

Publications

The New Portuguese Golden Visas

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I. Scope of Application

In order to attract foreign investment into Portugal and to help in the economical recovery, the Portuguese Government has created a regime for the granting of so-called “golden visas” to citizens of third countries, that wish to invest in Portugal.

Such regime, known “ARI - Autorização de Residência para Actividade de Investimento”, Residence Permit for Investment Activities, is foreseen in Law no. 23/2007, of July 4, as amended by Law n.o 29/2012, of August 9, whose applicable procedures and practical requirements have been recently simplified in the beginning of 2013.

This legal framework allows citizens of third countries (who are not members of the European Union or members of the Convention who implemented the Schengen Agreement) to obtain a Portuguese residence permit, with the purpose to allow the development of an investment activity in Portugal.

II. Mandatory Investment

For the purposes of granting the “golden visas”, an investment activity must be performed, directly by the individual or through a company, for a minimum period of five years. The investment activity can correspond to one of the following:

- Capital transfer in an amount equal to, or higher than € 1.000.000,00, including investments in the share capital of companies;

- Creation of at least 10 jobs, which is deemed fulfilled when there is proof of the register of all workers in the Portuguese Social Security system; or
- Purchase of real estate property with a minimum value of € 500.000,00.

III. Effective presence in Portugal

On top of the five years minimum investment period, to be counted as of the date of the granting of the residence permit, and for the purposes of its renewal, the foreign investor must present proof, namely by showing his passport, that he has remained in Portuguese territory for a minimum period of seven consecutive or interpolated days within the first year, or fourteen consecutive or interpolated days within the subsequent two-years period.

IV. Application proceedings

The filing for the granting or renewal of the “golden visas” must be made in person at the Portuguese Immigration and Borders Service (“Serviço de Estrangeiros e Fronteiras” - SEF) of the applicant’s residence area.

It will be necessary to present proof before the SEF that the quantitative and time-based minimum requirements are fulfilled, through the presentation of the documents and declarations legally required for such purpose.

In addition, it will be necessary to file a statement where the applicant declares, under a commitment of honour, that he will fulfill the quantitative and time-based minimum requirements of the investment activity in Portuguese territory.

V. Conclusion

This “golden visa” regime is expected to attract a large number of foreign investors to Portugal, who can play a relevant role in the Portuguese economy.

On the other hand, this is a great opportunity for foreign investors to take advantage of this regime, obtaining a Schengen Visa while purchasing premium real estate in Portuguese territory, known by its climate and coast line.

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