with extensive documentation. Unlike Malta, however, Cyprus does not have a dedicated CBI unit (or equivalent) to manage its applications, causing it to fall behind in this respect.

Montenegro joins Jordan and Turkey with a score of six. While an official website for Montenegro’s CBI programme exists, the site has been inaccessible for months, making it difficult to award points to Montenegro on this basis. The ability to access an active, up-to-date website is an important resource for prospective applicants, who can view essential information, and access forms and updated lists of necessary documents.

Montenegro, Jordan, and Turkey lack dedicated CBI units despite requiring applicants to demonstrate proof of complex investments, and this is reflected in their score. In Turkey, for example, applicants can choose between making a fixed capital investment, purchasing real estate, providing employment for at least 50 Turkish citizens, making a deposit in a Turkish bank, purchasing government bonds, or purchasing real estate investment trust shares or venture capital investment trust shares.

Austria, Bulgaria, and Cambodia retain their last place positions for imposing more onerous requirements, such as a Khmer language and history and culture test in Cambodia, and an interview requirement in Austria and Bulgaria.

PILLAR 7: DUE DILIGENCE

Scoring full marks for their stringent vetting procedures, Dominica, Grenada, Malta, and St Kitts and Nevis once again top the Due Diligence Pillar. Dominica, Malta, and St Kitts and Nevis have attained a perfect score for their commitment to robust due diligence every year since the inception of the CBI Index.

In the 2020 CBI Index, Montenegro joins Antigua and Barbuda with a score of nine by virtue of its biometric requirements, outsourced external due diligence, requirement for multiple police certificates, and exclusion of high-risk nationalities. Greater thoroughness in the authentication of an applicant's source of funds would see Montenegro compete with the highest performing countries in future editions of the CBI Index.

Bulgaria, Cyprus, and St Lucia maintain their score of seven for due diligence. While all three require proof of a clean criminal record in at least the applicant's country of birth and residence, Bulgaria and Cyprus make no provision for banned or restricted nationalities. Although St Lucia excludes applications from persons of Iranian origin, owing to potential risks posed to national security, unlike Bulgaria and Cyprus, it does not collect fingerprints or biometrics from applicants to its programme.

Next is Vanuatu, followed by Austria and Cambodia, which each attained a score of four. Austria fails to implement restrictions or extra due diligence checks on applicants from non-cooperative, sanctioned, conflict, or similar countries and, like Vanuatu, makes no provision for vetting by independent due diligence agencies. In Cambodia, points are also lost for a lack of emphasis on an applicant's source of funds and the provision of police certificates from an applicant's country of birth or residence.

In Turkey, while applicants are vetted by the Turkish National Intelligence Agency and Ministry of Internal Affairs, which work

THE FINAL SCORES		
COUNTRY RANK	TOTAL POINTS	PERCENTAGE
1	Dominica	81
2	St Kitts and Nevis	80
3	Grenada	79
4	St Lucia	73
5	Antigua and Barbuda	69
6	Vanuatu	64
7	Malta	60
8	Cyprus	58
8	Montenegro	58
10	Turkey	53
11	Bulgaria	48
12	Austria	46
13	Cambodia	44
14	Jordan	41

in cooperation with Interpol, applicants need not provide police certificates nor any documentary evidence of source of funds — something that can pose a serious risk to Turkey and partner countries. Turkey therefore scores three points, with Jordan one point behind for applying a lax system of due diligence with the fewest number of safeguards in place compared to all jurisdictions assessed.

PILLAR 8: FAMILY

Dominica and Grenada take the top spot in the new Family Pillar, achieving perfect scores across the board for their broad range of family-friendly provisions. Both countries allow the inclusion of children aged over 18 years, with few restrictions, as well as extended family including parents, grandparents, siblings, and the family of the main applicant's spouse.

Malta, St Kitts and Nevis, and St Lucia each received a score of nine for their family inclusiveness. Both Malta and St Kitts and Nevis allow for the parents and grandparents of the main applicant or spouse to be included in an application. In Malta, parents and grandparents must be

above the age of 55 years, living with and wholly maintained or supported by the main applicant. Similarly, in St Kitts and Nevis, parents above the age of 55 years and grandparents above the age of 65 are permitted as long as they are living with and supported by the main applicant.

St Lucia, while not allowing grandparents to form part of an application, allows siblings of the main applicant to be included if they are under the age of 18 years, unmarried, and in receipt of consent from their parent or guardian to make an application.

Antigua and Barbuda was awarded a score of eight, followed by Vanuatu with seven. In both countries, children over the age of 18 can be included in an application; however, a high degree of dependency must be demonstrated. In Antigua and Barbuda, for example, children aged 18 or over, but less than 28, may be included if they are enrolled as full-time students in a university or college educational programme that they are due to complete more than six months after submission of the application. While Antigua and Barbuda allows parents and grandparents to form part of an application, Vanuatu only makes provision for parents of the main applicant or spouse if over the age of 50, residing with, and dependent upon the main applicant or spouse.

After recognising that Montenegrin law appeared to preclude dependants from obtaining citizenship under the CBI programme, Montenegro clarified that dependants were indeed eligible in a decision in December 2019. Montenegro scores six along with Cyprus, with Bulgaria and Turkey behind with five. While Bulgaria and Turkey both make provision for minor children of the spouse of the main applicant, neither allow extended family members to be included, and allow adult children only under the exceptional circumstance of when said



children are rendered dependent as a result of a medical condition.

Cyprus has provisions for children with severe mental or physical disabilities who are unable to work, and allows certain adult children to join an application. These adult children (of the investor only) must be aged up to 28 and be students attending an institution of higher education aiming to obtain a diploma or undergraduate Master's degree. Children studying for a professional qualification are excluded. Montenegro is more lenient, allowing adult children of the main applicant of any age, as long as they are dependent on that main applicant.

Austria and Jordan score four, with Austria allowing disabled children aged over 18, subject to conditions, and Jordan allowing parents of the main applicant provided they are solely supported by that main applicant. Cambodia scores just two, reflecting the fact that only a spouse or minor child of the main applicant may be included in an application.

PILLAR 9: CERTAINTY OF PRODUCT

Dominica and St Kitts and Nevis both achieve perfect scores under the new Certainty of Product Pillar. Having debuted in 1984 and 1993 respectively, their programmes have stood the test of time. Dominica has suffered no serious CBI-related scandal in its 17 years of operation, and, as a result, is a highly reputable destination for second citizenship. St Kitts and Nevis has garnered a reputation as the 'platinum standard' of the CBI industry and benefits from global renown. Subject to neither application caps nor calls for abolition, the stability of both the Dominica and St Kitts and Nevis programmes is high.

Elsewhere in the Caribbean, Antigua and Barbuda and Grenada form the second grouping with eight points, gaining points for their relative stability and ability to adapt to meet the needs of investors. Antigua and Barbuda, for example, announced that it would be exploring the feasibility of accepting applications from stateless applicants in March 2020. It then issued updated application forms in May 2020. Such small but significant tweaks demonstrate an intention to finetune and improve the application experience.

