

# CYPRUS INVESTMENT PROGRAM

## Contents

Overview	2
Conditions	3
Investment Options	4

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## CYPRUS AT A GLANCE

Cyprus is an island with an area of 9,251 km<sup>2</sup> situated at the crossroads of three continents Europe, Africa and Asia.

Form of State: Presidential Democratic State

Member of the European Union

Currency: Euro

Population: 800.000

Capital: Nicosia

Time Zone: UTC/GMT +2

Excellent legal and regulatory framework

Attractive tax regime and a wide double tax treaty network

Cyprus ranks 54th out of 190 states on ease of doing business according to the relevant World Bank's report for 2020.

## OVERVIEW

As a part of its policies aiming to further encourage Foreign Direct Investment and to attract high net worth individuals to settle and do business in Cyprus the Council of Ministers established the "Cyprus Investment Program".

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

On the basis of the programme, a non-Cypriot citizen may apply for the acquisition of the Cypriot citizenship through naturalization by exception.



"The Cabinet approved a series of changes that make the Cypriot Investment Program even more targeted and trustworthy", Finance Minister, 14/02/2019.



# CONDITIONS

## Who may apply

A non-Cypriot citizen either personally or through a company he is a shareholder or through investments done by spouse or jointly with the spouse.

In addition to the applicant, citizenship is granted to the investor's spouse, children under 18 and adult dependent children up to 28 years.

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

## Investment

The applicant should have made the necessary investments during the 3 years preceding the date of the application and must retain the said investments for a period of at least 5 years as from the date of the naturalization (see next page "Investment Options").

## Two Donations

1) A mandatory donation of €75.000 should be made to the Foundation for Research and Innovation.

This obligation is lifted if the applicant has made an investment under the option "Cypriot Companies" (see next page) amounting to at least 20% of the required investment cost of the stated option (i.e. €400.000 ) to a company that is active in the primary sector of the economy or in the secondary sector of the economy, or in one of the fields of research and technology, education, health, and renewable energy one.

2) A mandatory donation of €75.000 should be made to the Cyprus Land Development Corporation.

## Schengen Visa

The applicant (and family members, if applicable) must be in possession of a valid Schengen visa in order to be able to apply for citizenship.

## Residence in Cyprus

The applicant must hold a permanent privately-owned residence in the Republic of Cyprus, the purchase price of which must be at least €500.000, plus V.A.T.

## Residence Permit

Adult applicants must hold a Residence Permit in Cyprus for 6 months prior to obtaining the Cyprus Citizenship.

If the applicant does not already hold such permit, an application for immigration permit should be made, simultaneously with the application for naturalization.

## Clear Criminal Record

The applicant (and family members, if applicable) must be of clear criminal record. Moreover, an applicant whose application for citizenship in any other member-state of the EU had been rejected, is not eligible to apply for the acquisition of the Cypriot citizenship through the Cyprus Investment Program.

**!** In case where, following a periodic inspection, it has been established that a criterion, term or condition of the Programme has been breached, the granted naturalization may be revoked.

# INVESTMENT OPTIONS

## 1

### REAL ESTATE

Investment of at least €2 million (non-inclusive of VAT) for the purchase or construction of buildings.

In case the applicant has invested solely in real estate the purchase of another permanent residence in Cyprus is not required, if any of the housing units is worth at least €500,000, plus VAT, provided that the applicant retains the possession of the residence for life.

## 2

### CYPRriot COMPANIES

Investment of at least €2 million for the purchase or participation in companies established and operating in the Republic of Cyprus. The invested funds shall be channeled towards the financing of the investment objectives of these companies exclusively in Cyprus, based on a specific investment plan.

The applications shall be evaluated to verify that the companies or organizations have proven physical presence in Cyprus, with significant activity and turnover and employ at least 5 (five) Cypriot citizens or citizens of European Union.

## 3

### FUNDS

Purchase of units of at least €2 million from Alternative Investments Funds (AIF) established in Cyprus, licensed and supervised by the Cyprus Securities and Exchange Commission, and whose investments are made exclusively in Cyprus, in investments that meet the criteria of the Program.

## 4

### COMBINATION

The applicant may make a combination of the above investments provided that the total investment amounts to at least €2 million and provided the applicant also holds a permanent residence of €500.000 (non-inclusive of VAT).

The applicant may purchase securities up to €200.000 on the secondary market of the Cyprus Stock Exchange.

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