
Welcome Note – 11th Global Residence and Citizenship Conference, Hong Kong

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Full Text of Speech by Dr. Christian H. Kälin
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When we launched the first conference on residence on citizenship, more than 10 years ago here in Hong Kong, this was thought to be a crazy idea by many. We did not find a conference organizer who would do it without paying them upfront. Nobody believed that it makes sense to create a conference to focus on investment migration.

Over the last five years, however, this changed completely. Several conference organizers have realized that this industry has become important and that the market demands more events. This autumn, over the course of September, October, and November, we see an unprecedented activity, with more than three events per week, particularly concentrated in Asia: Shanghai, Beijing, Hong Kong, Bangkok, but also in Abu Dhabi, Dubai, and London.

Yet today, the main annual conference of Henley & Partners is still the most important such event in the world, attracting the largest number of attendees and the most relevant speakers and topics. Meanwhile our conference is managed entirely in-house by our own events team, and in itself is a profitable and successful undertaking. For this I would like to extend a special thank you specifically to our events team!

Meanwhile, citizenship as well as residence have also become economic goods with which both states and investors improve their competitiveness. A clear evidence for this is the high demand for citizenship and residence by investment programs, or what is commonly referred to as investment migration programs.

We have recently seen a further significant expansion of that sector, including enhanced residence programs in Thailand and Ireland, adjustments in legislation such as in Slovenia and Moldova, or in the Caribbean where now also St Lucia has established itself well in the citizenship-by-investment field, and St Kitts and Nevis has significantly improved its competitiveness in several ways, while Antigua and Barbuda decided to become very aggressive in its pricing.

In Europe, of course, EU member states, by granting citizenship also confer EU citizenship, which provides an interesting opportunity for European states to benefit from well-run investment migration programs.

As an interesting example, in a bit more than two years since the launch and full operation of Malta's new citizenship program the government has received some 1200 applications. This number relative to the large number of naturalisations throughout the EU represents the inclusion of a few, in many ways ideal new EU citizens. But those 1200 applications will also result in well over 1.5 billion euros in foreign direct investment for Malta. In an 8.5 billion euro economy this represents a significant inflow of capital for the country.

We are grateful to have the Prime Minister of Malta again speaking at our conference tomorrow. You will be able to hear first-hand about the policy and vision for the future of Malta, and how the Malta Government, not least through its Individual Investor Program, establishes important connections with key investors around the world, and how such global investors can contribute to and participate in the future success of the country.

Particularly in light of occasional criticism in Europe regarding investment migration programs, it is useful also to keep a reasonable perspective. From a practical impact point of view, it is important to compare the number of naturalisations which occur under typical citizenship-by-investment programs, such as the one in Malta, with the number of other grants of citizenship status.

In Europe, in 2010, the last year for which such figures are available, the EU Member States granted citizenship to a total of over 810,000 persons: yes, 810,000!

If we also consider the few other countries in the European Union which currently have citizenship-by-investment provisions such as Austria, Cyprus, Slovakia, Croatia or Slovenia, and if we round up the total to an estimated say 600 applications per year, this is in stark contrast to the over 800,000 persons naturalised in Europe every year. In fact, less than 0.01% of naturalisations in Europe are attributable to citizenship-by-investment.

These 0.01% however represent ideal EU citizens as they all meet, or rather exceed, the requirements that the EU sets internally for EU citizens to avail themselves of the freedom of movement. Citizenship-by-investment in Europe creates extremely few additional citizens, who are, however, all highly qualified. The same is of course true in other parts of the world.

The number of citizens admitted under such programs is entirely negligible and does not pose a real issue, legal or otherwise, regardless of the position one takes from a political point of view.

On the contrary, it actually connects global citizens and global capital with individual countries in a new, and better way than traditional foreign direct investment. If you have residence status or even citizenship status in the country you have invested in, there is no doubt that the connection established between investors and countries are closer, and of a different quality, than otherwise. It benefits both individual investors and the countries they invest in.

For another kind of connection, the all-important human connection, and how this relates to global citizenship and the future of human interaction globally, we have invited a special speaker tonight.

I am very happy to introduce to you Michael Virardi. Michael is a best-selling author and world-renowned speaker. He has worked with some of the world's largest companies and has written two best-selling books entitled "Positive Impact" and "Crisis? Let's Beat It". He is currently working on a third book, revolving around the topic of presentation and communication skills. He spoke at TED and his 2016 "The Circle of Trust" speech at the 5th HR Minds Forum in Berlin was voted the best of the entire conference.

So we are very pleased to welcome Michael Virardi.