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How to Become an EU Citizen: The Acquisition of Citizenship via Naturalization

In recent years, migration to Europe has become increasingly important. Since the migrant influx in Europe in 2015, integrating migrants has become an important issue in all European countries. In fact, the percentage of foreigners moving into European countries has been steadily increasing since the 90s. In 1990 there were about 48 million international migrants, but by 2019, more than 82 million international migrants were living in Europe—an increase of nearly 10 percent compared to 2015, when around 75 million migrants were counted—and this number is expected to rise further in the future. More than half of the international migrants, around 42 million, have immigrated from another European country. Their number has almost doubled from 27 million in 1990 to 40 million in 2015 (International Organization for Migration, 2020). Accordingly, the number of naturalizations in European countries has increased as well. Whereas in 2008 about 575,000 people were naturalized in the 28 European Union (EU) countries, the number rose to about 672,000 in 2018 (Eurostat 2020a).

Integrating migrants is thus a highly relevant topic for European countries, which react to migration flows in different ways and pursue different strategies. Legal regulations therefore differ from country to country. Generally, reforms to facilitate naturalization have been on the rise in recent years.

Most countries have special regulations governing the legal status of children born in a country whose parents are foreigners, people married to a country's citizen, or people having studied the language of the respective country, among others.¹ In this article, we will only focus on adult access to the naturalization process, meaning that we will discuss the naturalization process from the standpoint of those persons who are 18 years or older, who are not citizens of their country of residence, but who want to become naturalized citizens.

In the following sections, we will provide a descriptive overview of naturalization figures and conditions, focusing on EU15 countries and Poland as an example of Eastern Europe. We begin by looking at data regarding the total number of naturalizations,

¹ For more detailed information on the acquisition of citizenship at birth, please see: Saurer, J. (2017), "The Acquisition of Citizenship in the OECD Countries", ifo DICE Report 15 (2), 44–47.

ABSTRACT

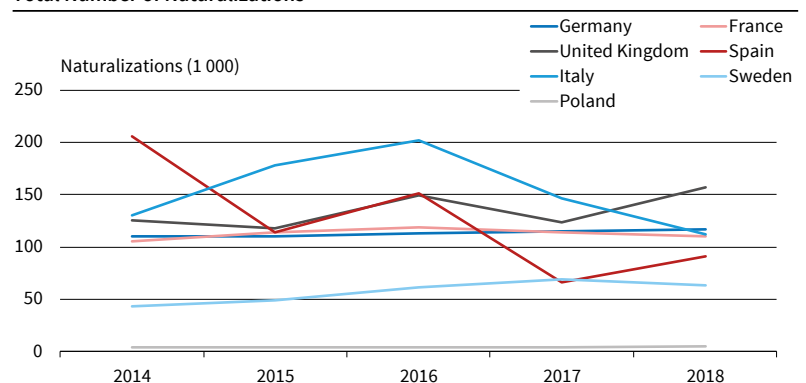
Migration to and within the European Union has led to a steadily rising number of foreign-born citizens living in EU member states. The naturalization of migrants therefore plays a prominent role in national integration policies. In this article we give an overview of key naturalization figures and facts in EU15 countries and Poland. We compare naturalization numbers and rates and describe the legal regulations for the acquisition of citizenship. We then discuss the controversial case of investor citizenship and conclude by providing evidence for the benefits of a facilitated access to citizenship.

the main countries of origin and the integration process by calculating the naturalization rate. Second, we focus on institutional differences across countries and the naturalization processes. To sum up, we will draw conclusion from our data, followed by some policy implications with respect to naturalizations.

TOTAL NUMBER OF NATURALIZATIONS

Figure 1 illustrates how the total number of naturalizations evolved between 2014 and 2018 in the selected countries. The average number of naturalizations for these years varies widely—from 3,700 annual naturalizations in Poland up to 205,900 natu-

Figure 1
Total Number of Naturalizations



Quelle: Eurostat (2020a).

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ralizations in Spain. However, when comparing naturalization numbers, the percentage of foreigners in each country's population as well as the total population also need to be considered (see further below).

For Germany, the number of naturalizations has remained nearly constant between 110,000 and 116,000 per year. This puts Germany in the middle of the ranking. Similarly, France's naturalization numbers have not shown strong variation and are similar to Germany's. Spain has experienced a sharp decline in naturalizations—by 43 percent between 2014 and 2018. We see an abrupt decline in the number of naturalizations in 2015 and again in 2017, whereas numbers increased slightly in 2016. This increase could have been the result of a law that went into effect in October 2015 and eased the path to citizenship for descendants of Jews who were forced to flee Spain. The Spanish government estimated at that point that about 90,000 people would apply for citizenship as soon as the new law went into effect. The subsequent sharp decline in 2017 was again followed by an increase in the number of naturalizations in 2018, which could be due to a political change. Pedro Sánchez of the social-democratic party PSOE replaced the previous Prime Minister Mariano Rajoy and his conservative Christian-democratic party PP in mid-2018. Shortly after the election, the new Prime Minister immediately announced a new Citizenship and Integration Plan and a fund to support immigrant integration.

