

Start-up Entrepreneur Programme

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Guidelines



AN ROINN DLÍ AGUS CIRT AGUS ATHCHÓIRITHE DLÍ
DEPARTMENT OF JUSTICE AND LAW REFORM

Irish Naturalisation and Immigration Service



Application for Start-up Entrepreneur Programme

Start-up Entrepreneur Programme

Guidelines

1. Introduction

- a) The purpose of the Start-up Entrepreneur Programme is to enable non-EEA nationals and their families who commit to a high potential start up business in Ireland to acquire a secure residency status in Ireland. The Programme was established by the Irish Government in 2012 to stimulate productive investment in Ireland and to offer residency in Ireland with its associated advantages to dynamic business professionals with a proven record of success.
- b) A non-EEA national may apply for residency status as an individual, or he/she may also apply for residency status for themselves and their spouse/ partner and children under the age of 18. Where family members are granted residency under the Start-up Entrepreneur Programme, as long as the applicant fulfils the criteria for residence status under the Programme, that status will automatically be maintained on their spouse/partner and minor children living in Ireland.
- c) These Guidelines detail the terms for conferring, maintaining and were necessary withdrawing residency status in relation to non-EEA nationals and their families legally residing within the State on the basis of a residency permission granted by the Minister for Justice and Equality under the terms of this Start-up Entrepreneur Programme.



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2 . Why start up in Ireland?

Ireland is probably the most open economy in the developed world. Being open means Ireland benefits from the boom in world trade; equally it means it must adapt quickly to changing market conditions. Foreign Direct Investment (FDI) is not new to Ireland. The national drive to encourage overseas companies to locate here began back in the middle of the 20th century. Today, success is measured by Ireland's continuing ability to attract cutting-edge Foreign Direct Investment as US, European and Asia-Pacific countries demonstrate their growing confidence in locating their overseas business here. Almost 1,000 companies – including many of the best-known world brands – have placed Ireland at the hub of their European networks because of the combination of winning factors Ireland offers. Overseas business and entrepreneurs from abroad find a welcome home in Ireland.

Foreign Direct Investment is central to Ireland's future prosperity. Ireland's strong pro-business environment results in Ireland being ranked first in the 2009 Global Innovation Survey, for Foreign Direct Investment, and in the Doing Business 2010 Report Ireland is ranked seventh globally as the best place in the world to do business. Ireland's favourable tax regime and financial support systems for research and development underline the Government's determination to continually enhance the country's attractiveness to overseas companies.

Talent

Ireland is a small country that has re-invented itself over the last forty years through the combined force of sheer determination and growing, vibrant ambition. Its young, highly educated workforce has seized the opportunity provided by Foreign Direct Investment and continues to transform Ireland into a dynamic, knowledge based economy for the 21st century.

Track Record

The 2008-2012 Business Environment Ranking of the Economist Intelligence Unit placed Ireland 11th globally out of 82 countries, naming it as one of the most attractive business locations in the world. Furthermore, Forbes 2011 named Ireland as the best country in Europe in which to do business.

Tax Regime

The key features of Ireland's Tax Regime

- Corporate tax rate of 12.5% for active business.
- 25% Research & Development (R&D) Tax Credit which may be refundable over a three year period.



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- An Intellectual Property (IP) regime which provides a tax write-off for broadly defined IP acquisitions.

Ireland's Tax Regime also offers:

- An attractive holding company regime, including participation exemption from capital gains tax on disposals of shares in subsidiaries.
- An effective zero tax rate for foreign dividends (12.5% tax rate on qualifying foreign dividends, with flexible onshore pooling of foreign tax credits).
- An EU-approved stable tax regime, with access to extensive treaty network and EU Directives.
- Generous domestic law withholding tax exemptions.

These features all go to make Ireland one of the top global business locations.

[Note: The Start-up Entrepreneur Programme contains no special provisions regarding taxation. Such matters are governed by the existing tax laws and treaties].