St Lucia scores six along with Cyprus and Turkey. Continually plagued with threats by the opposition to repeal all amendments to the CBI programme since the St Lucia Labour Party left power — the latest ones made as late as the June 2020 election campaign — St Lucia loses points for stability as questions remain as to what could happen to the programme should there be a change of government. Similarly, Cyprus loses points for stability because it faces continued probing from the European Commission. In April, for example, a letter was sent by the European Commission to EU member states Bulgaria, Cyprus, and Malta, calling for an end to the programmes and asking for a discontinuation plan to be submitted to the Commission. Although Cyprus has a long-established programme (albeit subject to sweeping changes over time), its yearly cap of 700 approved applications is also a source of concern to applicants, particularly as the cap nears its end.

Despite only becoming operational in 2017, the surge in popularity of Turkey's programme cannot be overlooked nor understated. According to official Ministry of Interior data from March

Montenegro, having had very little time to establish itself in the industry, scored just three points under the new Certainty of Product Pillar

2020, 3,882 main applicants had received approvals in the preceding five months, seemingly making Turkey the most popular CBI programme in the industry. Turkey also benefits from having no cap and no significant calls to end the programme.

With scores of five points are Malta and Vanuatu, closely followed by Austria and Bulgaria, which received scores of four points. Despite Malta's industry renown, its programme lacks stability, again due to the mounting pressure from the European Commission and the announcement of a new iteration of the Individual Investor Programme that will be rolled out at the beginning of September 2020. The programme will reportedly undergo a significant overhaul, including a greater emphasis on applicants demonstrating a connection to Malta.

Vanuatu loses points for its youth and poor reputation in the industry, stemming from the country's dual programme structure and ongoing questions over whether the DSP does indeed confer full citizenship on successful applicants. While Austria and Bulgaria feature longstanding programmes, established in 1985 and 2009 respectively, both lose points for their lack of global renown and initiative in keeping pace with the rest of the industry.

Montenegro, having had very little time to establish itself in the industry and having reportedly received a mere 28 applications as of June 2020, joins Cambodia with a score of three points. Jordan takes last place in the Certainty of Product Pillar, picking up only two points for its relatively unknown programme.

FINAL SCORES: THE HIGHEST-RANKING PROGRAMMES

Retaining their position at the top, the Caribbean nations outperform their counterparts, due in large part to their affordability and speedy, simple processing mechanisms.

Emerging for the fourth consecutive year as the world's best CBI programme, Dominica balances an excellent reputation for meeting the needs of investors with strong due diligence, a low minimum investment outlay, efficient processing, and a renewed focus on family reunification.

St Kitts and Nevis maintained its percentage score of 89, preserving a commitment to stringent due diligence and demonstrating once again that it is the jurisdiction with the fastest citizenship timeline. The country also increased the number of visa-free and visa-on-arrival destinations for its citizens, though its freedom of movement score decreased slightly owing to a change in the methodology of this pillar, which now takes into account settlement rights. The country also fared well with the addition of the Certainty of Product Pillar, thanks to its reputation as the platinum standard of the industry.

Grenada saw its citizenship timeline improve for the second year in a row. It also benefitted greatly from the addition of the Family Pillar, owing to its extensive provisions for dependants.

St Lucia retained its position above Antigua and Barbuda, thanks in large part to its faster citizenship timeline, lack of travel or residence requirements, and renewed emphasis on family. Greater stability, as well as diligence in authenticating an applicant's source of funds, are potential areas of improvement for St Lucia. For example, St Lucian forms could do more to ascertain an applicant's historical employment, and 12-month bank statements should be mandated for all main applicants.

Finishing in fifth place, despite a slight improvement in citizenship timeline, Antigua and Barbuda still lags behind its Caribbean counterparts.

Vanuatu remains the best CBI programme outside of the Caribbean, maintaining a low minimum investment

outlay and commitment to ease of processing. This year however saw Vanuatu's processing times increase, likely owing to an upsurge in applicants under the rejuvenated DSP. Issues remain with respect to due diligence processes in the country, in particular around a lack of sophisticated applicant checks and extensive source of wealth declarations. In the coming year, it will be interesting to see whether Vanuatu's performance in the Certainty of Product Pillar improves if efforts are indeed made to scrap the VCP and clearly define the DSP.

In Europe, Malta overtook Cyprus in terms of both overall scores and percentage scores. Malta's upward trajectory is likely a reflection of it being a more family-friendly jurisdiction than Cyprus, hence the addition of the Family Pillar tips the balance in favour of Malta. In addition, Malta retained perfect scores under the Freedom of Movement and Due Diligence Pillars, while continuing to score highly for its excellent standard of living. However, Malta imposes burdensome travel and residence requirements, resulting in a much slower citizenship timeline than the vast majority of the other programmes assessed this year. Whether the new iteration of Malta's Individual Investor Programme will see it drop in the rankings or continue to climb remains to be seen.

Despite falling in the rankings, Cyprus performs respectably in many pillars, and the inclusion of settlement rights in the assessment of the Freedom of Movement Pillar saw it improve in this regard thanks to its membership of the EU.

Debuting above Turkey is this year's new entrant, Montenegro. Placing joint eighth with Cyprus in both overall and percentage scores, Montenegro emerged with robust due diligence, low travel and residence requirements, and a short citizenship timeline. Montenegro's CBI programme will be monitored in the coming year as we observe how

processing times are affected as the programme garners greater renown.

Turkey takes tenth place overall in the 2020 CBI Index. By virtue of its more affordable, faster, and significantly more popular CBI programme, Turkey held its spot above Bulgaria. Undeniably attractive to applicants — a majority of whom derive from the Middle East — Turkey could improve its score next year by placing emphasis on strict applicant vetting and simplifying the process for applicants by establishing a dedicated CBI unit and website. On the flip side is Bulgaria, which, despite offering citizens extensive visa-free and visa-on-arrival access and a good standard of living, has failed to secure investor interest. Lengthy processing times and taxing requirements, such as a mandatory interview, are likely causes of the programme's lack of favour with potential investors.

The three worst-performing programmes in the 2020 CBI Index were those of Austria, Cambodia, and Jordan, placing twelfth, thirteenth, and fourteenth respectively.

Despite standing out for its freedom of movement and high standard of living, Austria offers a long citizenship timeline and provides little clarity when it comes to processing. A common feature of the bottom three programmes is their failure to provide certainty to applicants, with Austria, Cambodia, and Jordan each lacking popularity and renown, reputation, and willingness to adapt — features that are required to succeed in the industry. Facing the additional challenges of limited visa-free and visa-on-arrival offerings and a lower standard of living for citizens however, Cambodia and Jordan fall below Austria.

