



Judgment of the Court (Grand Chamber) of 29 April 2025 – Commission v Malta (Citizenship by investment)

(Case C-181/23) ⁽¹⁾

(Failure of a Member State to fulfil obligations – Article 20 TFEU – Citizenship of the Union – Article 4(3) TEU – Principle of sincere cooperation – Principle of mutual trust between the Member States – Grant of the nationality of a Member State – Special relationship of solidarity and good faith – Operation of an investor citizenship scheme – Naturalisation in exchange for predetermined payments or investments – Transactional nature of the naturalisation scheme, which amounts to the ‘commercialisation’ of Union citizenship)

(C/2025/3238)

Language of the case: English

Parties

Applicant: European Commission (represented by: C. Ladenburger, E. Montaguti and J. Tomkin, acting as Agents)

Defendant: Republic of Malta (represented by: A. Buhagiar, acting as Agent, and by D. Sarmiento Ramírez-Escudero, abogado)

Operative part of the judgment

The Court:

1. Declares that, by establishing and operating an institutionalised citizenship investment scheme, such as the Maltese Citizenship by Naturalisation for Exceptional Services by Direct Investment scheme, based on Article 10(9) of the Maltese Citizenship Act (Chapter 188 of the Laws of Malta), as amended by the Maltese Citizenship (Amendment No. 2) Act (Act XXXVIII of 2020) and the Granting of citizenship for Exceptional Services Regulations, 2020 (Subsidiary Legislation 188.06 of the Laws of Malta), which establishes a transactional naturalisation procedure in exchange for predetermined payments or investments and thus amounts to the commercialisation of the grant of the nationality of a Member State and, by extension, that of Union citizenship, the Republic of Malta has failed to fulfil its obligations under Article 20 TFEU and Article 4(3) TEU.
2. Orders the Republic of Malta to pay the costs.

⁽¹⁾ OJ C 173, 15.5.2023.