Enterprise Ireland (EI) is the government organisation responsible for the development and growth of Irish enterprises in world markets. E.I. work in partnership with enterprises located in Ireland to help them start, grow, innovate and win export sales on global markets. In this way, E.I. supports sustainable economic growth, regional development and secure employment. You can find detailed information on Enterprise Ireland's activities in support of high potential start-ups at

www.enterprise-ireland.com/en/Start-a-Business-in-Ireland/Startups-from-Outside-Ireland/



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3. What Residency Permission is available to successful applicants under the Start-up Entrepreneur Programme

Successful applicants and their nominated family members will be granted residence in Ireland for two years which will be renewable for a further three years. After 5 years residence, participants under the programme will be eligible for long term residence in the State. Where required the applicant will be granted a multiple entry visa for Ireland for the same duration. This will allow successful candidates to reside in Ireland and to travel freely to Ireland for the duration of the permission. The conditions of residence and the conditions for renewal are detailed below.

[Note: This Programme does not provide for Irish citizenship for successful candidates. Persons granted residence under the Start-up Entrepreneur Programme may apply for Irish citizenship under the terms of the Irish Nationality and Citizenship Acts and will be assessed according to the criteria provided for in those Acts.]

Who will qualify for residency under the Start-up Entrepreneur Programme

The Start-up Entrepreneur Programme provides that migrants with a proposal for a high potential start-up in the innovation economy and funding of €50,000 can be given residency in this State for the purposes of developing their business. No initial job creation targets will be set as it is recognised that such businesses can take some time to get off the ground.

Note: Where a proposal has more than one principal, (other than family members), seeking to avail of this programme then the first principal will be required to demonstrate access to €50,000 funding while second and subsequent principals will be required to demonstrate access to €30,000 each.

The intention of the programme is to support high potential start-ups.

Who will not qualify for residency under the Start-up Entrepreneur Programme.

The scheme is not intended for retail, personal services, catering or other businesses of this nature. While each application will have to be considered on its merits the sort of business intended for this programme are those that are part of the innovation economy, in areas of high potential growth in the future. The State agencies will play a key role in evaluating the suitability of proposed business proposals for the programme.

A High Potential Start-Up (HPSU) is defined as a start-up venture that is:

- Introducing a new or innovative product or service to international markets.
- Capable of creating 10 jobs in Ireland and realising €1 million in sales within three to four years of starting up.



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- Led by an experienced management team.
- Headquartered and controlled in Ireland.
- Less than six years old.

Applicants are required to have secured funding of €50,000 for their business proposal.



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4. Application and Evaluation Process

Stage one – Application for Investment and Immigration approval

In the application stage candidates will submit their application forms and all supporting documentation as well as the required details of **their** enterprise proposals for approval by the Evaluation Committee. The Evaluation Committee will consider the proposal and may seek further information from the candidate if required. It should be noted that the Evaluation Committee will only communicate with the candidate and their nominated legal or financial representative.

The Evaluation Committee will decide and inform the Minister for Justice and Equality as to whether or not the person and their proposal is acceptable under the programme.

N.B. It should be noted that merely meeting the financial condition set out above does not guarantee approval. The Committee must be satisfied that the proposal is genuinely innovative and has significant export potential.

The Start-up Entrepreneur Programme is intended to facilitate High Potential Start-up proposals. Applications that centre on small or medium enterprises in domestically orientated business areas such as retail or hospitality are not appropriate for this programme.

Application Fee

An application fee of **€350**, Postal Order or Bankers Draft drawn on an Irish Financial Institution only, made payable to **Secretary General of the Department of Justice & Equality** must be submitted with each application. The **€350** fee covers the principal applicant and all nominated family members. Application fees are non-refundable in the event of unsuccessful applications.

Note: Candidates should only submit applications for high potential start-up businesses.

Stage two – Issue of Residence Permission

Applicants who are successful and whose business proposals are approved will be issued with the residence permissions when the following conditions have been met

1. The required funding has been transferred to a financial institution regulated by the Central Bank of Ireland.
2. The applicant, and if relevant their spouse/partner, has submitted the required affidavit attesting to their good character and lack of criminal convictions. Applicants will be facilitated with an Irish visa, if required, to pursue this affidavit.