Taking last place yet again, Jordan still has large strides to make with respect to tightening its seemingly non-existent due diligence and raising its profile in the market. ●

The nine pillars of

OVERALL RESULTS



1. Dominica



2. St Kitts & Nevis



3. Grenada



4. St Lucia



5. Antigua & Barbuda



6. Vanuatu



7. Malta



8. Cyprus



8. Montenegro



10. Turkey



11. Bulgaria



12. Austria



13. Cambodia



14. Jordan

1

FREEDOM OF MOVEMENT



AUSTRIA, CYPRUS, MALTA

All three countries are European Union member states, offering citizens extensive settlement and visa waiver rights, including to almost all of the CBI Index's top global business hubs



BIGGEST MOVER

Dominica saw the greatest increase in visa-free and visa-on-arrival offerings since 2019 compared to all other countries evaluated

2

STANDARD OF LIVING



AUSTRIA, MALTA

Austria receives the top score in life expectancy, education, safety, gross national income per capita, and freedom, but receives one of the lowest scores for real GDP growth. Malta consistently receives high scores across all indicators

EDUCATION

Grenadian citizens spend an average of 16.6 years in education — the highest expected years of schooling in the CBI Index. Grenada is closely followed by Turkey with 16.4 years, and Austria with 16.3 years

REAL GDP GROWTH

Cambodia has the highest real GDP growth of all countries assessed, at a rate of 7.5 per cent. Just behind Cambodia is Antigua and Barbuda, with a real GDP growth rate of 7.4 per cent

3

MINIMUM INVESTMENT OUTLAY



DOMINICA, ST LUCIA

US\$100,000 FOR A SINGLE APPLICANT

Dominica and St Lucia continue to provide the most affordable investment options



BIGGEST FEE COMPONENT

Antigua and Barbuda levies a fee of US\$30,000 under all investment options, including its most competitive option



MOST EXPENSIVE

Austria, followed by Cyprus

4

MANDATORY TRAVEL OR RESIDENCE



DOMINICA, GRENADA, JORDAN, ST KITTs AND NEVIS, ST LUCIA



12 MONTHS

Citizenship hopefuls of Malta must first reside for 12 months on the island, and visit to provide biometrics and take an oath



NOMINAL V. PHYSICAL

Cyprus' permanent residence requirement does not equate to a physical requirement

the 2020 CBI Index

5

CITIZENSHIP TIMELINE



ST KITTS AND NEVIS

The country tops the ranks as its fast processing times are bolstered by its 60-day, fixed Accelerated Application Process



DOMINICA, GRENADA, JORDAN, MONTENEGRO, ST LUCIA, VANUATU

One of Montenegro's highest scores in the 2020 CBI Index reflects its ability to process applications within three months of submission



MOST IMPROVED

Turkey improved its citizenship timeline despite large application volumes

6

EASE OF PROCESSING



CARIBBEAN, VANUATU



TEST

Cambodia provides the only programme where applicants must display a certain level of language proficiency and pass a history or culture exam



INTERVIEW

Austrian and Bulgarian citizens-to-be must attend an interview

GOVERNMENT WEBSITE

All Caribbean jurisdictions, and Cyprus, Malta, and Vanuatu have official government websites for their programmes. Montenegro's website has, however, not been functioning

7

DUE DILIGENCE



DOMINICA, GRENADA, MALTA, ST KITTS AND NEVIS



FINANCIAL HISTORY

The best programmes thoroughly investigate applicants' sources of funds



BIOMETRICS AND FINGERPRINTING

Verifying an applicant's identity is key to the due diligence process

8

FAMILY



DOMINICA AND GRENADA



SIBLINGS

Only Dominica, Grenada, and St Lucia allow siblings to join an application



SPOUSE'S FAMILY

No provision for a spouse's family is made in Austria, Cambodia, Cyprus, Jordan, and Montenegro

9

CERTAINTY OF PRODUCT



DOMINICA AND ST KITTS AND NEVIS



LONGEST CBI PROGRAMME

1984, St Kitts and Nevis



MOST POPULAR

In Turkey, 3,882 main applicants received approvals in the five months up to March 2020



CAPS

Cyprus, Jordan, Malta, and Montenegro all impose caps on application numbers

Programme profiles

PROGRAMMES

A closer look at the 14 citizenship by investment programmes which make up the 2020 CBI Index

THE ANTIGUA AND BARBUDA CITIZENSHIP BY INVESTMENT PROGRAMME

The Antigua and Barbuda Citizenship by Investment (CBI) Programme was established by the Antigua and Barbuda Citizenship by Investment Act, 2013. Antigua and Barbuda offers four investment alternatives for successful applicants.

The first alternative allows single applicants, or families of up to four persons, to make a minimum contribution of US\$100,000 to the National Development Fund, a not-for-profit organisation created to run both public and private projects, as well as charitable initiatives, such as improving access to healthcare and education. This contribution threshold was proposed under a limited-time offer that was indefinitely extended in October 2019.

The second alternative, the minimum threshold for which was introduced in March 2020, requires the applicant to make an investment of US\$200,000 or more into a government-approved real estate project for a period of five years. Additionally, an applicant with no more than three additional family members may make a joint investment with a 'related party,' with both the applicant and the related party making a minimum investment of US\$200,000 each. A related party is one with the same licenced agent as the applicant.

The third alternative entails an investment of US\$1.5m into an eligible, government-approved, business project. Applicants can apply as joint investors so long as each applicant makes a minimum investment of

US\$400,000 into a project worth at least US\$5m.

The final alternative, introduced in October 2018 – but modified significantly in May 2020 – applies to families of at least six persons who invest US\$150,000 into the University of the West Indies Fund (UWIF). In addition to receiving citizenship, one member of the family will also be entitled to a one-year tuition-only scholarship.

Government Fees apply for three of the four alternatives and Due Diligence Fees apply to all. Government Fees of US\$30,000 apply for any family of up to four persons, and increase by US\$15,000 with each additional person included in an application. The only exception to this rule is the UWIF option, where no Government Fee is due for families of six persons. In all cases, ten per cent of the Government Fees are due upon submission of the application and are deemed non-refundable.

There continue to be delays in application processing by the CBI Unit, the government body responsible for reviewing all applications under the programme. Due diligence procedures in Antigua and Barbuda are strict, with a May 2019 passport recall (whose deadline was extended to 30 June 2020) being ascribed to ensuring that all economic citizens hold e-passports. Several nationalities are excluded outright from the application process, although citizens of Iraq were removed from this list on 1 April 2020.

There is no mandated interview or knowledge-based test, but Antigua and Barbuda requires applicants to travel to the nation, or to an embassy or consulate, to sign an oath of allegiance. Furthermore, once awarded, citizenship is conditional on the applicant spending five days on Antigua or Barbuda soil within five years of obtaining citizenship. This requirement is waived for children until after they reach the age of majority at 18.

In June 2017, Antigua and Barbuda lost visa-free access to Canada, one of its most significant selling points. In recent years, however, additions have been made to the list of countries and territories to which citizens of Antigua and Barbuda may travel, including the Republic of Kosovo and the Russian Federation. Antigua and Barbuda accepts dual nationality.

CITIZENSHIP BY INVESTMENT IN AUSTRIA

The particulars of Austria's CBI procedures are not clearly codified in the laws of the nation. Rather, the scheme draws broad legitimacy from Article 10, Paragraph 6 of the 1985 Nationality Act, which gives leave to the federal government to grant citizenship where a person displays actual or expected outstanding achievements. The federal government may, by an order, lay down specific stipulations regarding the grant of nationality under Article 10, Paragraph 6. Its failure to fully do so has made the Austrian scheme one of the least transparent processes in the economic citizenship arena.

The outstanding achievement underlined in Austria's laws can be economic and can cover those whose investments in Austria are sufficient to trigger the provision.

Exclusive and limited to those who can guarantee a positive attitude towards Austria, and who do not pose a danger to law and order, public safety, or other public interests, the scheme has operated intermittently, and only rarely are aspiring applicants successful. The scheme is also mindful of Austria's – and the applicant's – associations with other states, barring persons whose relations with foreign states would be detrimental to Austria, or who, upon becoming Austrian nationals, would damage the country's international relations. A person is also barred given the existence



of certain criminal convictions, immigration orders, and affiliations with extremism.

