

# COMPARATIVE STUDY ON CITIZENSHIP BY INVESTMENT: EXAMPLE OF TURKEY<sup>(\*)</sup>

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## ABSTRACT

Migration has been an endemic phenomenon throughout human history. If their progression among the priorities of the political agenda of Developed countries seems inexorable, their progression among the priorities of political philosophy is on the other hand slower. The idea of citizenship, that is to say the right to belong to the city, to participate in decisions relating to the political community made up of each of the individuals who compose it, is at the heart of this conception. This article will explore citizenship by investment as one of the most recent and most controversial mode of all. With Turkey as an example, a comparative study on how different countries offer their citizenship by investment or provision of special financial assets through the procedure of naturalization, will be established.

**Keywords:** Citizenship by Investment (CBI), Modes of Citizenship, Financial, Asset, Naturalization, Migration.

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## YATIRIM YOLU İLE VATANDAŞLIK ÜZERİNE KARŞILAŞTIRMALI BİR ARAŞTIRMA: TÜRKİYE ÖRNEĞİ

### ÖZ

Göç, insanlık tarihi boyunca endemik bir olgu olmuştur. Gelişmiş ülkelerin siyasi gündeminin öncelikleri arasında ilerlemeleri amansız görünüyorsa, siyaset felsefesinin öncelikleri arasında ilerlemeleri daha yavaştır. Vatandaşlık fikri, yani şehre ait olma, onu oluşturan bireylerin her birinden oluşan siyasi topluluğa ilişkin kararlara katılma hakkı bu anlayışın merkezinde yer alır. Bu makale, yatırım yoluyla vatandaşlığı, en yeni ve en tartışmalı modlardan biri olarak inceleyecektir. Örnek olarak Türkiye ile, farklı ülkelerin vatandaşlıklarını yatırım yoluyla veya özel finansal varlıkların vatandaşlığa kabul prosedürü yoluyla nasıl sundukları konusunda karşılaştırmalı bir çalışma oluşturulacaktır.

**Anahtar Kelimeler:** Yatırım Yoluyla Vatandaşlık (CBI), Vatandaşlık Şekilleri, Finansal Varlık, Vatandaşlığa Alma, Göç.

## I. INTRODUCTION

The requirements that different states impose on foreign residents who wish to acquire nationality are indeed very diverse. Mainly, because some states have very different political cultures, national histories and moral conceptions of themselves. However, there are four main criteria that can nevertheless be distinguished on the basis of which practically all States base their decisions.<sup>1</sup> These are the length of residence, language proficiency, dual nationality and civic or cultural knowledge.

In Western Europe, the minimum length of residence before foreigners can apply for nationality varies from three years (in Belgium) to twelve (in Switzerland), with an average of seven years. Some states, notably Italy and Austria, also provide significantly shorter periods of residence for nationals of other European countries (four years instead of ten) and others similarly require shorter periods of residence for nationals of other European countries applicants from countries with which they are culturally or historically linked. Proficiency in the language of the place of residence is a very common condition, although it is not universal and the level of proficiency required, or the rigor with which it is tested, varies from country to country. However, basic knowledge seems essential in order to allow participation in the labor market and in civil society. As for dual nationality, it is officially tolerated in some countries and prohibited in others. In Europe for example, The UK is probably the country with the most liberal attitude towards newly naturalized people who wish to retain their original nationality, while Germany is, conversely, the least tolerant country. Finally, citizenship exams also come in a variety of forms, ranging from factual questions on basic civic knowledge to a more in-depth assessment of candidates' attitudes towards the culture and values of their new society, or even an assessment of their personal beliefs.

The naturalization procedures of various states are made even more complex due to the multitude of exemptions, restrictions and special privileges they reserve for the different categories of migrants who wish to acquire nationality. There are different arguments on the reasons to allow citizenship by naturalization procedure. In this article however we will discuss the economic argument which support the idea of providing citizenships to foreigners who are ready to invest in the countries they want to reside or acquire citizenship

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<sup>1</sup> Herman R. Van Gunsteren, "Admission to Citizenship", *Ethics*, vol. 98, no 4, 1988, p. 736-737.

from. After exploring the economic argument of naturalization, we will establish a comparative study on granting citizenship by investment with focus of Turkey.

