

**SPANISH RESIDENCE FOR FOREIGNERS  
LAW 14/2013, OF 27<sup>th</sup> SEPTEMBER**

The new Spanish law that grants residence to foreigners who invest in Spain has finally been approved as reflected in provisions 61 to 76 of Law 14/2013 of September 27<sup>th</sup>.

This section of the Law does not apply to citizens of countries members of the European Union or to those foreigners who benefit from right of free travel and residency in the EU.

To apply for the residence permit/visa the following requirements must be fulfilled:

The applicant must:

- Not be staying unofficially in Spanish territory
- Be 18 years of age
- Lack criminal/police records in Spain or in any other countries of residence for a period of five years prior to the application as established under Spanish Law
- Not be considered as “cast out” in countries with which Spain has signed territorial space agreements
- Have public or private health insurance valid in Spanish territory
- Have sufficient economic resources to support him/herself and family members during the period of residence in Spain
- Pay the residence permit fee.

Spouses, under aged children or children over the age of 18, who due to health reasons are evidently not capable of taking care of themselves, are traveling with the applicant and conform to the conditions set above may apply for the permit at the same time as the principal applicant.

Once the visa/permit application is received by the Consulate or diplomatic office of Spain in the country of origin -where the application must be submitted- the Spanish Police will be requested to issue a report evaluating the risk of the applicant of being a threat to the security of the country. Upon receipt of such request, the Police have seven (7) days to issue said report and if they fail to do so within that period, a favourable response will be considered by default.

Due to economic interests, the Spanish Government will grant entrance and residence visas/permits to foreigners and non-EU residents as explained above and who fall into one of the following categories:

- Investors
- Entrepreneurs
- Highly qualified professionals
- Investigators
- Foreign employees that are transferred to a Spanish branch or a branch of the same company group in Spain.

**1. INVESTORS**

Required initial investment should be equal or greater than:

- a) 2,000,000 EUR in Spanish public debt



**CRUZ-CONDE  
& ASOCIADOS**  
abogados | lawyers

- b) 1,000,000 EUR in shares of Spanish companies
- c) 1,000,000 EUR in Spanish financial institutions<sup>1</sup>;
- d) 500,000 EUR in real estate in Spain, free of liens and encumbrances. The investment exceeding such amount may be subject to liens and/or encumbrances<sup>2</sup>;
- e) Development of a business project considered of general interest, fulfilling at least one of the following criteria:
  - creation of employment
  - investment with relevant social-economic impact
  - have relevant contribution to scientific innovation and/or technology<sup>3</sup>.

The residence visa for investors will have a validity of “at least” one year.

Requirements for the renewal of the residence permit/visa for the following period are:

- Have a valid residence visa, or file the application for the residence permit within the following 90 days of the expiration of the visa
- Having travelled to Spain at least once during the permit/visa’s validity period
- Give evidence that the investment in Spain has remained equal or has increased over the original required amounts
- Comply with tax and social security obligations in Spain.

## **2. ENTREPRENEURS AND BUSINESS PERSONS**

A foreigner can apply for a 1 year residence visa for Spain, when the only or main purpose is the development of an entrepreneurial or business activity.

The holders of these residence visas can apply for a residence permit for entrepreneurs without requesting a visa and without the need of a minimum previous stay in Spain, and can be proven that effective business activity had already been started for which the visa was applied for in the first place.

Those foreigners that request the entrance permit for Spain or that already have a valid visa or residence permit and are seeking to initiate, develop and manage entrepreneurial businesses in Spain, may be provided with a residence permit for a business activity.

Entrepreneurial or business activities are those with innovative strength, are of special economic interest to Spain and must be positively evaluated on the administration’s reports, for which the following criteria will be taken into account:

- Professional profile of the applicant
- Business plan, including market research, service or product and financing
- Added value to Spanish economy

---

<sup>1</sup> The application for the visa under paragraphs a, b, and c, must be submitted within 60 days following the initial investment and duly proving records.

<sup>2</sup> The application for the visa under paragraph d is not subject to time limitations.

<sup>3</sup> The application for the visa under paragraph e must be submitted once a favourable report from the relevant government body is issued certifying that the necessary requirements have been met.



**CRUZ-CONDE  
& ASOCIADOS**  
abogados | lawyers

### **3. HIGHLY QUALIFIED PROFESSIONALS**

Residence visas will be granted to managers or highly qualified professionals, provided that the applying company fulfils one of the following conditions:

- Have an average of or above 250 employees in Spain during the previous 3 months to the application
- Have an annual net turnover in Spain over 50 million euros, or equity above 43 million euros
- Have a gross annual foreign investment in Spain, equal or higher than 1 million euros per year, for 3 years prior to submitting the application
- Have a value above 3 million EUR in stock investment, according to the Foreign Investment Registry of the Ministry of Economy
- Any companies of any sector which can be considered “strategic”.

Likewise, residence visas will be granted to managers or highly qualified professionals of companies considered of “general interest”, which significantly increase the creation of new jobs and fulfil the following criteria:

- Maintain the number of job posts
- Significantly increase the creation of new jobs in the sector or geographical area in which their activities will be developed
- Make an extraordinary investment with relevant socio-economic impact in the geographical area in which their activities will be developed
- Are of interest to Spanish commercial and investment policies
- Contribute significantly to scientific and/or technological innovation.

Residence visas will be granted to graduates and postgraduates professionals from renowned universities and business schools.

### **4. RESEARCHERS**

Residence visas will be granted to foreigners for research, development and innovation, as well as for education, which will be subject to certain technical formalities.

### **5. EXPATS**

Residence visas will be granted to foreigners due to intra-company re-location provided the following criteria are met:

- Can prove the existence of a real business activity developed in Spain
- Hold University or equivalent degrees or have three years of working experience
- Can prove a working relationship with the company or any company within the same group for at least 3 months previous to the application
- Must reproduce the documents that prove the transference to the Spanish branch.

*Mauro Cruz-Conde*

**CRUZ-CONDE & ASOCIADOS**