The two-year process involves filing the application in person (unless the applicant is incompetent to act) and significant communication with various government representatives. Article 10(a)(2) exempts prospective economic citizens from having to demonstrate sufficient knowledge of the German language and basic knowledge of Austria's history and democratic system. An applicant who lives outside of Austria must, however, travel to the relevant Austrian diplomatic or consular authority to give the oath of allegiance (with some exceptions for those who cannot reasonably be expected to appear to deliver the oath).

Although Austria generally disallows dual nationality, Article 10, Paragraph 6 specifies that applicants are permitted to retain their original citizenship, bringing the scheme in line with those of other jurisdictions offering economic citizenship. Benefits of Austrian citizenship include the right to live and work in any country in the European Economic Area and Switzerland, as well as facilitated travel to the US and Canada.

THE BULGARIAN IMMIGRANT INVESTOR PROGRAMME

The Bulgarian Immigrant Investor Programme (BGIIP) was created in 2009 and finds its legal basis in Article 25(1) of the Foreigners in the Republic of Bulgaria Act and Article 14(a) of the Citizenship Act. Designed as a quick route to citizenship via a period of nominal permanent residence in Bulgaria, the BGIIIP does not require the investor to physically spend time in Bulgaria while waiting for citizenship to be issued. This feature makes the BGIIIP one of a handful of European citizenship programmes where prior

physical residence in the nation is not compulsory.

There are two investment options under the BGIIIP, the first leading to citizenship in five years, the latter doing so in three. Under the first option, the applicant must make a BGN1m (US\$600,000) guaranteed investment in government bonds, while under the second option the applicant must make a BGN2m (US\$1.2m) investment in government bonds or in a Bulgarian company. As of 2019, it is not possible for applicants to combine government bonds and company investments – they must choose between one type of investment or the other. Under both the BGN1m and the BGN2m routes, the investment must be retained for a period of five years, after which time it is returned to the investor without any interest that may have accrued.

Applications under the BGIIIP are first submitted to a local Bulgarian consulate, which redirects them to the Ministry of Foreign Affairs and issues a first-stage visa for the applicant to enter Bulgaria and file for permanent residence. Thereafter, processing is conducted by the Ministry of Foreign Affairs. These entities do not test applicants on their knowledge of the Bulgarian language or local culture. Since 2019, applicants are required to sit an interview when they submit their application.

The BGIIIP is only available to non-European Union nationals, who must make two formal trips to Bulgaria; once to file for permanent residence, and

Citizens of Bulgaria enjoy free movement rights throughout all European Union member states

once to register permanent residence and receive the relevant identity documents. Permanent residence may be expected within six to nine months of submission, while citizenship rests on the option selected by the applicant.

In 2019, in response to concern regarding due diligence, Bulgaria began to demand criminal records both from an applicant's home country and country of permanent residence. Further concerns led to an announcement that Bulgaria would end its BGIIIP in early 2019, yet contrary to such announcement, the Bulgarian government published a draft bill proposing changes to the programme in March 2020.

The benefits of Bulgarian citizenship include free movement rights throughout all European Union (EU) member states. Starting 1 December 2017, citizens of Bulgaria were granted the right to visa-free travel to Canada for up to six months, provided they obtain an Electronic Travel Authorization. Bulgaria has yet to join the Schengen Area, although it is taking steps towards membership. Dual citizenship is allowed under the laws of Bulgaria.

CITIZENSHIP BY INVESTMENT IN CAMBODIA

As early as 1996, provisions were made in Cambodia's Law on Nationality to allow foreigners to naturalise following an investment in the kingdom. These were further outlined, in their most recent form,



by Sub-decree 287 of 2013. On 11 June 2018, the Cambodian senate approved a draft law aimed at modifying Cambodia's economic citizenship landscape and, in particular, raising investment thresholds. The draft law, however, has yet to reach the final stages of approval.

Cambodia therefore continues to afford economic citizenship to persons who invest KHR1.25bn (US\$304,000) into the nation. The investment must be approved either by the Cambodian Development Council or by the royal government. Citizenship is also available to those who donate KHR1bn (US\$243,000) for the restoration and rebuilding of Cambodia's economy.

Knowledge of Khmer history and language is required, and applicants must travel to Cambodia to obtain good behaviour, police, and health certificates, as well as to sign the relevant citizenship oath. Applicants who choose the investment option must register a residence in Cambodia at the time of the application, although they need not live there. This requirement is waived for applicants who choose to donate.

Applications are reviewed by the

Ministry of the Interior, although citizenship may only be granted by the King by royal decree. The entire process can take between three and six months to complete, with some evidence that speedier processing may be possible.

Citizenship of Cambodia brings visa-free travel rights to around 50 countries and territories, the majority of which are located in southeast Asia. As a member of ASEAN, Cambodia affords opportunities for facilitated trade and greater mobility among member states for certain professionals. For those wishing to retain their citizenship of birth, Cambodia allows dual citizenship. Finally, as Khmer citizens, successful applicants may purchase real estate in the country – a privilege exclusive to Cambodians.

THE CYPRUS INVESTMENT PROGRAMME

Grounded in Section 111A of the Civil Registry Laws of 2002–2019, the Cyprus Investment Programme has undergone several alterations. In its original form, it required a €15m, (US\$18m) investment – a price that discouraged applicant participation. The rules for the current

Knowledge of Khmer history and language is required to gain citizenship of Cambodia

programme, which is capped at 700 applications per year, came into effect in May 2019.

Any non-Cypriot can apply under the programme using personal, spousal, or corporate funds to make the necessary donations and investments. Such investments must be made at most three years prior to applying and held for five years following citizenship.

Applicants must purchase real estate valued at €500,000 (US\$591,000) plus V.A.T. and declare it as their permanent residence. They must then make two €75,000 (US\$89,000) donations – one to the Research and Innovation Foundation and one to the Cyprus Land Development Corporation. Applicants have some flexibility with regards to the first donation. For example, they can show alternative investments in a certified innovative or social enterprise. Finally, applicants must choose one of four €2m (US\$2.4m) investment options.

The first and most popular option involves purchasing or constructing buildings, land development projects, or infrastructure. Applicants who select residential real estate need not spend

the additional €500,000 (US\$591,000) to establish a permanent residence in Cyprus, so long as the chosen real estate had not previously been used in relation to Cypriot CBI.

The second option involves the purchase or establishment of, or participation in, a Cypriot company with significant activity and turnover, and employing at least five Cypriot or EU citizens. Shipping sector investments are eligible under this option.

The third option entails transferring moneys to Alternative Investment Funds (AIF) or Registered Alternative Investment Funds (RAIF) established and investing exclusively in Cyprus. The AIF or RAIF must be licensed, registered, and supervised by the Cyprus Securities and Exchange Commission. There are some limitations on the investments that selected AIF and RAIF can make.

The fourth option is a combination of any of the above.

Application and Naturalisation Certificate Issuing Fees apply, and are levied by the Ministry of Interior, which manages the programme.

Cyprus' six-month long due diligence checks integrate Schengen Area and other EU controls, as applicants must show a valid Schengen visa and must not have been rejected for citizenship in other EU member states. Applicants' EU assets must also not have been frozen as a result of sanctions.

