



EUROPEAN COMMISSION

Ursula von der Leyen
The President

Brussels, 17 NOV. 2020
Ares (2020) 4918389

Dear Honourable Member,

I would like to thank you for your letter of 18 October 2020 to Commissioner Reynders and myself concerning investor citizenship and investor residence schemes operated by certain Member States.

I can assure you that I fully share your concerns about schemes that allow foreign investors to obtain EU citizenship or residence in exchange for a monetary contribution or investment. Such schemes use the appeal of a Union built on democracy, equality, and the rule of law to attract money from potentially nefarious sources. As I said in my recent State of the Union speech, European values are not for sale.

The inherent risks of investor citizenship and investor residence schemes, in particular as regards security, money laundering, tax evasion and corruption, were outlined in the report published by the Commission in January 2019¹. In this report, the Commission committed to monitor wider issues of compliance with EU law raised by such schemes and to take necessary action as appropriate. Keeping with this commitment, the Commission opened infringement procedures concerning the investor citizenship schemes operated by Cyprus and Malta on 20 October 2020.

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¹ Report from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions on Investor Citizenship and Residence Schemes in the European Union (COM(2019) 12 final).

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As far as investor residence schemes, or 'golden visas', are concerned, I agree with you that such programmes raise very similar concerns in terms of security, money laundering and corruption, even if they do not directly result in the acquisition of EU citizenship.

In view of these inherent risks, Member States should carry out the necessary checks and apply rigorous and transparent criteria to identify and combat criminality and corruption. Unfortunately, the risks inherent in residence schemes are not always sufficiently mitigated by the measures taken by the Member States.

In this context, the Commission continues to closely monitor investor residence schemes and their application, to ensure compliance with EU law. In particular, we want to verify that Member States carry out all obligatory border and security checks in line with EU legislation prior to the issuance of any residence permit.

I look forward to continuing the Commission's fruitful exchanges with the Parliament on this important matter.

Yours faithfully,

A handwritten signature in blue ink, appearing to read 'Ursula von der Leyen', with a stylized flourish at the end.

Ursula von der Leyen