

Why has the IIP closed and what happens now?

The Government agreed to close the Immigrant Investor Programme (IIP) to further applications from 15 February 2023. The Programme was introduced in 2012 when the struggling Irish economy needed investment. The Programme has fulfilled its purpose and now, due to changed circumstances it means that such investment routes are no longer a good fit for the needs of a thriving economy and society .

In recent years serious concerns have been expressed about immigrant investment programmes generally by The EU Commission, Council of Europe and OECD in a number of studies in relation to border security, money laundering, tax evasion and circumvention of EU law and that the Programme gave rise to issues of a broader public policy concern.

While the Minister was satisfied that the IIP was operated by her Department to the highest professional standards, the combination of these factors made it timely to close off the programme.

In closing the IIP the Government agreed that appropriate arrangements in relation to the orderly winding down of the Programme would be put in place. These arrangements have now been finalised.

How does the closure of the IIP affect existing approved projects?

The closure of the Programme does not affect existing projects or individuals already approved under the programme. Projects may proceed based on the Business Plan and funding amount as previously approved by the Minister. It is ultimately a matter for the project owner / sponsor to ensure delivery on an approved project within the timeframe set out in its business plan. The Department will however continue to monitor all projects going forward for delivery and compliance with IIP requirements, including use of the investment funding solely for delivery of the core capital project and not, for instance, for operational costs or investor agent fees.

Where a project is approved all individual investor applications associated with that project will be examined and approved in due course subject to meeting the IIP criteria as published

What work has taken place since the Programme has closed?

The IIP Unit has conducted an initial analysis of all applications received and has triaged them into categories for internal processing. Some of these categories are based upon the length of time that applications are on hand or whether a decision can be issued quickly. Some information in relation to the arrangements for the processing of categories of applications and timescales in this regard has also now been communicated to applicants' legal reps and project owners / sponsors or agents. Since the announcement of closure of the Programme the IIP Unit has continued to process applications on hand at the time of the closure.

When will a decision be reached on my project application?

Now that the IIP Unit has triaged the applications on hand and has sorted applications into relevant categories, greater clarity can be given.

Project applications that were submitted prior to the closure will be processed as a priority.

Project applications that have been identified as having been submitted outside the allowed timeframe of the Government decision closing the Programme or those not having any investor associated with it, will be decided at the earliest opportunity by the Unit. It is expected that a small number of other categories of application will be decided soon also.

Given the volume of applications on hand, it is expected to take a number of years to process all remaining categories of application to final decision. The independent Evaluation Committee, which assesses project applications under the IIP, is committed to exploring new ways to potentially expedite the examination of project applications and reduce overall waiting times.

It should be noted that since the programme closed the IIP Unit has continued to submit project applications to the Evaluation Committee for consideration and recommendation, and both project and investor applications to the Minister for a decision and those decisions are continuing to issue.

What is the role of the Evaluation Committee?

All projects which IIP applicants are investing in are examined in great detail by the Independent Evaluation Committee. This examination process involves an assessment of the commercial viability of the project; employment outcomes associated with the proposed investment; and the overall benefit to the Irish State.

The Committee makes a determination as to whether a project is suitable for IIP investment and if deemed suitable, the project application will be submitted to the Minister for Justice for final approval.

The Evaluation Committee has agreed to work with the Department in a helpful and constructive way in order to deal with the significant number of applications on hand.

The Evaluation Committee comprises key officials from the Department of Justice, the Department of Finance, the Department of Foreign Affairs, Enterprise Ireland and IDA Ireland who have appropriate corporate expertise in this area.

My project has been approved, will I be able to complete the project?

In closing the Programme, the Government committed to an orderly winding down of the Programme and the management of the closure in a way that is fair to all.

The closure of the Programme will not affect existing projects or individuals already approved under the programme. Where investor applications for approved projects are on hand the IIP unit will endeavour to speed up the processing of those applications in an orderly manner.

It is ultimately a matter for the project owner / sponsor to ensure delivery on an approved project within the timeframe set out in its business plan. The Department will however continue to monitor all projects going forward for delivery and compliance with IIP requirements.

Where a project is approved all individual investor applications associated with that project will be examined and approved in due course subject to meeting the IIP criteria as published and immigration requirements.

My application in relation to a project was submitted prior to the closure of the Programme, what are the next steps?

Applications in this category will be prioritised for processing, given the length of time that has elapsed.

When processing these applications the IIP Unit, where required, will engage with applicants or their agent in relation to any gaps or additional information required in relation to their application before a final decision is made.