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5. Documentation and Evidence required to support the application

a) Documentation required to support investment proposal

- If the applicant is applying in respect of an existing business enterprise that is relocating to Ireland, the most recent audited accounts for that business should be submitted in support of the application.
- In all cases a comprehensive business plan for the innovation start-up proposal will be required for scrutiny by the Evaluation Committee. Business plans should be completed in the Sample Business Plan template available on Investment and Entrepreneur page of the INIS website.
- The business plan should indicate all locations for the Start-up proposal (i.e. Ireland and elsewhere) and how many employees will be located in each country.

Applicants will be required to submit the following evidence in support of their application

Evidence of funding of €50,000 or more

Applicants must have secured funding of a minimum of €50,000 from one or a combination of the following sources-

- Their own resources
- A business loan
- Business Angel/Venture Capital funding
- Grant from an Irish State Agency

The applicant must provide evidence of the funds that are to be used for the proposed start-up, the providence of those funds and the ability of the applicant to transfer those funds to Ireland. This should be done by;

If the funds are coming from the applicants own resources, then the applicant should supply;

A letter from a financial institution regulated by the Central Bank of Ireland showing the amount of funding available in the name of the applicant,

or

If the funds are not held in a financial institution regulated by the Central Bank of Ireland, personal bank statements from a bank that is regulated by the home regulator



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(official regulatory body for the country in which the financial institution operates and the funds are located), showing the amount of funding available in the name of the applicant. The applicant should provide bank statements, covering the three full consecutive months before the date of application. The most recent statement must be no more than one calendar month old at the date of application. All bank statements provided must be original documents and not copies, be on the official bank stationery and each must show the full amount of the available funds.

or

A letter from a bank that is regulated by the domestic regulator (official regulatory body for the country in which the financial institution operates and the funds are located). If the applicant cannot provide bank statements, we will require a letter from his/her bank, stating that the account has held the required amount of money on the day the letter was produced and for the three full consecutive months immediately before the date of the letter. The letter must be dated no more than one calendar month before the date of application. The letter must be an original letter and not a copy; on the institution's official headed paper; and it must have been issued by an authorised official of that institution. The letter must confirm the following:

- the name of the applicant, and that the money is available in their name/s;
- the bank is regulated by the home regulator;
- the dates of the period covered. This must include both the day the letter was produced and three full consecutive months immediately before the date of the letter; and
- the balance of the account to cover the amount claimed as a credit balance on the date of the letter and the three full consecutive months before the date of the letter.
- If the letter does not confirm a minimum sufficient credit balance for the full period required, the applicant must also provide further evidence of the source of the money, from the list below.

If the applicant has secured the financing by way of a business loan or business angel/venture capital financing

A letter from each financial institution, venture capital firm, seed funding competition, or Irish State Agency providing the funds, confirming –

1. the amount of funds committed to the enterprise project
2. that the applicant can use these funds for the proposed enterprise

A combination of funding from the above sources, amounting to the required level of €50,000 will be accepted by the Evaluation Committee as fulfilling the minimum funding requirement for the Start-up Entrepreneur Programme.



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Evidence that the money can be transferred

All of the funds required to meet the conditions of the Start-up Entrepreneur Programme must be capable of being transferred to Ireland and convertible to Euros. Many jurisdictions have controls over the transfer of currency and it will be necessary for the applicant to prove that the funding can be transferred to Ireland if the application is successful.

Applicants should provide a letter from their bank or financial institution as evidence that the funds can be transferred into Ireland. This must be an original letter, on the official letter-headed paper of the bank or financial institution. It must have been issued by an authorised official of that institution and must confirm the following details –

- the name of the beneficial owner of the funds, which should be the applicant,
- the date of the letter,
- the amount of money to be transferred,
- that the money can be transferred to Ireland if the application is successful,
- that the institution will confirm the content of the letter to the Irish Naturalisation and Immigration Service upon request.

The bank or financial institution must be regulated by the official regulatory body for the country in which the institution operates and the funds are located.

Evidence of Character

All applicants must submit their application with a statement of character from the police authorities of each country in which you have resided for more than six months during the 10 year period prior to you making an application. Applicants who are in a position to supply screening reports from reputable international risk management companies are invited to do so.

