



AN ROINN DLÍ AGUS CIRT AGUS COMHIONANNAIS  
DEPARTMENT OF JUSTICE AND EQUALITY

**Public Consultation on a Review of Ireland's Immigration  
Policy for non-EEA retirees who wish to retire to Ireland**

## **Background to the Consultation**

Over a number of years a steady stream of applications has been received from retired persons seeking to come and live in Ireland. In 2015 over 100 new applications were received and a further 150 renewals of permission were processed in respect of previously approved applications.

In order to bring greater clarity and consistency to the area and to take account of some of the economic issues involved, [guidance](#) was published on the website of the Irish Naturalisation and Immigration Service (INIS) in March 2015.

The requirements set out therein have been perceived by some as a change of policy or a hardening of Ireland's attitude. In reality it is neither, but rather the introduction of some clarity to potential applicants for a migration channel that previously had few if any guidelines for decision-makers or applicants.

It is acknowledged that retirement planning is not something that takes place overnight and that there are people who had aspired to retire to Ireland and for whom the guidance set out in March 2015 represented an obstacle that was unanticipated and created some difficulties for applicants.

Against this backdrop, the Irish Naturalisation and Immigration Service (INIS) has conducted a review of the existing guidance for non-EEA retirees, setting out the key issues for consideration and the policy choices to be made with the aim of striking the appropriate balance between the aspirations of prospective retirees and the interests of the State.

INIS has elaborated a number of recommendations on foot of this review and these are set out in this document. The Tánaiste and Minister for Justice and Equality is seeking the views of stakeholders on the changes proposed with a view to finalising revised guidance and requirements later this year.

## **Scope of the Guidelines**

This guidance is for *non-EEA* retirees who wish to retire to Ireland and focuses on those retired persons who are seeking permission to live in Ireland *without* family sponsorship and are taking responsibility for their own upkeep. Such people may have relatives in the State but they are not acting as a sponsor. The Department's Guidelines on Family Reunification would apply to the immigration of persons to Ireland on the basis of their relationship with a family member in the State.

Similarly, it is assumed that the persons seeking to come to Ireland as retirees do not qualify for Irish citizenship through birth and do not meet the threshold for an avenue such as Ireland's Immigrant Investor Programme ([IIP](#)), which has no age conditions attached. This option remains open to qualifying applicants. It is also important to make a distinction between residence and extended tourism. A tourist coming to Ireland could stay for 90 days at a time and could have multiple visits. Therefore the possibility of having a second home in

Ireland and coming here for short durations remains open and is not affected by guidelines for non-EEA retirees.

### **Current Guidelines**

The current guidelines for non-EEA nationals seeking to retire in Ireland state that permission may only be granted in situations where applicants can demonstrate that they are not and will not become a burden on the State.

The applicant must be able to show sufficient financial resources. For instance, the applicant must have:

- Annual income of equal to €50,000.
- Savings equal to the cost of buying a home in Ireland.
- Comprehensive private Irish-based medical insurance.

If the applicant meets the conditions above, an immigration permission is issued. This is a low level immigration permission that allows a person to remain lawfully in Ireland for a specific, temporary and limited purpose although there is no maximum duration for such permissions and they are capable of being renewed annually. The permission does not confer a right to engage in employment or to run a business and has the condition that the holder does not receive state benefits.

### **Situation in other Jurisdictions/Options for Irish Retirees**

As part of the consideration of this issue, it is reasonable to look at the question of reciprocity and the options that might be open to Irish retirees seeking to live abroad. Within the EU there are clearly rights of free movement and many Irish people have availed of these Treaty Rights in retiring to other Member States. On the other hand, should an Irish citizen wish to retire, for example, to the United States, Canada or Australia, this is not generally possible as there is no retirement visa programme in those jurisdictions. However, these countries do allow wealthy retired people to apply for an investor visa. This requires considerable investment in business. New Zealand does offer a temporary retirement visa but this also requires significant investment along with evidence of good health.

Comparing the Irish rules with the practice in other EU Member States, the picture is mixed. The UK will permit non-EEA persons who can demonstrate a close connection to the UK and an annual disposable income of a minimum of £25,000 (€33K) to apply for a retirement visa. France and Portugal grant visas to retired non-EEA persons provided they can demonstrate sufficient resources. Such persons are covered by public health insurance in France and are entitled to apply for long term residency and citizenship in both countries in due course. Spain appears to grant an investment visa which requires considerable investment in schemes approved by its Economic Ministry. Only 24 such visas have been granted in the last three years. Spain requires such persons to maintain private health insurance and allows for an application for long term residency or citizenship in due course.