## II. THE ECONOMIC ARGUMENT OF NATURALIZATION

This argument lies on the economic contribution of migrants and argues that citizenship should be granted to foreign residents, because they make a significant economic contribution to their new society. The argument is of a conditional nature: citizenship is offered in return for a certain contribution. It is not granted because migrants actually produce international trade that a significant part of a country's economic wealth is produced abroad but rather as a reward for the work they do or for the effort involved in this work. The contribution argument appeals to the standard of reciprocity, a standard that appears intuitively fair and that meets with considerable popular appeal.<sup>2</sup>

The argument is further empirically plausible, since migrants are, for the most part, able, willing and determined to work (although most of them have, of course, no choice but to do so.). Low-skilled migrants often take low-paid jobs that locals are reluctant to do or do so-called "3D" jobs - disagreeable, difficult and dangerous. As for highly qualified migrants, such as doctors or business leaders, they bring considerable benefits to their countries of destination. Once established in their new society, some migrants start their businesses, thereby creating wealth and jobs. The contribution argument asserts that due to these various economic activities, it should be made easier for economically active migrants to acquire citizenship rights.

One of the main merits of the contribution argument is that it fits well with the attitudes and activities of migrants as well as with those of citizens. It nevertheless raises several issues.<sup>3</sup> An obvious objection to this argument is that if the contribution of foreign residents is of an economic nature, the notion of reciprocity only requires that they be granted rights of an economic nature the right to social benefits or to an education for their children for ex-

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<sup>2</sup> White Stuart, *The Civic Minimum: On the Rights and Obligations of Economic Citizenship*, Oxford University Press, Oxford, 2003, chap. 4.

<sup>3</sup> Carens. J. H., "Membership and Morality: Admission to Citizenship in Liberal Democratic States", in Rogers Brubaker (ed.), *Immigration and the Politics of Citizenship in Europe and North America*, Lanham, University Press of America, 1989, p. 31-49.

ample, and not all the rights attached to citizenship.<sup>4</sup> The right to vote, for example, should not be acquired that way. This objection, however, seems more apparent than real. It is the political debate that determines the nature and extent of different economic rights and it seems unfair, by denying them political rights, to deny foreign residents the opportunity to participate in the discussion on economic rights that they can claim. To put it simply, the people who contribute to the pool should have a say in how it is supposed to be used for their benefit.

A more serious problem is that not everyone contributes. Children of migrants do not contribute (although most of them will contribute in the future), as do retired migrants (although most of them have done so at least in their country of origin) and those who are severely disabled. This is not, however, an objection to the argument, as it suffices to state that only those from whom a contribution can reasonably be expected should provide one. One must also be careful not to adopt a too narrowly economic conception of the notion of contribution.<sup>5</sup> Parents who are not in paid employment make an essential social contribution by educating children who will normally become productive members of society. The same applies to migrants who work voluntarily in neighborhood associations or in support groups for their compatriots. A more problematic case is that of migrants who choose not to work or who do not engage in any meaningful activity, but who enjoy social benefits to which they are entitled as residents. The principle of contribution, however, implies that a penalty should be imposed on any person, whether citizen or foreign resident, who chooses not to make a productive contribution. The problem of asymmetries of treatment which affects the notion of contribution makes it difficult to see how an argument based on this notion could enjoy a public justification.

The last problem with the contribution argument is that it seems overly restrictive, as citizenship is not primarily an economic concept. However, many rights and obligations of citizenship can and have an economic dimension. They are about access to goods and resources, or what one has to do to gain that access. But citizenship is also a status; the rights and obligations that constitute it indicate the position of citizens in a given state and distinguish them

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<sup>4</sup> White, *The Civic Minimum: On the Rights and Obligations of Economic Citizenship*, 2003.