In Italy, the number of naturalizations reached a peak in 2016 at 201,600 naturalizations, followed by a decline that fell below 2014 numbers. Since then, the number of naturalizations has continued to decline. During 2015, 2016 and 2017, Italy led with the

highest numbers of naturalizations among the selected countries. In 2018, with the country's lowest reported number for the observed period, Italy has about the same number of naturalizations as Germany and France, and only the United Kingdom exceeds this number. The peak in 2016 can be explained by amendments changing the Italian citizenship law that led to an easier naturalization process for children born in Italy to foreign parents, for foreign citizens who immigrated before the age of twelve and for people born in Italy and with uninterrupted residence until the age of 18.

The United Kingdom has one of the highest naturalization numbers in our comparison. Whereas the number of naturalizations in 2017 was lower than in 2016, in 2018, the number increased to its highest level ever. The rise in the number of naturalizations in 2018 may be result of Brexit, and this number is expected to increase.

The number of naturalizations in Sweden has continuously increased until 2017 and dropped slightly in 2018. With around 50,000 naturalizations per year, Sweden has a significantly lower number than most of the other reported countries. However, this is most likely not due to a stricter citizenship law, but rather to the comparatively low number of migrants entering the country.

As the only Eastern European country among the observed countries, Poland has always reported the lowest number of naturalizations. This might be surprising, since Poland has a rather lax citizenship law. People who want to acquire citizenship only need to live in Poland continuously for at least 3 years, whereas this period is significantly longer in other countries, e.g., in Germany, which requires 8 years of continuous residency. But similar to Sweden, the

Table 1
Naturalizations by Country of Origin

Country of destination	Country of origin 1	%	Country of origin 2	%	Country of origin 3	%
Austria	Bosnia and Herzegovina	11,0	Turkey	8,9	Serbia	6,7
Belgium	Marocco	13,4	Romania	6,1	Poland	4,2
Denmark	Sweden	6,5	Germany	5,9	Iceland	5,1
Finland	Russia	19,2	Somalia	9,3	Iraq	6,7
France	Marocco	14,0	Algeria	13,5	Tunisia	6,1
Germany	Turkey	14,3	United Kingdom	5,4	Poland	5,3
Greece	Albania	86,9	Ukraine	1,4	Russia	1,3
Ireland	Poland	17,8	Romania	10,0	United Kingdom	8,4
Italy	Albania	19,4	Morocco	13,8	Brazil	9,5
Luxembourg	Portugal	22,9	France	10,9	Montenegro	7,0
Netherlands	Morocco	10,8	Turkey	9,7	Stateless	0,8
Poland	Ukraine	54,7	Belarus	21,7	Russia	4,8
Portugal	Brazil	32,5	Cape Verde	17,1	Ukraine	8,2
Spain	Morocco	27,9	Bolivia	9,0	Ecuador	8,8
Sweden	Syria	16,6	Somalia	10,6	Statless	8,9
United Kingdom	India	9,6	Pakistan	7,5	Poland	6,1

Source: Eurostat (2020b); United Kingdom (2019).

influx of migrants into Poland is lower than in the other reported countries.

NATURALIZATIONS BY COUNTRIES OF ORIGIN

Table 1 shows the countries of origin of people being granted citizenships in EU15 countries and Poland. The table lists the three main countries of origin and shows the percentage they represent.

This table also shows that in some countries, naturalizations are concentrated on individuals from a few countries.

In Greece, for example, 86.9 percent of all citizenships granted via naturalization were granted to former Albanian citizens in 2018. In Poland, about half of the naturalized citizens were migrants from Ukraine, followed by migrants from Belarus at 21.7 percent. These two countries account for three-quarters of all naturalizations. In Portugal, nearly one third of newly naturalized citizens are of Brazilian origin (32.5), followed by 17.1 percent from Cape Verde. This is due to historical ties and a consequently facilitated access to Portuguese citizenship for descendants of Portuguese citizens who had migrated to the former colonies. In Spain, Moroccans account for 27.9 percent of all naturalized new citizens. Luxembourg mainly grants citizenship to Portuguese people (22.9), Finland to Russian people (19.2) and Germany to Turkish people (14.3). The reason for the last figure is the influx of guest workers in the 1960s and 1970s, which triggered ongoing family reunifications. No such pattern can be observed in Denmark, for example, where Swedes, Germans and Icelanders are the nationalities with the highest percentage of naturalizations, but who only account for about five to six percent of the naturalized citizens in those countries. In contrast, Sweden most commonly grants citizenship to refugees from Syria and Somalia and stateless persons and is the only country in our comparison to do so. This is probably explained by the fact that Sweden facilitates naturalization for those groups with a reduced minimum residence requirement of four years.