Where an applicant is successful in having their investment proposal approved they will be required to arrange for the submission of an affidavit attesting to their good character and affirming that they have no criminal convictions. This affidavit must be produced by a legal practitioner who is registered to practice law in Ireland. Residence permission will not be issued by INIS until this affidavit has been submitted. A false declaration will invalidate any permission granted under the programme. A similar affidavit will be required from all family members of 16 years of age or more who are availing of residence under this scheme. INIS will assist with the issue of visas, where required, for this purpose.



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Residency Permission available under the Start-up Entrepreneur Programme

- a) Applicants for the Start-up Entrepreneur Programme who have their investment proposals approved by the Evaluation Committee shall be invited to apply for Residency Permission under the Programme.
- b) Once the applicants have provided verifiable evidence that they have transferred the funds identified in their application for approval to a business bank account in Ireland, they will be granted the following residency permission in Ireland.
 - Permission to reside and work in Ireland for **two years**. Where an applicant is a visa required national they will be granted a multiple entry visa for the period of two years. This is to facilitate business related travel.
 - During this period beneficiaries must have private medical insurance and must not have recourse to public funds.
 - Spouses and minor children shall be allowed to accompany successful applicants.

Renewal of Residency Permission

Permission will be renewed thereafter subject to;

- The Start-up remaining in place thereafter for the designated period
- An assessment by the Evaluation Committee of the success or viability of the investment.
- The Candidates maintaining their good character.
- The candidates maintaining their private medical insurance and not having recourse to publicly funded welfare programmes.

On renewal, residency permission will be granted for **3 further years**.

Thereafter permission may be renewed in **5 year instalments**.

Naturalisation

The Start-up Entrepreneur Programme does not provide for preferential access to citizenship for successful applicants. Successful applicants are free to apply for citizenship in the normal manner under the provisions of the Irish Nationality and Citizenship Acts 1957-2004



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Eligible Family Members

Residency status, on similar terms, to the principal applicant is also available for spouses/partners and minor children (i.e. children under 18 years of age) for whom the principal applicant and/or their spouse or partner has legal guardianship.

- a) **Consideration of family relationships:** Where the person applying for residence status under the Start-up Entrepreneur Programme for themselves and their families the validity of the family relationships will be considered.

Spouses: Applicants should provide evidence that their marriage or civil partnership is legal.

Partners: Applicants should provide evidence that they have been cohabiting with their partner in a common law/de facto relationship for the previous two years.

Children: The minor children of the applicant shall qualify for residency status provided that the applicant qualifies for residency status and provided that;

- They are **legally** in the custody/guardianship of the applicant
- They are unmarried and are not in a de facto/common law relationship

In respect of each child, the applicant must supply birth certificates detailing parentage or legal documentation verifying the applicant's custody/guardianship.



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Withdrawal or loss of status

Residency status under the Start-up Entrepreneur Programme shall be withdrawn from the beneficiary and his/her family members in the following circumstances

- i) If the acquisition of the status was fraudulent
- ii) In the event of the holder being the subject of a deportation order,
- iii) In the event of the holder being convicted of a serious criminal offence.

It is recognised that Start-up ventures have a high rate of failure. In the event of the venture failing the immigration status of the participant will be reviewed and they will need to make application to remain in Ireland on another basis. This could include a further application under the entrepreneur programme or an application for an employment permit or green card. Such applications would be subject to any immigration rules in place at the time.

Rejection of Applications

The Decision of the Evaluation Committee on an application is final and a rejection of an application for residence under the Start-up Entrepreneur Programme shall not be subject to a review or appeal. That does not however prevent the person concerned from making a new application at a later date.

Where an application is rejected, the Irish Naturalisation and Immigration Service will communicate the reasons for that rejection in writing to the applicant.

Applications

Applications, including a copy of the original application form, should be submitted by email to investmentandstartup@justice.ie –

The Subject Bar should clearly identify the Name of the Applicant, Project Name and STEP Programme.

The Original Signed Application Form, 2x Colour photographs for the applicant and their nominated family members and a non-refundable Application Fee of €350 should be forwarded by Post to:

Investment and Start Up Entrepreneur Programmes

Irish Naturalisation and Immigration Service

13- 14 Burgh Quay

Dublin 2

D02 XK70.

Please note: Applications that do not include all of the relevant documents and the application fee cannot be considered and will be returned.

