

Permanent Residence Permit (PRP) – New accelerated procedure*January 2014***Introduction**

The Cyprus government has introduced a new and accelerated procedure for granting Immigration Permits to applicants who are third country nationals and intend to invest in the Republic of Cyprus.

The new and improved process aims at attracting new investment into the Republic.

The new procedure establishes a new legal framework by which the process of obtaining immigration permits, i.e. a Permanent Residence Permit, is simplified and accelerated. The new rules codify the conditions laid down by law.

The new immigration permit procedure opens the doors of the European Union to third country nationals. Besides ensuring free movement within Cyprus, PRP also provides foreign investors with the opportunity to expand their business activities in the European market through the utilization of the Cyprus highly favorable tax regime.

Criteria

According to the provisions of Regulation 6(2) of the Aliens and Immigration Regulations, PRPs may be granted to third country nationals who fulfill the following criteria:

- a) The applicant must prove that he has at his disposal a secured minimum annual income of €30.000, from sources other than employment in Cyprus. The required income of €30.000 could derive from salaries of employment abroad and not in Cyprus, pensions, stock shares, rents, etc. The necessary minimum annual income is increased by €5.000 for each dependent person.
- b) The applicant must submit the application form accompanied with a Title(s) of ownership or contract(s) of sale of a property(ies) in Cyprus, of a minimum market value of €300.000 plus VAT and proof of payment of at least €200,000 plus VAT. ¹
- c) The applicant must submit a confirmation letter from a Cypriot Bank stating that he has a fixed three-year deposit of €30.000.

It is noted that the amounts mentioned in paragraphs (b) and (c) should be proven to have been transferred to Cyprus from abroad.
- d) The applicant must submit a Criminal Record Certificate (if the applicant resides abroad), which must be issued by the Authorities in his country of origin, and he should not constitute in general any threat against public order or security in Cyprus.
- e) The applicant should submit a Statement that he/she does not intend to work or be engaged in any form of business in Cyprus.
- f) The applicants should visit Cyprus at least once every two years.

Applicants must also submit:

- a) Copy of valid passport.
- b) Copy of valid temporary residence permit (if the applicant resides in Cyprus).
- c) Curriculum Vitae (including academic qualifications).
- d) Proof of Health Insurance

Processing time

The relevant authorities aim at granting the permit in a period not exceeding two months from the date of submission.

General

The PRP is granted by the Minister of Interior provided that the applicant does not have the intention of taking up employment or practice any profession or occupation in Cyprus. The advantage of this PRP for third country nationals is that it is permanent and once obtained it also applies for the applicant's spouse and dependent children.

As from 14 January 2014, unmarried children aged between 18 and 25, who may prove that they are students or undergraduates and are financially dependent on the applicant, may submit a separate application to obtain an Immigration Permit. In such a case, the father or mother and/or both parents together must present an additional annual income of €5.000 for every such dependent child.

¹ As from 7 May 2013, the applicant can purchase up to two apartments/houses or one apartment/house and showroom up to 100 m² or office up to 250m² where the value is not less than €300,000. Furthermore, applications will only be accepted by the Immigration Authorities on the condition that the apartment/house is being sold for the first time.

NOTES:

The above is intended to provide a brief guide only. It is essential that appropriate professional advice is obtained. Totalserve Management Ltd will be glad to assist you in this respect. Please do not hesitate to contact us.