



Rob Wainwright
Director of EUROPOL

Brussels, 18 November 2014

Dear Rob,

Last week at LIBE Committee you noted that I was alerting to the risks of importing organized crime via the so called "Golden Visas" schemes that several EU Member States have been putting in place and you promised to find out more about it.

I now bring to your attention the judicial investigation going on in my country, Portugal, into suspected corruption linked to the granting of so-called "golden visa" residence permits, which has led to the resignation of the Home Affairs Minister. In 60 raids across the country on Thursday 13th of October, 200 police officers detained 11 people, including the head of the Border Agency (Serviço de Estrangeiros e Fronteiras – SEF), the president of the Registration and Notary Institute (Instituto dos Registos e do Notariado), the Secretary General of the Justice ministry. Eight others, including businessmen and three Chinese nationals, were also detained. All are suspected of crimes of corruption, money-laundering, influence-peddling and embezzlement. The unprecedented detention of high-ranking officials, including a top police authority in border control and immigration, also raises the possibility of a breach in EU security. I note further that a team of the Portuguese Intelligence Services (SIS) was caught "cleaning" the operative system of the president of the Registration and Notary Institute, to thwart the criminal police investigation.

The Portuguese government introduced the "Golden visa" legislation in 2012. Until October 2014, the scheme attracted about 1 billion EUR in investment, overwhelmingly directed to the real estate sector, and benefitted more than 1600 investors/foreign residents (plus their relatives able to get also residence permit via family reunification), all entitled to apply for Portuguese nationality after 5 years and only 35 days in total of presence in the country. According to official information published on the website of the Ministry of Foreign Affairs (MFA), until 9 October 2014, 1563 visas were granted for the acquisition of real estate, 83 for the transfer of capital and 3 for the creation of companies with at least 10 employees.

Golden visa residency schemes and nationality sale schemes are being used by EU countries as a low-cost investment incentive. According to the Schengen *acquis*, holders of this kind of visas can also use them to travel in the 25 remaining European Schengen countries.



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Last March, a Chinese resident granted with "golden visa" was arrested in Portugal for being the subject of an international arrest warrant for fraud in China. Now the current wave of arrests of civil servants and other people suggesting that a criminal network infiltrated the Portuguese state to exploit the Golden Visa scheme, confirms serious weaknesses in the process of granting such residence permits, threatening the integrity of the Portuguese financial system and national and European security.

The European Commission argues that it is Portugal's responsibility to conduct the investigation of corruption of cases related to the Golden Residence Permit/Golden Visa allocation, since the entry conditions and residence of third-country nationals is within the remit of Member States.

This specific case, however - along with all other schemes of residence authorization and nationality sale in force in other Member States - reveals that the weaknesses and risks created by this system interfere in sectors regulated by European rules that the European authorities must safeguard, such as the integrity of the Schengen Information System and the Anti-Money Laundering Directive. I point out that the Portuguese Government, invoking data privacy rights, has refused to provide the list of Golden Visas beneficiaries to me. Apart from the risks of corruption and money laundering, I note that nothing suggests that anyone in the system is checking whether it is being abused by politically exposed persons from all over the world - see attached my correspondence with Portuguese authorities. I urge you to specifically inquire the Portuguese authorities on this.

I would be also grateful if you could provide me with any data Europol may have pointing to the possibility that the Golden Visa scheme, aside from encouraging corruption in EU Member States, also offers a platform for the infiltration of organized crime within the Schengen area.

Best regards,

Ana Gomes
Member of the European Parliament