<sup>5</sup> White, *The Civic Minimum: On the Rights and Obligations of Economic Citizenship*, 2003, Chap. 5.

from those who do not occupy the same position. Citizenship is therefore also a question of inclusion: one is a member of that state, regardless of whether one was born there or whether one was naturalized there, regardless of whether is still living there.

### III. ACQUISITION OF CITIZENSHIP BY FOREIGN INVESTORS

Economic citizenship, passport purchase, golden passports or citizenship for sale are expressions often used to refer to programs allowing wealthy foreigners and often their families to obtain a second nationality in exchange for a monetary contribution to the economy of the country.

The possibility of buying a passport first developed in the Caribbean, the oldest active program being that of Saint Kitts and Nevis which was developed in 1984. At present, about fifteen countries actively offer naturalization programs by investment. Nationality is now a US \$ 25 billion global industry and is the main source of income for some states. Unfortunately, most foreign passport holders do not even set foot in the country, so these programs are increasingly challenged from an economic point of view.<sup>6</sup>

What is the advantage of having a second passport? Contrary to popular belief, it is not the possibility of traveling to a large number of countries without a visa, but rather the security or more precisely the peace of mind in relation to certain uncertainties of life and the future, especially under the geopolitical angle. The second passport will thus constitute, for example, a tool of protection against the risks of persecution, policies, wars and more recently against health risks (epidemics, etc.). It could thus be an alternative to political asylum also offering the protection of an effective rule of law far from conflicts.<sup>7</sup>

In addition, these golden passports sometimes provide access to a better standard of living, better education for children and a better health and pension system.

Some people see the purchase of a passport as a betrayal; According to them, nationality is not a common commodity that can be cashed in. Internal

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<sup>6</sup> Shachar Ayalet, "The Marketization of Citizenship in an Age of Restrictionism." **Ethics & International Affairs** 32, no. 1 (2018), p. 3-13.

<sup>7</sup> Thorup Mikkel, "Top six reasons why you need a second passport", **International Strategies for the Global Minded**, 2020, available: <https://www.escapeartist.com/blog/why-you-need-a-second-passport/08/11/2021>.

pressure from the populations is therefore sometimes strong to abolish these preferential regimes, especially if they do not really benefit the local economy and cause an artificial surge in property prices (rents and acquisition).<sup>8</sup>

Also, in theory, a long process of financial and criminal verification is put in place to obtain a citizenship title. But these procedures are sometimes not very transparent and undeniably lead to the question of acquiring a second citizenship through dirty money, especially from corruption or tax evasion. Several scandals, notably in Cyprus, Malta and Bulgaria have splashed the passport purchase programs in recent years so that the authorities now provide for the possibility of withdrawing nationality in proven cases of fraud or money laundering.<sup>9</sup> However, economic citizenship still has a bright future ahead: Portugal, for example, introduced a new citizenship by investment program last January, a “green visa”,<sup>10</sup> which seeks to attract foreign investment in organic farming, the ecotourism, renewable energy or other environmental projects.

In this section we are going to see how such citizenship is acquired in different countries or region of the world.

### A. European Union

Citizenship by investment programs enables individuals to gain a new citizenship after providing investment to the countries they are applying to. Currently, Bulgaria, Cyprus and Malta apply programs allowing investors to acquire the nationality of these countries under less strict conditions than those provided for by ordinary naturalization regimes.<sup>11</sup> No physical residence requirement or real link is required within these Member States before acquiring citizenship.

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<sup>8</sup> Shachar, Ayalet, *The Marketization of Citizenship in an Age of Restrictionism*, 2018.

<sup>9</sup> IMF, “Citizen for Sale”, **Finance & Development**, June 2021, <https://www.imf.org/external/pubs/ft/fandd/2021/06/pdf/citizenship-for-sale-fernando-pampolina-sykes.pdf> (08.11.2021).

