



Media Release

Geneva, 23rd October 2020

Re: IMC Response to the infringement procedures initiated by the European Commission against Malta and Cyprus

In response to the infringement procedures initiated by the European Commission against Malta and Cyprus regarding their citizenship by investment programme, the Investment Migration Council (IMC) underlines that, in the European Union (EU or the Union), citizenship of EU Member States remains a national competence. The division of competence between the EU and its Member States is the central postulate on which the Union is based, and the latter can sovereignly decide which individuals and under what circumstances should acquire their citizenship. As rightly noted by the [European Parliament](#), “nationality is defined according to the national laws of that State.”

The IMC reiterates that requesting a “genuine link” to evidence citizenship stands at odds with the age-old tradition in all but the Member States to grant citizenship to foreigners in recognition of their exceptional achievements or their contribution to the country regardless of a so-called link. Moreover, the “genuine link” requirement contradicts the well-established case-law of the European Court of Justice.

Meanwhile, intelligence, security and law enforcement professionals involved in managing investment migration are fully aware of the challenges posed by a few nefarious individuals. Strengthening the governance of investment migration programmes by mitigating the risk of abuse is a core objective of the IMC. That’s why we have developed common [due diligence](#) standards to uphold the highest levels of integrity and transparency. In collaboration with world-renowned due diligence companies, we have identified the industry best practices and developed a blueprint for good governance. Our work closely follows the recommendations of the European Commission stipulated in its [2019 report on investment migration](#). We are also actively promoting the requirements for a sound investment migration through education and certification programmes.

The IMC strongly believes in the cultural and economic opportunities brought by migrants. We support a successful migration policy that hinges not solely on bans, but also rules allowing immigration for ethical reasons or out of economic self-interest. Well-functioning migration programmes facilitate the inevitable will of people to move freely and choose where to live their lives.

Investment migration is a vital lever for sovereign nations to raise debt-free capital, attract talented individuals, and deliver benefits to society as a whole. In Malta, to mention but one example, the Individual Investor Programme fuelled 1,4 billion euros into the island nation’s ailing economy after the euro crisis. Investments have helped create jobs and fund various local voluntary organisations.



Tomorrow, we believe that investment migration will once more prove a welcome lever, especially against the backdrop of our pandemic-affected economies.

In the end, well-regulated investment migration programmes benefit both host countries and migrants alike, as well as our members. That's why the Investment Migration Council reiterates its commitment to working with the EU institutions towards finding a win-win solution in line with EU law.

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About the Investment Migration Council

The Investment Migration Council (IMC) is the worldwide association for investor immigration and citizenship-by-investment, bringing together the leading stakeholders in the field and giving the industry a voice. The IMC sets the standards on a global level and interacts with other professional associations, governments and international organisations in relation to investment migration. The IMC helps to improve public understanding of the issues faced by clients and governments in this area and promotes education and high professional standards among its members.

Media Contact

Email: media@investmentmigration.org