

## Recovery and Resilience Plan for Malta

### European Funds for Digitalisation

#### Launch of Call 4 – SME Digitalisation Grant Scheme & Digital Intensification Grant Scheme

The Measures and Support Division, within the Ministry for the Economy, European Funds and Lands (MEFL), announced the **extension** of the period by which applications for these schemes can be submitted. The application date for these schemes has been extended to **30<sup>th</sup> June 2023**.

#### 1. SME Digitilisation scheme

This incentive seeks to assist SMEs through **non-repayable Grants** to part-finance investment to **digitalise their operations**, and hence improve their resilience, efficiency, productivity and customer experience by addressing **new digital capabilities and digitalised processes** such as product and process design and engineering, end-to-end procurement, supply chain/distribution and after sales.

The maximum funding amount is **€50,000** per digitalisation investment in digital technologies, part-financing eligible costs **up to 50%** for investments in **Malta** and **60%** for investments in **Gozo**.

This Grant Scheme will support eligible enterprises to undertake costs in tangible and intangible assets in the following actions:

- i. **e-Commerce Website**
- ii. **Digital Solutions –**
  - a) Commercial Off-The-Shelf (COTS) and Custom Software
  - b) Hardware (such as Laptops, Docking Station, Port Replicator, Monitors, Tablets)
  - c) Analytical Tools (including necessary hardware and software)
  - d) Cyber Security systems
  - e) Cloud computing
  - f) Routers, switches and WIFI related equipment

- g) Other hardware and software (identified in the application and not already identified above, which the division may consider eligible under this scheme)
- h) Training costs on the use of the specific item acquired under points a to g above and included in the purchase price of the item in question, and thus from the same provider.

## 2. Digital Intensification Grant Scheme

This incentive seeks to assist eligible enterprises through **non-repayable Grants** to part finance **initial investment for SMEs**, or an **initial investment in favour of a new economic activity** in the case of **large enterprises**.

Proposals which are in line with the below priorities will be given precedence in selection.

- **Manufacturing industry** – investment that supports the transformation operations and transition to Industry 4.0 by optimising the use of existing technologies and exploitation of emerging technologies and trends such as digital twinning, predictive maintenance, track-and-trace, and modular design amongst others

- **Tourism industry** – investment that ensures that digitalisation is leveraged with a view to enhance operations by addressing not only operational logistics but exploring the possibility of analytical tools and AI to design, adapt and personalise hospitality packages and offerings that maximise client experiences and investment in digitalisation and other technologies that will also contribute towards better resource efficiencies, such as the use of water and electricity.

The maximum grant value under this scheme is set at **€200,000 per digitalisation** investment.

Size of Undertaking	Aid Intensity		
	Projects in Gozo	Projects in Malta (in assisted areas designated in Malta's Regional Aid map)	Projects in Malta (in localities not falling within the Regional Aid map)
Micro and Small	35%	30%	20%
Medium	25%	20%	10%
Large	15%	10%	N/A

This Grant Scheme will support eligible enterprises to undertake the following investment costs in tangible and intangible assets in the following actions:

**Specific Digital Solutions** (as identified in the Process and Systems Review) including –

**1. Hardware**

**2. Commercial Off-The-Shelf (COTS) and Custom Software**

**3. Other Digital Solutions**

**4. Installation including any training costs on the use of the specific item acquired under points 1 to 3 above and included in the purchase price of the item in question, and thus from the same provider.**

This article reflects the guidelines published by Measures and Support Division, Ministry for Foreign and European Affairs as at 9 January 2023.

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*\*The objective of this summary is to outline the principal elements of the rules being summarized herein. Accordingly, it is not intended to be provided by way of comprehensive and definitive advice. Readers should seek professional advice by contacting DFK Malta Tax & Consultancy Limited before acting upon any information included in this document.*