<sup>10</sup> X, “Portugal Not Only Refuses to Abolish the Golden Visa Scheme But Also Expands it with ‘Green Visas’”, January 14, 2019, online at <https://www.schengenvisainfo.com/news/portugal-not-only-refuses-to-abolish-the-golden-visa-scheme-but-also-expands-it-with-green-visas/> (12.10.2021).

<sup>11</sup> European Commission, “Investor Citizenship and Residence Schemes in the European Union”, Brussels, 23.1.2019, p. 4 [https://ec.europa.eu/info/sites/default/files/com\\_2019\\_12\\_final\\_report.pdf](https://ec.europa.eu/info/sites/default/files/com_2019_12_final_report.pdf) (14.10. 2021).

Since a Member State's decision to grant nationality in exchange for investments automatically conferring rights with regard to other Member States, the report drawn up by the Commission is of common interest to the whole of the European Union. The nationalized investor is in fact granted free movement as well as free access to the internal market of the EU for the purpose of performing commercial transactions, as well as the right to elections whether by voting or presenting a candidacy in the European and local elections. Consequently, CBI programs are often promoted as a shortcut to acquire the citizenship of the EU and all other privileges connected to it.

The EU Commission report acknowledged various issues concerning CBIs: with regard to security, the controls to which applicants are exposed are not adequately rigorous and the centralized information systems specific to the EU, such as the *Schengen Information (SIS)*, are not used as methodically as they have to be. In addition, reinforced controls ("vigilance measures") are necessary to guarantee the correct application of the rules on the fight against money laundering. With regard to tax fraud, it would be a question of ensuring that people do not benefit from these programs such as advantaged tax rules.<sup>12</sup>

The report identified the absence of transparency in the way these programs are managed, including the figure of received applications, rejected or successful ones and the countries from which the applicants come from. In addition, Member States do not disclose or share to other members any information regarding the persons applying for these programs.

Although the requirements over which citizenship is granted, are regulated by each Member state domestic laws, they still have to comply with the European Union law. The principles defined in international law framework impose the presence of a "genuine link" between the applicants and the state or its subjects.<sup>13</sup> Since having a citizenship of one EU member state is a prerequisite for Union nationality and access to all privileges available in the Treaties, the EU Commission has duties to report on programs regarding granting national citizenship to investors in the EU Member States. The issue of providing

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<sup>12</sup> European Commission, *Investor Citizenship and Residence Schemes in the European Union*, 2019, p. 6.

<sup>13</sup> Sloane Robert, "Breaking the Genuine Link: The Contemporary International Legal Regulation of Nationality", *Harvard International Law Journal*, vol. 50, Winter 2009, p. 1.



residence permits to foreign investors is not governed by the EU, it remains a subject of national laws.<sup>14</sup> Nevertheless, the Union law controls the entry requirements for some groups of other nationals outside the EU.

## B. Africa

In many African states, like in all other countries on other continents, nationality laws stand between two fundamental principles: *jus soli* (the right of soil), under which persons get the right to the nationality of a country because they were born in its territory, and *jus sanguinis* (right of blood), under the terms of which nationality is based on descent, that is to say arises from the fact of being a child of parents who themselves possess or have possessed the nationality in question. Apart from the above two concepts linked to birth, two other criteria can determine nationality for adults: marital status (getting the spouse's nationality), and residing within the borders of a country for a certain period of time. Few African states explicitly provide for a right to citizenship. In all African States only South Africa and Ethiopia provide in their constitutions that a child born or found in their territories, have a right to citizenship; while a small number of other countries recognize this right in parts of their legislation.<sup>15</sup>

No African country has yet officially positioned itself in a market of citizenship by investment that, over the past decade, has generated between \$ 20 billion and \$ 25 billion in direct investment. But the arrival of the Corona Virus pandemic has accelerated thinking among some, such as Mauritius who, on 28th October 2020, announced the creation of a premium visa for those who can telecommute away from home.