NATURALIZATION RATE

Given that the total number of naturalizations is influenced by the number of migrants, it is useful to consider the naturalization rate. The naturalization rate is the ratio between the number of persons who acquire the citizenship of a country and the number of foreign residents in the same country. The rate thus provides information on the relationship between migration and naturalization. This not only makes it easier to compare countries, as mentioned above, but also gives a clue to how migrants are integrated. Again, we observe the EU15 countries and Poland. Interestingly, even though Sweden has a low total number of naturalizations, they have the highest percentage at 3.26 percent, Finland posting 2.44 percent and Lux-

Table 2

Naturalization Rate

Country of Destination	Naturalisation Rate	Percentage
Austria	0,00543001	0,54
Belgium	0,018393748	1,84
Denmark	0,004006329	0,4
Finland	0,024409052	2,44
France	0,013167445	1,32
Germany	0,007846295	0,78
Greece	0,021306017	2,13
Ireland	0,009738137	0,97
Italy	0,017866485	1,79
Luxembourg	0,023912415	2,39
Netherlands	0,012116387	1,21
Poland	0,006722753	0,67
Portugal	0,022239759	2,22
Spain	0,013882022	1,39
Sweden	0,032644063	3,26
UK	0,016808285	1,68

Source: Eurostat (2020b), Eurostat (2020c), Office for National Statistics (2019), The World Bank Group (2020), United Kingdom (2019).

embourg reporting 2.39 percent follow. The countries with the lowest percentage are Austria at 0.54 and Denmark at 0.4, Germany has a rather low ratio with a rate of 0.78 percent. Differences in percentages may be due to different residency durations, different citizenship acquisition laws, as well as to dual citizenship regulations. We will discuss these later in the report.

ACQUISITION OF CITIZENSHIP VIA NATURALIZATION

The most common way to obtain citizenship for foreign-born adults is via ordinary naturalization, meaning that the primary requirement for acquiring citizenship is the length of residence in the country. The minimum required residence period in EU-15 countries and Poland ranges from three to ten years. The mean value is 6.4 years and a 5-year requirement is most common. However, differences regarding the continuity of residence and the residence status play a role.

Additionally, most countries demand language skills and/or country-specific knowledge in their citizenship laws. The only countries where no language skills requirement exists are Sweden and Ireland. In countries where a proof of language skills is a prerequisite for naturalization, the majority demand an intermediate level of the national language. In eight countries, acquiring citizenship is conditional upon passing an either written or oral citizenship test.

Becoming a citizen generally comes at a cost, and prices vary greatly throughout the countries we look at. Luxembourg does not charge anything to become a citizen, whereas Austria charges 1,000 EUR, with Ireland and the United Kingdom demanding the highest amounts for becoming a citizen.

Those who wish to become citizens also need to provide required documentation to be eligible to apply for citizenship. In many countries, foreigners seeking naturalization must provide evidence of no police or criminal record, must verify their identity and submit proof of financial self-sufficiency. Obtaining this documentation can represent an enormous obstacle to applicants since country-of-origin documentation is oftentimes difficult to obtain.

In general, documentation requirements in the Nordic states and northwest Europe are comparatively easy to meet, whereas southern European countries in particular, such as Austria, Luxembourg and Ireland, have established high standards of documentation requirements.

A similar trend can be observed regarding the transparency and objectivity of the citizenship acquisition procedure. Some countries follow a discretionary scheme in which local or regional authorities have a scope for interpretation to decide whether an applicant meets the requirements to be granted citizenship. In contrast, other countries implemented a more objective scheme in which citizenship is a legal entitlement that must be granted if all defined requirements are met. Again, southern European states tend to have a more discretionary procedure, whereas in northwest Europe procedures are more rights-based and transparent. Among the most discretionary requirements for naturalization is the economic resources requirement. The wording on official government websites listing naturalization requirements remains vague in many cases (Bauböck et al. 2013).

Acceptance of dual citizenships is the most striking trend in citizenship attribution across EU-15 countries.² Nowadays, only Germany, Austria, the Netherlands and Spain do not generally allow dual citizenship for first generation immigrants.