## Policy Considerations

It is acknowledged that any policy analysis in this area may appear somewhat impersonal given that we are talking about people's lives. However, such an approach is necessary given the reality that one of the primary policy considerations is an economic one and that any costs to the exchequer of pursuing this policy are in competition with other demands for public services. Retirement is unlikely to be a spur of the moment decision and many people engage in financial planning through pensions and otherwise many years in advance. The location for that retirement may also be the subject of long term planning and emotional investment. This last consideration is likely to arise particularly where the prospective retiree has a special connection with the country to which they propose to migrate.

At the same time a *desire* to live in Ireland does not confer a *right* to do so and the State has no responsibility to deliver on the aspirations of potential retirees. All sovereign countries have a right and duty to control immigration and to apply policies that reflect what the State determines to be the appropriate balance of interests.

The mere fact that a person has sufficient income to maintain themselves is not in itself a justification for being granted immigration permission. Many jurisdictions, including Ireland, operate targeted immigration schemes, for example to attract significant investment to the State or to address a shortage in the labour market. The policy arguments that underpin such targeted immigration schemes clearly do not apply to any great extent to prospective retirees.

On one side of the financial equation the person coming to Ireland will, as a consumer of goods, services and accommodation, contribute to the local economy. Against that, persons wishing to retire here have spent their working lives paying taxes and contributing to the economy of another country. They may face extremely high medical costs in their retirement sometimes quite significantly higher than Ireland if they choose to remain in their home countries. The taxation system for foreign pensions is also complex and, in some cases, persons residing in Ireland and in receipt of a pension from abroad may be taxable in that country rather than in Ireland.

A central issue therefore, is the potential financial liability to the Irish State in respect of elderly retirees on relatively modest incomes who wish to come here to live. It is an indisputable fact that as people get older they are far more likely to need medical treatment. Statistically the living costs increase as people get older. Work done in INIS in 2011-2 indicated that a person aged 55 could potentially support themselves on just under €25,000 a year but this doubled by the time they reached 80. Of particular concern would be the potential cost and availability of nursing home care. This is not covered by private health insurance and can be expected to amount to around €1,000 per week. In the worst case scenarios of a person who becomes unable to care for themselves, the costs to the State could therefore be considerable, particularly as this cohort is unlikely to have close family support in Ireland.

Under the existing arrangements and the guidance issued in March 2015, retirees are regarded as an essentially homogenous group. The same policy applies irrespective of the age of the applicant, their state of health, or the region of the country in which they propose to reside. It is considered that some attention needs to be paid to these issues both in terms of the policy and any decision making on individual cases. In particular, the burden on the State for medical care for elderly retirees including the question of how private health cover operates (e.g. pre-existing medical conditions not covered, the extent of cover provided by some lower priced health insurance products, etc.) needs further analysis.

Once a person is admitted to the State as an elderly retiree, it has to be acknowledged that that decision is likely to be permanent as long as that person remains law abiding. This reality has been a factor in setting the bar relatively high in financial terms.

#### *Source Countries for Applications*

A significant number (70%) of those who have availed of this immigration route in the past have been US nationals with, in some cases, Irish ancestry. There is an argument for seeing American retirement to Ireland in a broader context. It is acknowledged that there is a unique relationship between Ireland and the United States and the Irish American community has been hugely influential both in its contribution to the US and in ensuring that Ireland has an influence disproportionate to its size. These relationships are extremely important. Many Irish people live in the United States and large numbers of US tourists visit Ireland every year, with figures for 2015 setting a new record at over 1.3m. This is in addition to the social and cultural benefits that are derived from having people in our midst who have different life experiences.

Immigration systems cannot, however, express a preference for one nationality over another, unless this is based on some form of reciprocal agreement between the Governments of the two countries. A good example of this is a Working Holiday Agreement, where each party agrees to admit a quota of the other's nationals under certain conditions. Since there are no such agreements governing retirees and Irish citizens do not have access to non-Investor retirement migration to the United States, no case can be made on that basis. Therefore, if a retirement channel remains open it must be open to all nationalities including those which are visa required.

#### **Conclusions and Recommendations for a Revised Scheme**

While it is clear that there is not, in financial terms, a strong cost benefit rationale for operating a retirement immigration channel, it is acknowledged that a scheme is already in existence and is availed of in the main by nationals of a country with which Ireland has long enjoyed a special relationship.

The arguments in favour of offering retirement options in the Irish immigration system are social and cultural rather than financial. There is, in particular, a value in offering avenues to the Irish diaspora to retire to Ireland and this, of course, includes the diaspora in the United

States. However, outside of the diaspora, or people with a particularly strong alternative connection with Ireland, a retirement pathway to Ireland cannot really be justified.

