



FAST TRACK RESIDENCE WAITS FOR YOU IN PORTUGAL

One of the biggest problems investors usually face is all the red tape involved in obtaining a residence permit. Endless requests for documents, forms that have to be signed and a patient wait until the permit is finally issued are part of the deal. However, Portugal believes it needn't be so.

Since October 8 last, Portugal has implemented a "fast track" for qualified non-EU investors that can apply for the Golden Residence Permit Programme (ARI in Portuguese). Law 29/2012, of August 9, first introduced the Programme, later on developed by Ministerial Order 11820-A/2012, of September 4, amended by Ministerial Order 1661-A/2013, of January 28.

The law has considered three conditions which can render an investor eligible for the Programme (meeting one of them is enough to qualify the

applicant):

- a)* Minimum capital investment of € 1,000,000 (this also includes investment in shares);
- b)* Creation of at least 10 jobs;
- c)* Acquisition of property for a minimum amount of € 500,000 (with no liens or encumbrances).

The first condition can be met merely by demonstrating that the investment has been executed for which the applicant will have to produce: 1) a declaration from a financial institution operating in Portugal attesting to the effective transfer of capital; 2) a certificate of good standing proving the property of the shares; 3) a declaration from the Exchange Commission or financial institution, if the company is listed; or a declaration from the company's directorship plus the company's certified annual report and accounts, if it isn't.

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For the second condition, all the employees must be registered with the Social Security so the applicant will need to produce a fresh certificate proving said registration.

As regards the acquisition of property, the condition can be met if the investment is executed alone or with other co-owners, as long as the applicant's share is of at least € 500,000. The applicant will have to prove his investment with a property deed or a promissory agreement and a fresh certificate from the Land Registry.

Investors should bear in mind that they must keep their investment for a minimum period of 5 years since the permit is issued. When renewing the permit (every 2 years), investors can

be asked to prove a minimum residence of 7 days during the first year and 14 days during the second or successive years. There are fees involved which have to be paid when submitting an application (€ 500); when the permit is issued (€ 5,000); and when applying for its renewal (€ 2,500).

On a final note, the Programme shows that Portugal is committed to cutting red tape in all levels of public administration. While there is still work to be done, the reforms in the last decade have shown an impressive progress in key aspects such as the incorporation and liquidation of companies, the buying and selling of real estate or immigration issues, which has made many an investor much happier for it.

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