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Golden passports: Infringement procedures against Cyprus and Malta the right move

Lucinda Pearson · Tuesday, October 20th, 2020

Transparency International welcomes the European Commission's decision to launch infringement procedures against Cyprus and Malta over apparent breaches of Union law. The move follows multiple scandals surrounding the sale of citizenship to suspicious individuals as well revelations of corruption in the governance of the schemes in both countries.

"This is exactly the kind of decisive action we have been calling for," said Laure Brillaud, Senior Anti-Money Laundering Policy Officer at Transparency International EU. "There is overwhelming evidence that the golden visa schemes of Cyprus and Malta have been serving corrupt interests, not the common good. For years, the governments of both countries have ignored public outrage. The European Commission's decision means they could find themselves in the European Court of Justice, unless both countries take swift action to end the abuse."

Despite repeated warnings, Cyprus and Malta have been for years granting citizenship to individuals without ensuring a genuine connection to their countries, breaching their obligation of sincere cooperation between EU Member States, the Commission has explained. In doing so, they have been taking risks for the EU as a whole with no consideration for the security and integrity of the Union.

Last week, after an Al Jazeera undercover investigation implicated high-level politicians in corruption related to the scheme, the [government of Cyprus announced](#) it would suspend its passports scheme but there are questions as to whether it will be axed permanently.

In Malta, a former high-level public official was arrested last month over an alleged kickback related to the scheme. Misconduct was first revealed and reported on by Daphne Caruana Galizia as early as in 2017 – just a few months before she was murdered by a car bomb.

Cyprus and Malta are not the only countries where EU citizenship can be bought. The European Commission also wrote to the Bulgarian government today, highlighting their concerns around the country's existing scheme. Transparency International calls on the European Commission to examine the legality of all schemes that offer an indirect route to EU citizenship, including that of Portugal. Wealthy investors can also obtain citizenship from Austria.

"We are hopeful that the infringement procedures will be complemented by the urgent and necessary EU-wide reform," said Brillaud. "Heeding the calls from the European Parliament, the European Commission should present a plan for phasing out the golden visa schemes, as the next step."

This entry was posted on Tuesday, October 20th, 2020 at 11:56 am