Applicants must be resident permit holders for at least six months prior to obtaining citizenship. Permit applications can be made at the same time as citizenship applications and must be lodged in person with the Civil Registry and Migration Department, which records applicant biometrics. Travel to Cyprus is also required for applicants who are approved and take the Oath of Faith. Cyprus does not impose tests or the passing of formal interviews.

Citizenship of Cyprus triggers the right to live and work within the EU, but it does not occasion membership of the Schengen Area. Citizens may avail themselves of visa-free travel to business hubs such as Canada and the United Arab Emirates, but not the US.

THE DOMINICA CITIZENSHIP BY INVESTMENT PROGRAMME

Dominica's CBI Programme was launched in 1993, and is known for being one of the world's most efficient and transparent options for economic citizenship. It plays a major role in promoting social and environmental causes, particularly sustainable development.

The Programme was reshaped by the Commonwealth of Dominica Citizenship by Investment Regulations, 2014 to include diverse investment options and even stricter regulation processes. Recent changes to the Programme modified investment thresholds and fees, and significantly expanded the scope of eligible dependants and post-citizenship additions.

The programme offers two investment opportunities: a one-time contribution to the government, commonly known as the Economic Diversification Fund (EDF) option, or an investment in government-approved real estate. Funds transferred to the EDF have been instrumental in Dominica's national development, particularly through the reconstruction of key infrastructure, sustainable housing, and the agricultural sector.

The EDF option requires a contribution of US\$100,000 for a single applicant – a value that increases as family members are added to an application. The real estate option requires an investment amounting to at least US\$200,000, to which a single applicant must add a US\$25,000 real estate Government Fee. The real estate must be held for a period of three years,

“Dominica's CBI Programme is known for being one of the world's most efficient and transparent options for economic citizenship

which increases to five years if the future purchaser is also an applicant for CBI. Other applicable fees include Due Diligence, minor Processing, and Certificate of Naturalisation Fees.

The CBI Unit is the government authority tasked with managing and processing applications for economic citizenship. To qualify for Dominica's CBI Programme, applicants must have a clean criminal record and prove they are of good character through a series of extensive due diligence checks including those regarding source of funds.

By regulation, the Unit must respond to an application within three months of its submission. The Unit maintains one of the fastest processing times in the CBI industry.

The application process in Dominica is straightforward, with no interview, travel, or residence requirements, either before or after the citizenship process. Applicants need not learn English, nor show a minimum level of education or business experience.

Benefits of citizenship of Dominica include visa-free travel to 140 foreign destinations, dual citizenship, and the opportunity to experience an eco-friendly lifestyle in a lush environment. Several family members can join the

main applicant and become citizens themselves, including, as of the summer of 2020, siblings of the main applicant or his or her spouse, up to the age of 25, subject to conditions.

THE GRENADA CITIZENSHIP BY INVESTMENT PROGRAMME

Created in 2013 by the Grenada Citizenship by Investment Act, Grenada's CBI Programme supports the nation's renewable and sustainable development initiatives, and stimulates foreign investment to promote tourism, construction, agriculture, and manufacturing. The Grenada CBI Programme has gained recognition and trust thanks to its due diligence processes.

The Grenada CBI Programme offers applicants two investment options. The first option is a contribution to the National Transformation Fund (NTF), a government institution responsible for locating and financing alternative, economy-stimulating investments for the country. A single applicant must make a

Grenada does not require applicants to sit an interview, demonstrate business experience or proficiency in the English language, or fulfil travel or residence requirements

US\$150,000 minimum donation to the NTF – an amount that increases as family members are added to an application.

The second option is an investment in a government-approved real estate project, which itself presents two choices. Applicants can invest US\$350,000 in any pre-approved project. Alternatively, they can jointly invest US\$220,000 in pre-approved tourism developments to which the developer has already committed 20 per cent of the total expected cost. All applicants who purchase real estate from previous economic citizens must hold their real estate for five years.

Any application lodged by up to four family members requires payment of an additional US\$50,000 Government Fee where the real estate option is selected. Additional moneys are required, however, when parents or grandparents under the age of 55 and siblings are included in an application. Applicants under either option are responsible for paying associated Application, Processing, and Due Diligence Fees.

The speed of application review has improved over the past two years, with the CBI Committee no longer experiencing the “prolonged delays” of 2018. Grenada does not require applicants to sit an interview, demonstrate business experience or proficiency in the English language, or fulfil travel or residence requirements.

Grenadian citizenship can benefit successful applicants by providing them with options for global mobility, including to China, with which Grenada has an extradition treaty formalised in October 2018. Grenadian citizens are eligible to apply for the US' renewable E-2 visa. Dual nationality is allowed.

CITIZENSHIP BY INVESTMENT IN JORDAN

Jordan announced the commencement of its economic citizenship programme in

February 2018, finding legal basis in the provisions of the Jordanian Nationality Law, 1954 (No. 6 of 1954). Article 13(2) removes the residence requirement for persons whose naturalisation is in the public interest or who are 'Arab' – that is, persons whose father was of Arab origin and who are nationals of a member state of the League of Arab States. It is also possible, if less desirable, for persons to obtain citizenship under Article 5, although such persons must relinquish all other nationalities. No more than 500 persons are accepted for economic citizenship per year.

Applicants have five investment options. First, they can decide to invest US\$1m in Jordanian small and medium-sized enterprises and must hold that investment for a period of at least five years. Second, they can deposit US\$1.5m in a non-interest-bearing account at the Central Bank of Jordan, again for a period of at least five years. Third, they can invest in treasury bonds worth US\$1.5m, to be held for ten years at an interest rate determined by the Central Bank of Jordan. Fourth, they can purchase securities from an active investment portfolio priced at US\$1.5m. Fifth, they can invest US\$2m in any project across the country (or US\$1.5m in projects that are located in governorates outside of Amman) that create a minimum of 20 local jobs and that remain active for no less than three years.

Applications for citizenship are lodged with the Jordan Investment Commission (JIC), an entity established in 2014 to succeed the Jordan Investment Board, which was first founded in 1995. The role of the JIC is to promote investment in Jordan and respond to emerging trends in the international and domestic economic environment. Successful applications must be approved by the Council of Ministers and the monarch, in a process that takes around two months.



Naturalised Jordanians are barred from political or diplomatic positions, from any public office prescribed by the Council of Ministers, and from becoming members of the State Council for a period of ten years from the grant of citizenship. They are also excluded from participation in municipal or village councils for a period of five years from obtaining citizenship.

Loss of citizenship for naturalised persons is considered if a person commits or attempts to commit an act to endanger Jordan's peace and security, or if a person is found to have misrepresented evidence during the naturalisation process. Revocation of citizenship is also possible in certain instances where a person enters foreign military or civil service, or the service of an enemy state.

THE MALTA INDIVIDUAL INVESTOR PROGRAMME

Moulded in its current form by Legal Notice 47 of 2014 and its 2018 amendment, the Malta Individual Investor Programme (IIP) is nearing its cap of 1,800

successful main applicants. The agency responsible for application processing since 2018, the Malta Individual Investor Programme Agency (MIIPA), has announced that it will halt receipt of applications on 30 September 2020, at which point a new iteration of the programme will begin.