Some interesting observations can be made when taking both naturalization rates and national citizenship laws into account. Sweden has the highest naturalization rate and scores high in all aspects of citizenship accessibility, meaning that the residence time required is low, that neither a citizenship test nor a language test is required and that the costs are fairly low. Finland has the second-highest naturalization rate and is relatively liberal and offers inclusive regulations but demands knowledge of the local language. Both countries accept dual citizenship.

At the other end of the spectrum, Austria and Denmark show the lowest naturalization rates and at the same time have strict legal regulations, such as a long continuous residence requirement and the necessity of passing both citizenship and language tests. Costs involved in becoming a citizen in these countries are comparatively high and range about 500 EUR. Austria does not allow dual citizenship.

² For more detailed information on dual citizenship please see Gallagher-Tasked, K. and Y. Giesing (2017), "Dual Citizenship in the EU", ifo DICE Report 15 (3), 43–47.

Germany and Ireland are interesting examples because of the emphasis placed on discretionary procedures. While Germany is restrictive regarding formal requirements, the opposite is the case for Ireland. Still, both countries show similar and comparatively low naturalization rates. Considering the formal requirements, Ireland would be expected to count higher naturalization rates, whereas Germany would be expected to have low rates. The main reason for the low rates in Ireland are probably due to the high level of discretionary elements inherent in the procedure, whereas Germany's restrictive regulations are to some extent eased by the more rights-based and objective procedures.

Poland deserves a closer look since it has the lowest required residence time and at first glance does not appear to have any other hard-to-overcome hurdles. Still, the naturalization rate of only 0.67 is far below the average rate of 1.56 percent. However, Poland offers another channel through which citizenship can be acquired: the president has the right to grant citizenship upon request without any legal requirement, not even residence in the country is required in this highly discretionary procedure. In 2018, nearly 2,000 individuals made use of this special citizenship acquisition channel that is solely dependent on the whim of the president.

The overall picture leads to the conclusion that minimal formal requirements in combination with a transparent, rights-based procedure, together with the acceptance of dual citizenship, lead to higher rates of naturalizations.

CITIZENSHIP FOR SALE: THE CASE OF INVESTOR CITIZENSHIP

Naturalizations can also pose a problem if the underlying objective is not integration but rather economic reasons. Some European countries seek to bump their state treasuries by granting naturalizations to foreigners in return for payment and investment in the country. EU institutions in particular are severely critical of this practice since "granting the nationality of a Member State also means granting EU citizenship and the rights attached to it" (European Commission 2014). Among EU member states, Malta, Cyprus and Bulgaria allow immigrants to buy their citizenship. These programs are called "Citizenship by Investment" and function as follows: An investor places money into a piece of real estate, companies or government bonds and in return receives the passport of that country. In Cyprus, about two million euros are needed and ownership in a piece of property in the country; in Malta, 650,000 EUR must be paid into a national investment fund, another 150,000 EUR must be invested and a piece of property in Malta must be rented or owned; in Bulgaria, an investment of one million euros is "requested" in order to obtain an investor citizenship (European Commission 2019). Most

Table 3

National Requirements for Ordinary Naturalization

EU15	Residence Time	Citizenship Test	Proof of Language skills	Costs	Dual Citizenship
Austria	10 years	Yes	Yes (B1 level)	1.100 bis 1.500 Euro	No
Belgium	5 years	No	Yes (A2)	150 EUR	Yes
Denmark	9 years	Yes	Yes (B2)	3.800 DKK (aprox. 510 EUR)	Yes
Finland	5 years	No	Yes (B1)	420 EUR Electronic Application, 520 EUR paper application	Yes
France	5 years	Yes (interview)	Yes (B1)	50 EUR	Yes
Germany	8 years	Yes	Yes (B1)	255 euros	No
Greece	7 years	Yes (interview)	Yes (B1 oral, A1 written Greek)	550 EUR	Yes
Ireland	5 years	No	No	175 EUR for applying, 950 EUR for the certificate	Yes
Italy	10 years	No	Yes (B1)	200 EUR	Yes
Luxembourg	5 years	Yes	Yes (A2 spoken test, B1 listening test)	No	Yes
Netherlands	5 years	Yes	Yes (A2)	901 EUR	No
Portugal	6 years	No	Yes (A2)	250 EUR	Yes
Poland	3 years	No	Yes (B2)	40 EUR	Yes
Spain	10 years	Yes	Yes (A2)	102 EUR	No
Sweden	5 years	No	No	1500 SEK (aprox. 145 EUR)	Yes
United Kingdom	5 years	Yes	Yes (B1)	£1330 (aprox. 1500 EUR)	Yes