In Africa, apart from Mauritius and the Seychelles, few states can capitalize on their passports. To do this, it must be attractive, or "powerful" as the term used by the British firm Henley & Partners, which has published its world passport ranking every year since 2006, established according to the number of countries those passports authorize to visit without a visa. African countries are still few in number for the moment to take such a step, because the vast

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<sup>14</sup> European Commission, "Evaluation according to European Commission's regulatory fitness and performance (REFIT) programme", [https://ec.europa.eu/home-affairs/what-we-do/policies/legalmigration/fitness-check\\_en](https://ec.europa.eu/home-affairs/what-we-do/policies/legalmigration/fitness-check_en) (15.10.2021).

<sup>15</sup> Manby Bronwen, *Les lois sur la nationalité en Afrique: Une étude comparée*, Open Society Institute, New York, 2009, p. 2-3.

majority of passports issued in Africa are far from being master keys and because countries like Ethiopia and Egypt even occupy the end of the ranking of powerful passports established by Henley & Partners, along with Yemen, Syria and Iraq.<sup>16</sup>

### C. Latin America and the Caribbean States

The year 1810 constitutes an important anniversary in Latin American history: for many of the countries in the region, it marks the bicentenary of the birth of national states, following the cycle started in the north by the United States and later by Haiti.<sup>17</sup> It is true that proper independence was not declared that year, and that 1810 was rather the beginning of a process which was to lead, a few years later, to the condition of sovereign countries, detached from the European countries.

Economically, there were no reasons to seek unity. There was certainly trade between the new countries, following the colonial heritage. But it was trade with England, which dominated the world economy and was not interested in making territorial conquests in Latin America, that was most important in the new stage.<sup>18</sup> Each country also hoped to receive foreign investment to stimulate its growth. Thus, when the construction of the railways began, the layout of the tracks was oriented more towards export ports than to link with neighboring countries. In this perspective, countries with many ports, especially, island countries gained more popularity in terms of tourism and foreign investments.<sup>19</sup>

The program of “citizenship by investment” was inaugurated in 1984 by the authorities of Saint Kitts and Nevis to finance the revival of the local sugar sector, then flourished in the micro-island states of the Caribbean, where they helped finance the development of tourism, as well as in small European countries in need of liquidity. Citizenship by investment plays a major role in the

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<sup>16</sup> Henley & Partners, “Passport Index”, 2020, <https://www.henleyglobal.com/passport-index> (15.10. 2021).

<sup>17</sup> Tharoor Ishaan, “Haiti’s fate is intertwined with the U.S.”, **The Washington Post**, 8 July 2021. <https://www.washingtonpost.com/world/2021/07/08/haiti-fate-america/> (25.10.2021).

<sup>18</sup> Rory Miller, “British Investment in Latin America, 1850-1950 A Reappraisal”, *ITINERARIO*, vol. 19, 1995, p. 21-52.

<sup>19</sup> Craigwell, R., *Foreign Direct Investment and Employment in the English- and Dutch-speaking Caribbean Port of Spain*, International Labour Office, 2006, p. 3-4.

development of the countries that adopted it. For example, in Dominica, US \$ 13 million of foreign direct investment (FDI) was received in 2018, 44.9% less than in 2017. After Hurricane Maria, which generated damages valued at US \$ 1.3 billion, the income from the Citizenship by Investment Program helped in the reconstruction.<sup>20</sup>

In the Organization of Eastern Caribbean States (OECS) (made up of *Antigua and Barbuda, Dominica, Grenada, Saint Kitts and Nevis, Saint Vincent and the Grenadines and Saint Lucia*), Citizenship by Investment Programs have been important in attracting investment towards projects approved by the Government and allow the financing of tourism and real estate development activities. Among the OECS countries, Saint Vincent and the Grenadines is the only one that does not have the Citizenship by Investment Program.<sup>21</sup> For the rest of South American countries, citizenship by investment is not popular as it is in the Caribbean microstates. The reason might be that the crime rate is too high and few migrants prefer moving to other countries than in these countries.<sup>22</sup>