The IIP presents a single three-tier investment strategy for applicants interested in obtaining citizenship of Malta.

First, the applicant commits to making a €650,000 (US\$768,000) non-refundable contribution, of which €10,000 (US\$12,000) must be remitted as a non-refundable deposit upon submission of the application. Of the €650,000 contribution, four per cent is given to the IIP's sole concessionaire and six per cent is delivered to the MIIPA. Of the remainder, before Covid-19, 70 per cent was distributed to the country's National Development and Social Fund and 30 per cent was paid into the Consolidated Fund. This distribution was recently altered, with 80 per cent of funds

Under the Malta Individual Investor Programme, applicants must show 12 months' residence on Malta

being placed in the Consolidated Fund – a move that enables the Maltese government to spend quickly as part of its Covid-19 rescue package.

Second, the applicant either purchases real estate at a minimum value of €350,000 (US\$413,000) or rents property at a cost of at least €16,000 (US\$19,000) per annum. Whether the applicant chooses to purchase or rent, the real estate must be held for a period of five years, during which time it may not be let or sublet.

To complete the investment portfolio, the applicant must also acquire government bonds, stocks, debentures, or special purpose vehicles for a value of €150,000 (US\$177,000), to be retained for a period of five years.

As well as completing the three-part investment, applicants must also pay Due Diligence Fees and Bank Charges, and purchase global health insurance of at least €50,000 (US\$59,000; to be held indefinitely).

Under the IIP, citizenship is – at best – a one-year endeavour, as applicants

must show 12 months' residence on Malta. An e-residence card is issued to enable applicants to live on the island during this time.

Maltese citizenship does not come at the price of one's previous nationality, as dual nationality was allowed in 2000. It brings a number of benefits, including the right to live and work in the EU as well as visa-free travel to Canada, the Schengen Area, and the US. Successful applicants under the IIP can expect their names to be published on Malta's gazette, and to be identified as recipients of Maltese citizenship, within 12 months of obtaining their citizenship.

THE MONTENEGRO CITIZENSHIP BY INVESTMENT PROGRAMME

Montenegro's CBI Programme was launched on the basis of the Decision on criteria, method and procedure for selection of persons who may acquire Montenegrin citizenship by admission for the purpose of implementation of special investment programme of particular importance for the business and economic interest of Montenegro, adopted on 22 November 2018. The Decision entered into effect on 1 January 2019 and, in October 2019, Montenegro began accepting applications under its CBI Programme. The programme is limited both by application volume and time, being capped at 2,000 applications and slated to run until 31 December 2021.

The investment structure in Montenegro consists of two tiers, with applicants being required to make a non-refundable donation and choose between two real estate options. Under the first option, applicants must invest €250,000 (US\$295,000) in government-approved development projects in tourism, agriculture, or processing, located in northern and central Montenegro. Under the second option, applicants must invest €450,000 (US\$532,000) in government-

approved development projects in any of the same three industries, located in the capital, Podgorica, or along the coastline. Regardless of the real estate option chosen, applicants must also make a €100,000 (US\$118,000) donation to be used by the government to assist underdeveloped communities in Montenegro.

In addition to the required investment, hefty Processing Fees apply, starting at €15,000 (US\$18,000) for a single applicant. Due Diligence Fees also apply, reflecting the fact that due diligence is performed both by agents and third-party due diligence firms.

In December 2019, an important change to Montenegro's programme was implemented after issues surfaced with respect to dependants. Article 12 of the Montenegrin Citizenship Act makes provision for 'a person over 18 years of age' to obtain Montenegrin citizenship to the benefit of the state, thereby precluding minor dependants obtaining economic citizenship. To rectify this, the government issued a decree specifying that dependants may be included in a CBI application. As a result, Montenegro now permits the inclusion of a spouse, minor children, and adult children who are dependent on the main applicant.

Montenegro issued its first application approval within three months of the submission of the application, entering the market with one of the world's fastest application processing times. Under the Programme, applicants need not fulfil any mandatory residence requirements either before or after the grant of citizenship. However, applicants must travel to Montenegro to receive their final decision and supply biometrics.

Montenegro is an attractive destination for second citizenship, with one of the fastest growing economies in the Balkans and the prospect of becoming an EU member state in 2025.

Montenegro is also party to an E-2 visa treaty with the US, allowing Montenegrin citizens to obtain E-2 visas to work in the US.

Successful applicants are exempt from Montenegro's restrictions on dual nationality.

THE ST KITTS AND NEVIS CITIZENSHIP BY INVESTMENT PROGRAMME

Home to the world's most longstanding economic citizenship programme, the Federation of St Kitts and Nevis (SKN) has a more than 35-year history of leading the field of economic citizenship. Indeed, the SKN CBI Programme has earned multiple awards and a reputation as the 'platinum standard' of CBI.

To qualify for economic citizenship, applicants can invest in either the Sustainable Growth Fund (SGF) or pre-authorised real estate. Due Diligence Fees apply under all options, as do minor Processing and Certificate of Registration Fees. The country's first-ever option for economic citizenship – a donation to the Sugar Industry Diversification Foundation – remains in existence in relevant regulations, but has, in practice, been superseded by the SGF.

The SGF is a permanent feature of the programme that was established in March 2018. The SGF substituted the temporary Hurricane Relief Fund (HRF), whose establishment in 2017 resulted in elevated application numbers. Under the SGF, a single applicant must make a minimum donation of US\$150,000.

There are two branches to SKN's real estate option. Under the first branch, the applicant must buy property worth at least US\$400,000 and keep it for five years. Under the second branch, the applicant must make a joint investment with another applicant, with each investment worth at least US\$200,000.



The joint investment must be retained for a period of seven years. A US\$35,000 real estate Government Fee is applicable for single applicants irrespective of the real estate branch they select.

The CBI Unit, which processes all applications for CBI, normally issues approvals or denials within three months. A VIP Accelerated Application Process, available at a premium fee, allows applicants to receive citizenship within 60 days of submitting an application. Currently, SKN is the only CBI nation to offer a secure, guaranteed fast-track route. There is no interview, language, education, or business requirement applicable to any of the options chosen. Travel to the twin-islands is not obligatory, and no minimum residence stays apply either prior to or after citizenship is obtained.

Due diligence procedures remain among the industry's most robust and are expected to be further strengthened by upcoming processes focusing on fingerprinting and biometrics.

Benefits of citizenship of SKN include visa-free travel to a growing

number of worldwide destinations – the highest of any CBI country in the Caribbean. Citizens are allowed to hold multiple nationalities.

THE ST LUCIA CITIZENSHIP BY INVESTMENT PROGRAMME

Inaugurated in January 2016, St Lucia's CBI Programme is the Caribbean's newest economic citizenship programme. In 2020, as in previous years, there remain concerns with respect to the real estate arm of the programme, which has seen project cancellations and suspensions, and which currently only features two approved developments. There are also continued claims by the St Lucia opposition party that past amendments to the programme will "have to be repealed" and that a "policy decision" must be taken as to whether the country should retain the programme.

St Lucia has four investment options. The fastest option is a contribution to St Lucia's National Economic Fund (NEF). Moneys deposited into the NEF are intended for progressive local development projects selected by the

St Lucia's CBI Programme is the Caribbean's newest economic citizenship programme

Minister of Finance with the approval of parliament. Originally set at a US\$200,000 contribution, the government reduced the minimum threshold to US\$100,000 on 1 January 2017.