There is no need for you to contact the IIP unit in relation to your application, they will contact you or your agent if it is required.

My project has already been approved, but I submitted an application, prior to closure of the programme, seeking further investment to offset rising construction costs. Will this application(s) for additional investment be considered?

The closure of the Programme will not affect existing projects or individual applicants already approved under the programme. Projects may proceed based on approved applications.

A small number of approved projects submitted requests for additional funding for their project, prior to closing of the programme, to offset rising inflation / constructions costs with no changes being made to the business plan.

These applications for additional funding, subject to continuing to meet the IIP criteria, will be allowed to proceed to the Evaluation Committee for consideration and will be determined, based on the criteria previously agreed for dealing with such requests.

This process will only be allowed for approved projects which submitted a request for additional funding prior to the closing date of the programme. No other such requests from projects for additional funding will be brought to the Evaluation Committee.

Any project, not already approved by the closing date of the programme, which, in the future, requires additional funding to offset inflation / rising construction costs etc. will need to source other means of investment outside of that provided by the IIP.

My project has already been approved, but I have submitted an application seeking further investment with an amendment to my approved business plan. Will my existing approved project be affected and will my application(s) for additional investment be considered?

The closure of the Programme will not affect existing projects or individuals already approved under the programme. Projects may proceed based on the Business Plan as previously approved by the Minister.

Any approved project requesting additional funding for new elements to a project, which are outside of the previously approved business plan, will be refused.

Any such requests would require a complete re-evaluation of all matters relating to the previously approved project and would be considered as a brand new application. Therefore, and especially since the Programme is now closed, and to be fair to all other projects and applicants, requests of this nature will not be considered for examination and will be refused.

I submitted a project application within the allowed timeframe of the closure of the Programme but I haven't sourced any investor yet. What are the next steps?

The Immigrant Investor Programme is fundamentally a programme for investors, not for the projects. In order for an application to be accepted as meeting the IIP criteria it must have at least one investor and an associated project business plan in order to be considered as an eligible application.

Any project application that is without an investor is therefore invalid and will be refused on that basis.

While, subject to certain conditions being met, investors are allowed to transfer between projects, they are only allowed to do so if the other project already has an investor attached to it. Any attempt to transfer an investor to another project that does not already have an investor associated with it will not be allowed and will be refused.

I submitted a project application within the allowed timeframe of the closure of the Programme but I require planning permission. Will my application be allowed to proceed?

Where evidence has been included that a planning application has been made and a result awaited, these projects will be permitted a reasonable amount of time to obtain planning permission, on the basis that everything else with regards to the project is in order.

The IIP Unit will engage with the project owner/proposers of these projects to agree a timeframe for planning to be obtained.

Can I make an IIP application in relation to one of the Investment Funds approved under the IIP?

A number of investment funds approved and regulated by the Central Bank are also approved under the IIP. An agreed fund target size and deadline for receipt of applications has been agreed with the managers of these funds.

I submitted an application for the IIP however due to the time taken to process the application my financial situation has changed. Can I still proceed with my application?

An immigration permission is only granted where the investor has invested the agreed funds to the approved project that their application was associated with.

Where the funds are not invested no Immigration permission will be granted.

As a project proposer I submitted several applications for the IIP however due to the time taken to process the applications the proposed investors are no longer willing to invest. What options are open to me?

Where there are no investors willing to invest in a project at the time of decision on the application that application would not meet the IIP criteria as set out and therefore the application will be refused.

It may be open to you to seek transfer of an investor who has been previously approved and whose project is now not proceeding.

While, subject to certain conditions being met, investors are allowed to transfer between projects, they are only allowed to do so if the other project already has an investor attached to it. Any attempt to transfer an investor to another project that does not already have an investor associated with it will not be allowed and will be refused.

Will the closure of the programme affect the Immigration Status of IIP (investors/ endowment giver) applicants who have been approved and have completed their investment?

No, the applicant's immigration permission remains valid and will be renewable in the normal manner subject to the applicant meeting the requirements of the IIP.

I have received a pre-approval letter and have yet to complete my investment within the prescribed 90 days. Can I still complete my investment and secure a residency permission?

Yes, it is open to you to complete your investment within the 90 days. An approval letter will issue once evidence of the investment is submitted to the IIP unit.

It should be noted that no extensions will be granted to the 90 day period.

I have received a pre-approval letter, the 90 days investment period has lapsed and I have not yet completed my investment. Can I still complete my investment and secure a residency permission?

No, if you have not completed your investment within the required 90 day period, and this period has not been extended, you are no longer eligible for permission under the IIP.