#### D. Turkey

Turkey is among the countries that offer a citizenship by investment program.<sup>23</sup> The Turkish passport is particularly coveted by citizens of emerging countries as it will allow them to travel more easily: it allows visitors to visit more than 110 countries without a visa or with a visa on arrival.<sup>24</sup> The acquisition of Turkish nationality by investment is provided for in article 12 of the Law number 5901<sup>25</sup> on Turkish nationality dated 29.05.2009 (the "Law") and the conditions have been laid down, as a first step, in the Implementing Regula-

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<sup>20</sup> Report by the Government of the Commonwealth of Dominica, "Post-Disaster Needs Assessment Hurricane Maria", November 15, 2017, p. 26, <https://reliefweb.int/sites/reliefweb.int/files/resources/dominica-pdna-maria.pdf> (25.10.2021).

<sup>21</sup> Addington Coppin, "Trade and Investment in the Caribbean Basin Since the CBI." *Social and Economic Studies*, vol. 41, no. 1, 1992, p. 21-43.

<sup>22</sup> Jaitman Laura-Machin Stephen, "Crime and violence in Latin America and the Caribbean: towards evidence-based policies", *CentrePiece Winter* 2015/16, p. 2-5.

<sup>23</sup> Gürhan, Ö. Belgin, "L'acquisition De La Nationalité Turque Par Investissement", Village de la Justice, 12 November 2019, <https://www.village-justice.com/articles/acquisition-nationalite-turque-par-investissement,32901.html> (15.10.2021).

<sup>24</sup> Henley & Partners, "Passport Index", 2021, <https://www.henleyglobal.com/passport-index> (15.10.2021).

<sup>25</sup> 29.05.2009 kabul tarihli, 12.06.2009 tarih ve 27256 sayılı R.G.'de yayımlanan 5901 Sayılı Türk Vatandaşlığı Kanunu.

tions of the Law on Turkish Nationality entered into force by decision of the Council of Ministers numbered 2010/139 and dated 11.02.2010 (the “Implementing Regulations”). Then, these conditions were considerably relaxed by the recent changes dated September 19, 2018<sup>26</sup>. The purpose of this easing is to attract more talented persons and investments to Turkey.

There are several possibilities for obtaining Turkish citizenship by investment (a). However, the preferred route for foreigners to obtain Turkish citizenship is through real estate investment (b).

### 1. The Different Possibilities of Obtaining Turkish Nationality by Investment

The Law numbered 5901 on Turkish nationality dated 29.05.2009 provides in its article 12.1 the exceptional situations of acquisition of Turkish nationality: “Under the condition that there is no risk for national security and public order, foreigners specified below can acquire Turkish citizenship by decision of the President of the Republic:

- a. *Persons creating industrial establishments in Turkey or rendering or capable of rendering a service of a scientific, technological, economic, social, sporting, cultural or artistic nature and for whom a reasoned proposal has been made by the relevant Ministry.*
- b. *People with a residence permit in accordance with article 31.1.j of Law number 6458 on Foreigners and International Protection dated 04.04.2013 and foreigners holding the turquoise card, their foreign spouses and their minor children as well as the minor children of the spouse.*
- c. *People for whom the acquisition of Turkish citizenship seems compulsory*
- d. *People who are considered to be refugees.*

The acquisition of Turkish citizenship by investment falls under the provision of article 12.1.b of the above Law. Thus, article 20 of the Implementing Regulations relating to this form of acquisition of Turkish citizenship has been amended several times in order to make this route more attractive. The last amendment dates from September 19, 2018; the required conditions have been relaxed as the investment thresholds have been significantly lowered.

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<sup>26</sup> 18.09.2018 tarih ve 106 sayılı Cumhurbaşkanlığı Kararı ile yürürlüğe konulması kararlaştırılan Türk Vatandaşlığı Kanununun Uygulanmasına İlişkin Yönetmelikte Değişiklik Yapılmasına Dair Yönetmelik.