The second option asks applicants to make a minimum investment of US\$300,000 into a government-approved real estate project. To date, the government has designated two real estate projects for selection under this option, which, upon purchase, must be held for a period of five years.

Applicants may also acquire government bonds. A limited-time offer, in place until 31 December 2020, allows a single applicant (or a main applicant with up to four dependants) to purchase bonds worth US\$200,000 to be held for between five to seven years depending on the family structure. There are also opportunities for an applicant to purchase bonds worth more but with reduced hold period constrains. Outside the limited-time offer, single applicants are required to purchase bonds worth at least US\$500,000 and to hold them for

five years. Qualifying government bonds cannot return a rate of interest.

Under the programme's final option, applicants can make a minimum investment of US\$3.5m into a government-approved enterprise project. Projects, which may be initiated by applicants themselves, can range from the building of a port to the establishment of a university, and must result in the creation of at least three permanent jobs. Applicants may partner with others to launch a joint venture, so long as a total minimum investment of US\$6m is made, with each investor contributing no less than US\$1m. At least six permanent jobs must be generated as a result of the joint venture.

Due Diligence Fees are always levied. Processing Fees apply under all options except for investments in real estate and the government bonds limited-time offer, while Administration Fees apply only to the real estate, government bonds, and enterprise project options. The latter start at

US\$30,000 for real estate investors, and at US\$50,000 for single applicants choosing the government bond or enterprise project routes.

Applications are processed by the CBI Unit and are returned with an approval or denial within three months of submission. There is no need for applicants to learn English, or to prove any business skills or education. Applicants need not attend an interview, reside in St Lucia, nor travel to the island.

Citizenship of St Lucia offers a viable alternative for anyone seeking a relaxing lifestyle and global access to around 145 countries and territories. The St Lucia Citizenship by Investment (Amendment) Act, 2020 significantly improved opportunities for family inclusion under the programme, including by expanding the meaning of 'dependant' to include siblings. St Lucia has no restrictions on holding dual nationality.

CITIZENSHIP BY INVESTMENT IN TURKEY

Turkey's economic citizenship programme was launched in January 2017. It finds its basis in Turkey's Citizenship Law, Act No. 5901 and in Regulation 2016/9601, passed by the Council of Ministers on 12 December 2016. Article 12 of the Act specifies that a person may obtain Turkish citizenship for "outstanding service in the social or economic arena" provided this creates no obstacle to "national security and public order." Regulation 2016/9601 was amended by Regulation 2018/30540 and Presidential Decree 106, made on 18 September 2018 and gazetted a day later. It was further amended by Regulation 2018/418, made in December 2018.

Applicants interested in obtaining citizenship of Turkey may do so by choosing one of five routes. The first

three routes each entail retention of the investment for a period of three years. They are purchasing property valued at US\$250,000, depositing US\$500,000 in a Turkish bank, or investing US\$500,000 in government bonds. The applicant must ensure recognition of the investment by either the Ministry of Environment and Urbanisation, the Council of Bank Audit and Regulation, or the Ministry of Treasury and Finance, depending on the chosen investment. The remaining two routes to citizenship are an investment of US\$500,000 in fixed capital, to be acknowledged by the Ministry of Industry and Technology, or the creation of 50 jobs in Turkey, to be acknowledged by the Ministry of Family, Labour, and Social Security.

Application processing has improved despite increasing application numbers, taking between three to six months on average. There is no requirement for applicants to learn Turkish or to attend a mandatory interview. There is also no requirement to establish residence by physical presence. However, the applicant will need to obtain an investor residence card and provide biometrics.

There are no restrictions on an applicant's country of origin, making the Turkish CBI route a popular option for those who are banned from partaking in the programmes of other nations.

While the ultimate decision on the grant of economic citizenship originally rested with the Council of Ministers, following the 2018 amendments it is now in the hands of Turkey's president.

Turkey allows dual nationality and is considered a moderate country within the context of the Middle East. Despite various attempts at obtaining visa-free travel to the Schengen Area, including by the making of an agreement with the EU on the flow of refugees, Turkish nationals must obtain visas to enter the Schengen member states. They must also apply for visas to Canada and the US.

There are no restrictions on an applicant's country of origin, making the Turkish CBI route a popular option for those who are banned from partaking in the programmes of other nations



THE VANUATU DEVELOPMENT SUPPORT PROGRAMME

The Pacific island of Vanuatu has two concurrent CBI programmes: the Development Support Programme (DSP) and the Vanuatu Contribution Programme (VCP). Until 2018, the DSP had been limited in scope, offering honorary citizenship that reduced one's ability to vote and partake in public life. This changed with the Citizenship (Amendment) Act (No. 34 of 2018). The DSP was further enhanced by the Citizenship (Development Support Programme) Regulations Order No. 33 of 2019, which improved the programme's competitiveness, bringing applicant costs in line with the VCP while also enabling participation by Ni-Vanuatu designated agents with an office registered in the capital, Port Vila.

The VCP, on the other hand, remains the purview of a single agent and its affiliated exclusive marketing agent, based in Hong Kong. There has been some indication, however, that Vanuatu's new administration is looking to reform the current structure as, in

May 2020, the sole agent for the VCP was issued with a three-month notice for the termination of its contract with Vanuatu.

Applications under the DSP are processed by the Citizenship Office and Commission, an entity established under the Vanuatu Citizenship Act.

The minimum sale price for a single applicant under the DSP is US\$130,000, of which the government retains US\$80,000. Due Diligence, Application, and Certificate Fees apply. Applicants must commit 25 per cent of this value prior to the application being considered and in the knowledge that this amount would be lost should the applicant fail to pass scrutiny.

Applications are processed rapidly, although slowdowns are sometimes recorded as a result of the oath of allegiance procedure having to be completed in the physical presence of a Commissioner for Oaths located in Vanuatu, Dubai, Hong Kong, or Singapore. With the onset of Covid-19 however, temporary provision was made for applicants to take the oath of allegiance via video conference link.

Tourism is the mainstay of Vanuatu's economy

Citizenship certificates may be received by a designated agent and do not require additional travelling.

Limitations also exist with respect to the applicant's choice of designated agent, as applicants cannot decide to change their representative agent unless their application is progressing at an unreasonably slow pace, which is defined as in excess of six months.

Applicants benefit from the government not imposing a language test, which could otherwise require mastering any of Vanuatu's three official languages (English, French, and Bislama). Applicants also need not sit an interview, or study the culture or history of the island.

There is a close rapport between Vanuatu and China, something that made headlines in June 2019 when certain Chinese-born DSP citizens were repatriated allegedly without due process. Despite this, citizens of Vanuatu cannot access China visa-free. They can, however, travel without a visa to Hong Kong, Russia, the Schengen Area, and the United Kingdom.