The current one size fits all approach should be tailored to take account of age and state of health

It is proposed, therefore, that the current informal retirement scheme be retained but in a substantially altered manner and on a more formal footing. The following would be the key elements of the recommended scheme:

1. The scheme should be limited to applicants who can demonstrate a close connection to Ireland. A person should outline, on affidavit, their links to this country when applying. This should include an outline of their connection to Ireland through ancestry, involvement in Irish Community activities and any travel and visits undertaken to Ireland. Claimed ancestry must be accompanied by genealogical evidence. The closer the connection with Ireland the more weight it will carry in any assessment. It should be noted that having a son or daughter naturalised as an Irish citizen does not qualify. In such cases the Policy document on family reunification would address the issue.
2. Applicants should be in good health for their age and be certified as such by their doctor in their home country. This would form part of the supporting documentation with their application.
3. Age limits should also apply. The minimum age for retirement to Ireland should be 60 and the upper limit should be 75. In the case of a couple, the lower age limit would not necessarily apply to a spouse or partner provided that the other retiree met the requirements of the scheme.
4. Pre-clearance should be mandatory whether or not the applicant is visa required. Applications from within the country should no longer be accepted;
5. A structured, web-based, application form should be introduced to ensure that all relevant information is submitted for consideration in a consistent and comprehensive manner.
6. An application fee related to the administrative cost of the scheme should be introduced.
7. Net earnings (after all taxes due here or in the person's country of origin) of €40,000 per annum should be the minimum requirement for a single applicant or a net earning of €60,000 per annum in the case of a couple applying as joint applicants; [This represents a significant reduction in the previous levels, but needs to be enough to secure a person's accommodation and other needs]. Net earnings should be

sustainable into the future in retirement. A person with current net earnings from employment clearly cannot rely on this income when they have retired.

8. A lump sum of a minimum of €100,000 on deposit or net assets (which may include real estate property) certified to be at that level must be demonstrated. Where a couple are joint applicants the total minimum net assets would be €150,000.
9. Some trade off will be permitted between net assets and net income. A person with an income below that required but with a capital sum that exceeds the minimum could reasonably use surplus capital to supplement their income. Conversely a person with earnings over the threshold could, over time, build up their capital reserves.
10. Comprehensive private health insurance negotiable in the Irish health sector should be demonstrated and maintained
11. No entitlement to family reunification would apply. It would be expected that a retiree would be accompanied by their spouse or partner only at the time of retirement and that the spouse or partner would be treated also as a retiree. No other person will be allowed to accompany the retiree.
12. The immigration Stamp 0 should be maintained for the first 5 years of residence with annual renewal. The person could be entitled to apply for an upgraded residence status to Stamp 3 after five years. This does open the possibility that the person could become an Irish citizen at some point in the future.
13. Consideration should be given to applying an annual quota system with applications considered on a first come first served basis. If this were to be done the quota figure should not be more than double the current level of new applications (i.e. 200 per year).
14. Applicants currently in the system should have the option of availing of the current or proposed new iterations of the retirement channel, whichever is most favourable to them.
15. Persons who do not meet these requirements but who, prior to the publication of the new arrangements, can demonstrate that they took irrevocable steps in pursuit of their plan to move to Ireland (e.g. bought a property in this country) should have their cases considered on their merits

A table setting out how these proposed changes compare to the guidance published in March 2015 is set out in Appendix 1.

## **Submissions to the Review**

Submissions are invited in respect of the proposals as outlined. If you are making a submission, please state whether the views expressed are personal or are being made on behalf of an organisation. If the views of an organisation are being submitted it should be made clear which organisation is being represented.

Submissions may be emailed to [retireesreview@justice.ie](mailto:retireesreview@justice.ie) or may be posted to

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Immigration Policy  
Room 501(5<sup>th</sup> Floor)  
Irish Naturalisation and Immigration Service  
13-14 Burgh Quay  
Dublin 2  
D02 XK70

Please note that submissions received are subject to the Freedom of Information Act 2014 and may be published on the Department's website.

**The closing date for receipt of submissions is Monday 31 October 2016**



### Appendix 1 – Summary Changes

<b>Condition</b>	<b>Current Arrangements</b>	<b>Proposed</b>
<b>Net Annual Income Requirement</b>	€50,000 p.a. €100,000 p.a. for a couple	€40,000 p.a. €60,000 for a couple
<b>Capital Requirement</b>	Savings equal to cost of buying a home (approx €200,000)	€100,000 €150,000 in case of a couple
<b>Age Criteria</b>	None	60 – 75 at application
<b>Quota</b>	none	200 per year
<b>Open to visa required nationals</b>	No	Yes
<b>Irish Connection required</b>	No	Yes
<b>Health Insurance Required</b>	Yes	Yes
<b>Health Check Before migrating</b>	No	Yes
<b>Apply from within State</b>	Yes	No (Preclearance to be introduced)
<b>Application Form</b>	No	Yes
<b>Fee</b>	No	Yes
<b>Immigration Stamp</b>	Stamp 0	Stamp 0 application for Stamp 3 possible after 5 years
<b>Entitlement to Family Reunification</b>	No	No