There are six possibilities to obtain Turkish citizenship as part of citizenship by investment:

- The purchase of a property not less than \$ 250,000 with a ban on transfer for 3 years,
- The deposit of \$ 500,000 in a Turkish bank for 3 years,
- The investment of \$ 500,000 in government bonds for 3 years,
- The investment of \$ 500,000 in fixed capital,
- The provision of 50 jobs in Turkey.
- Purchasing a real estate investment fund participation share or venture capital investment fund participation of at least 500.000 US Dollars or equivalent in foreign currency or equivalent Turkish Lira<sup>27</sup>

## **2. Obtaining Turkish Citizenship by Investing in Real Estate**

Obtaining Turkish citizenship through real estate investment requires the property to have a minimum value of \$ 250,000 or its equivalent in Turkish lira. Before the 2018 reform, this amount was \$ 500,000. The lowering of the financial threshold has made it possible to attract many more foreign investors interested in Turkish citizenship, especially since the Turkish currency has lost a lot of value in recent years.

The investment can relate to a single real estate or several real estates, the total amount of which must be equivalent to at least 250,000 dollars. The purchase must be made after the entry into force of the new thresholds, i.e., September 18, 2018. Otherwise, the old threshold will apply.

The procedure for obtaining Turkish citizenship by investment consists of five stages:

- Obtaining a valuation report for the property,
- Obtaining a certificate of conformity,
- Application for a residence permit,
- Registration of an address,

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<sup>27</sup> 18.09.2018 tarih ve 106 sayılı Cumhurbaşkanlığı Kararı.

- Application for Turkish nationality.

Following general instructions published by the Directorate General of Cadaster and the Land Register linked to the Ministry of the Environment and Urban Planning which entered into force on March 4, 2019, the property valuation report is mandatory when foreigners are involved in the sale of real estate, whether they are buying or selling. The candidate for Turkish citizenship must, once having obtained the valuation report indicating a value of at least equal to \$ 250,000 for the property in question, obtain a certificate from the Department of Services for Foreigners of the General Directorate of Cadaster and the Land Register. The candidate for Turkish citizenship at this stage needs to apply for residence permit. Once the residence permit has been obtained, the person concerned must register their home address with the competent civil status authority. Once the residence permit has been obtained and the domicile address in Turkey has been registered, the candidate for Turkish nationality can submit his request for this purpose to the competent provincial authority, which will send the file to the General Directorate of Nationality and Civil Status under the Ministry of the Interior.

What is the difference between programs that grant citizenship by investment? To answer this question, we need to examine three things: the price, whether the candidate for this citizenship has to stay in the country she/he is applying for citizenship or not and for how long, and other conditions attached to where you invest and its changing status, as well as to how long you stayed in the country.

Some countries have more conditions than others. As we have mentioned above for example, you have to establish a residence in Turkey to acquire its nationality when you are a foreign investor at least during the first three years. However, other countries like Dominica used to offer nationality without having to live there. Other countries like United States, Canada, New Zealand and Australia offer a number of options to allow immigrants to obtain citizenship after a long period of living in those countries or an elite residence.<sup>28</sup>

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<sup>28</sup> Millington Alison, "23 countries where money can buy you a second passport or 'elite residency'", *Business Insider*, Dec 27, 2018, <https://www.businessinsider.com/countries-where-you-can-buy-citizenship-residency-or-passport-2018-9?r=US&IR=T> (19.10.2021).

#### IV. CONCLUSION

Citizenship by investment is the process of obtaining a second citizenship and passport by investing in the economy of the host country. It is important to differentiate between citizenship and passport, these two terms are often mistakenly confused. Legally, citizenship represents an individual's relationship with a state. It is associated with a number of rights and obligations, while a passport is a travel document. For some, a second citizenship is a protection from persecution, an alternative to political asylum, safety for children, or even a solution in a region torn by conflict. Among the benefits of obtaining citizenship by investment, the most common reason is not the ability to travel visa-free, as one might think, but rather the security and peace of mind from all uncertainties behind the future. In Turkey, a second citizenship obtained by investment once gained levels with all other gained Turkish citizenships regardless of the acquisition modes.

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