Source: National governments websites, own collection.

investors come from countries outside Europe, such as Asia, the Arab world, Russia or Africa. In Cyprus, for example, 19.6 percent of the people naturalized in 2018 were Russian, and in Malta, Russians constituted the third-most common nationals to naturalize in 2018. During that same year, Turks comprised the largest group 21 percent to whom Bulgaria sold investor citizenships, Russians came in second at 19% and Ukrainians ranked third at 19 percent (Eurostat 2020b). The European Commission criticizes a lack of transparency regarding the procedure and operation of these investor citizenship schemes. For Bulgaria and Cyprus no information on the number of “sold” passports is published; the identities and the countries of origin of the newly naturalized citizens are completely unknown. Malta publishes an annual report on the number of investor citizenship applications it receives, accepts and rejects for each year, but provides no detailed information about the countries of origin (European Commission 2019). In Malta, investor citizenship is capped at 1,800 applications and plays a crucial role within its modes of citizenship acquisition since it accounted for almost 74 percent of all successful naturalizations in 2018 (Eurostat 2020b and Oriip 2018 and 2019). Acquiring the “golden passport” comes with the additional benefit of becoming a citizen of the EU, which, among other privileges, grants its citizens the right to move about freely among member countries.

Since physical presence prior to being granted citizenship is not a requirement in the three countries offering citizenship by investment, the institutions of

the EU have raised concerns regarding those schemes. In 2014, the European Commission stated that purchasing citizenship through investment does not meet the minimum requirement of establishing a genuine link to a country (European Commission 2014). In addition, investor citizenship constitutes a risk to the EU member states and the EU as a whole: First, security checks do not always meet the standards imposed by the EU, e.g., the highly discretionary process of granting citizenship via the investor scheme can lead to the acceptance of applicants who do not meet certain security requirements, nor are other EU member states consulted on applicants for investor citizenship. Second, a number of gray zones exist regarding the prevention of money laundering, especially in the case of direct cash payments to governmental bodies. Third, the investor citizenship schemes in Malta and Cyprus could potentially be misused to circumvent tax payments (OECD 2018).

Finally, we look at naturalization and elections. In many cases, those naturalized with investment citizenships do not live in the country permanently, but still have the right to vote. They therefore have a say in the future of the country without bearing the consequences for their voting decision. In contrast, migrants who have not had yet the chance to naturalize, even though they have resided in the country for years, usually have no voting rights and may feel that their needs are not represented. In addition to the right to vote in the respective country, naturalized people gain the right to vote in EU elections, meaning that the underlying problems are the same.

CONCLUSION

Naturalizations have gained importance in Europe due to the rising number of migrants and the high percentage of permanently residing foreigners in many European countries. Migration and naturalization processes have increasingly become part of the political debate and decisions on legislation are taken regularly. There are several reasons why the implementation of laxer naturalization laws is beneficial. First, democratic participation is an essential component of democratic systems. Elections ensure that citizens can participate in decision-making and elect the representatives they believe best represent their needs. Migrants residing in the country of destination without being naturalized have little chance to participate in political decisions and may feel that their needs are not represented. Furthermore, naturalization acts as catalyst for integration. Hainmueller et al. (2017) show that long-term social integration of migrants strongly improves with receiving the host country's citizenship. The effect is even stronger when naturalization occurs at an early stage of residency and therefore provides good arguments for implementing liberal immigration policies with a relatively short residency requirement as a prerequisite for naturalization. Also, Gathmann and Monscheuer (2020) find that naturalization boosts integration through the channel of higher earnings. They show that naturalized immigrants have large and persistent wage gains and invest more in skills.

In some countries, it is already possible for non-naturalized residents to vote in local elections. Interestingly, a study in Sweden from Bevelander and Pendakur (2011) shows that acquiring citizenship is a factor that explains if immigrants vote: Immigrants who are naturalized are far more likely to vote than those who have not become citizens. Since voting can be seen as a soft measure of integration, this also supports the hypothesis that naturalized people are more likely to integrate into their adopted society. Voting in elections at the national level, however, is not permitted in most countries. This could, nevertheless, be a step toward integrating migrants and enhancing dialogue in the society.

Second, becoming a naturalized citizen can also result in positive outcomes in terms of employment.

Peters, Vink and Schmeets (2018) found that naturalization leads to a one-time boost in the probability of employment after naturalization, partly due to positive signaling, among other reasons. Moreover, the probability of employment even before the planned naturalization is higher, since migrants planning naturalization often actively invest in their human capital. Since employment is also an important factor for integration, this channel could also contribute to better integration.

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