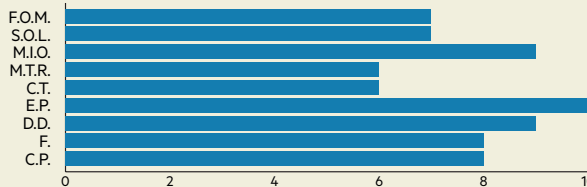
Country snapshots

ANTIGUA AND BARBUDA



77%

CAPITAL CITY St John's
 POPULATION (2018)* 96,286
 OFFICIAL LANGUAGE English
 CURRENCY Eastern Caribbean dollar

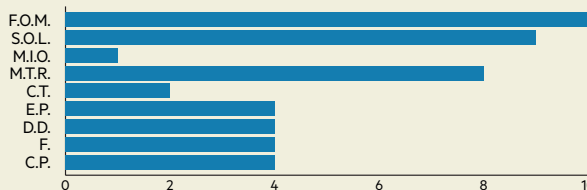


AUSTRIA



51%

CAPITAL CITY Vienna
 POPULATION (2018)* 8,840,521
 OFFICIAL LANGUAGE German
 CURRENCY Euro

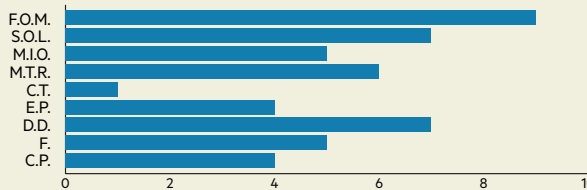


BULGARIA



53%

CAPITAL CITY Sofia
 POPULATION (2018)* 7,025,037
 OFFICIAL LANGUAGE Bulgarian
 CURRENCY Bulgarian lev

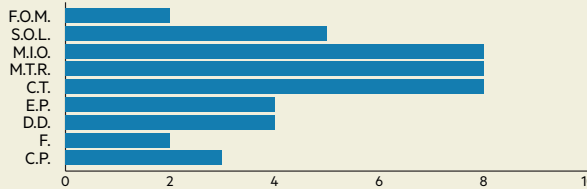


CAMBODIA



49%

CAPITAL CITY Phnom Penh
 POPULATION (2018)* 16,249,798
 OFFICIAL LANGUAGE Khmer
 CURRENCY Cambodian riel

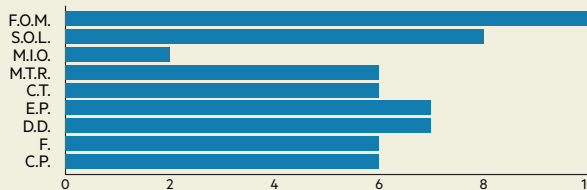


CYPRUS



64%

CAPITAL CITY Nicosia
 POPULATION (2018)* 1,189,265
 OFFICIAL LANGUAGE Greek, Turkish
 CURRENCY Euro

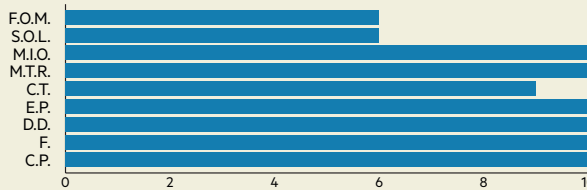


DOMINICA



90%

CAPITAL CITY Roseau
 POPULATION (2018)* 71,625
 OFFICIAL LANGUAGE English
 CURRENCY Eastern Caribbean dollar

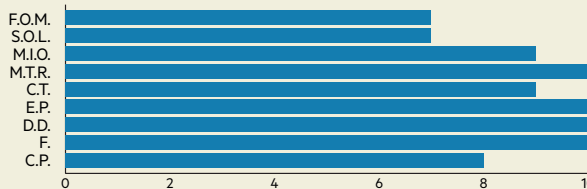


GRENADA



88%

CAPITAL CITY St George's
 POPULATION (2018)* 111,454
 OFFICIAL LANGUAGE English
 CURRENCY Eastern Caribbean dollar



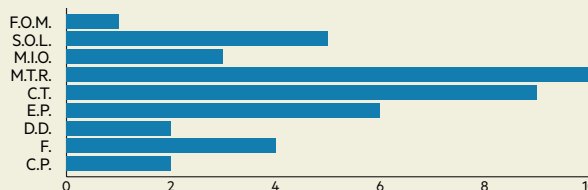
* Source: the World Bank Data Bank; last checked 30/06/2020

JORDAN



45%

CAPITAL CITY **Amman**
 POPULATION (2018)* **9,956,011**
 OFFICIAL LANGUAGE **Arabic**
 CURRENCY **Jordanian dinar**

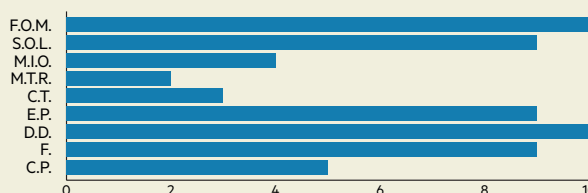


MALTA



67%

CAPITAL CITY **Valletta**
 POPULATION (2018)* **484,630**
 OFFICIAL LANGUAGE **Maltese, English**
 CURRENCY **Euro**

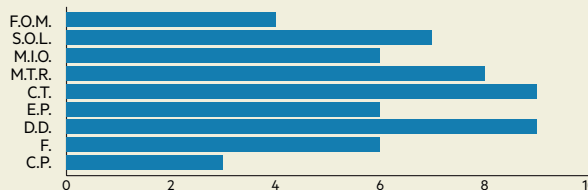


MONTENEGRO



64%

CAPITAL CITY **Podgorica**
 POPULATION (2018)* **622,227**
 OFFICIAL LANGUAGE **Montenegrin**
 CURRENCY **Euro**

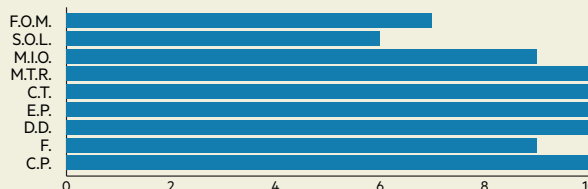


ST KITTS & NEVIS



89%

CAPITAL CITY **Basseterre**
 POPULATION (2018)* **52,441**
 OFFICIAL LANGUAGE **English**
 CURRENCY **Eastern Caribbean dollar**

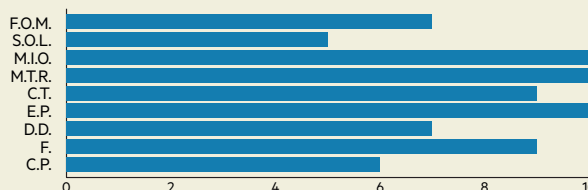


ST LUCIA



81%

CAPITAL CITY **Castries**
 POPULATION (2018)* **181,889**
 OFFICIAL LANGUAGE **English**
 CURRENCY **Eastern Caribbean dollar**

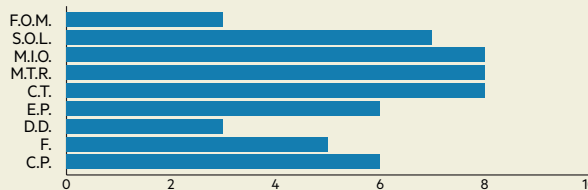


TURKEY



59%

CAPITAL CITY **Ankara**
 POPULATION (2018)* **82,319,724**
 OFFICIAL LANGUAGE **Turkish**
 CURRENCY **Turkish lira**



VANUATU



71%

CAPITAL CITY **Port Vila**
 POPULATION (2018)* **292,680**
 OFFICIAL LANGUAGE **English, French, Bislama**
 CURRENCY **Vanuatu vatu**

