

# INVEST IN MALTA



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## Malta is Open for Start-Ups



For more information visit

[www.startinmalta.com](http://www.startinmalta.com)

### Malta enhances offering as ideal startup location

Malta is priming itself as the place to be for startups and is offering established and prospective entrepreneurs the ideal foundations to a flying start

### Robust recovery for Malta on the cards – First in Europe to reach herd immunity

The Maltese economy is on the road towards a strong recovery, outperforming its European counterparts in terms of growth and employment

### Malta's Economic Recovery Plan: Gearing up to a sustainable and digital regeneration

While support businesses which still require assistance to stay afloat, Malta has started to shift its gear as it embarks on a green, resilient, and inclusive transformation.



## Malta enhances offering as ideal start-up location

Malta is priming itself as the place to be for start-ups and is offering established and prospective entrepreneurs the ideal foundation to transform their business dreams to reality while securing longer-term growth.

**W**ith a strong infrastructure for financing and funding, together with targeted incubators and development campuses, the country is offering the ideal breeding ground for new businesses to flourish. Over the past years, Malta

has established itself as a major European destination for new business activities, hosting a number of exciting start-up companies from various fields including manufacturing, aviation, life sciences, technology and creativity. Seeking the ideal location to setup a

new business is a big challenge any entrepreneur faces at any early stage of his or her venture. Despite the rise of technology, cloud computing and virtual communication, location remains a fundamental decision in the course of any company's history. In this context, Malta offers peace of

mind and a number of competitive advantages for doing business here. An Innovative regulatory framework, the use of English as the main business language, the availability of highly-skilled, multilingual and competitively-priced human resources, flight connectivity to major European destinations and strong telecommunications infrastructure serve as important foundations in the quest to get a business off the ground. Moreover, the nimble size of the island allows its authorities and regulatory agencies to be accessible and easy to get in touch with, supporting the budding entrepreneur in the process.

Malta is now moving one step further and is pushing hard to ensure that start-ups play an important role in the post-pandemic regeneration era. For this reason, innovative

## **Innovative start-ups can benefit from up to €1.2 million in incentives from Malta Enterprise. Through these schemes, new operations may benefit from financial assistance of up to €200,000 as part of a new Business Start Schemes.**

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Adding to this, Malta Enterprise, the country's investment agency, is supporting the fledgling business in getting pre-application support and mentoring as well as putting entrepreneurs in contact with established businesses. Such

relationships are possible thanks to a number of agreements in place between Malta Enterprise and other entities that serve to create a cohesive national start-up environment. These include agreements with University of Malta, MCAST, the Arts Council and the Chamber of Commerce.

Through the partnership with University, business newcomers are provided with the necessary knowledge to access funding. This will ensure that a new business owner is well-informed on how to set up the business and benefit from both pre- and post-application mentoring.

Similarly, through a partnership with the Chamber of Commerce, synergies are encouraged to maximise the potential for mutually beneficial cooperation between older and newer businesses, as long-established businesses may find the innovative offerings of start-ups to be valuable, while start-ups can find eager customers who can also share their wealth of experience.

All these efforts are intended at strengthening the Maltese start-up ecosystem and transforming the country into the ideal location for start-ups. This innovative concept, StartinMalta.com, provides wide opportunities for the most innovative companies, whether Maltese or foreign, who are looking for a new home to operate from.

Malta is ready to listen to your story and be part of your exciting journey.



### Seed funding

#### Business Start 2021

UP TO

**€200K**

This scheme offers seed and growth funding to small start-ups having an innovative and feasible idea or project. This assistance, which can reach up to €200,000 per business, features Pre-Business Plan and Post-Business Plan support.

Pre-Business Plan stage is for startups in their early development phase through an initial grant of up to €10,000 to develop their business concept. Post-Business Plan Support is provided to start-up companies with a viable business plan.

These may receive up to €20,000 per quarter linked to full time employment. Up to €5,000 of the grant can be disbursed to finance the procurement of assets required for the business operation.

### Repayable Advance

#### Start Up Finance

UP TO

**€800K**

Through this scheme, tax credits or cash grants are provided to support the initial development phase and the re-engineering of business processes.

Assistance can reach up to €400,000, which may be increased to up to €800,000 if the start-up is an innovative enterprise. The assistance can cover private equity, wages, working capital, tangible & intangible assets, crowdfunding and one time accelerator grant. An additional repayable advance of up to €200,000 maybe granted to small start-up undertakings that propose a viable business which may be increased to up to €400,000 for innovative enterprises.

### Scale Up Grant

#### Business Dev.

UP TO

**€200K**

Companies aiming to expand and transform their business operation or to consolidate their current activities can be awarded support in the form of tax credit or cash grants of up to €200,000. Eligible costs shall be directly related to the operation of the undertaking in the following areas: Relocation costs of Key Personnel, Payroll Costs, Lease and Rental of Real Estate, Support and Advisory Services, Rights, Licences and Certifications and Procurement and Relocation of Tangible Assets.

# Robust recovery for Malta on the cards

The Maltese economy is on the road towards a robust recovery, outperforming the European average in terms of growth and job creation. The European Commission projects that Malta's economy will expand by 4.6% this year and 6.1% in 2022. This is expected to be driven by a rebound in tourism-related services, exports, household consumption and foreign direct investment.

Like all countries around the globe, the COVID-19 pandemic has impacted tourism and consumption on the island. However, a number of key sectors grew despite adversity, particularly financial services and gaming. Employment levels also remained strong, with a sizeable stimulus package proving crucial for business, together with additional support measures including moratoria on loans and financial support towards rental and energy costs.

Wage supplement schemes and other business support measures have cushioned the drop in consumption so much so that Malta was only one of three countries in the EU to experience job growth in 2020.

International institutions, such as the European Commission and the International Monetary Fund have lauded Government's efforts to ensure stability throughout the pandemic. The most recent assessment on the Maltese Islands saw German credit rating agency Scope has given Malta an A+ rating and stable outlook, saying the country has strong growth potential coupled with prudent fiscal performance. A few weeks later, Fitch rating also confirmed Malta's A+/Stable sovereign rating.

Over the past months, Malta was also the subject of extensive reviews of its key governance fundamentals. In a report on the Rule of Law published by the European Commission, the latter welcomes the reforms implemented to strengthen the independence of the justice system, particularly the reform of the system of judicial appointments and that of judicial discipline. It also notes how the perception of judicial independence has "notably improved".

## Wage supplement schemes and other business support measures have cushioned the drop in consumption so much so that Malta was only one of three countries in the EU to experience job growth in 2020.

In a separate report analysing Malta's fight against money laundering, drawn up by the Financial Action Task Force (FATF), the body said that the country's government had made a "high-level political commitment to work with the FATF and MONEYVAL to strengthen the effectiveness of its AML/CFT regime". In this context, Government has committed itself to improve the country's regulatory framework to strengthen its fight against financial crime and tax

evasion, with the full intent to emerge from the present challenges as a more effective and attractive jurisdiction.

Scope justified its rating reflecting on Malta's growth potential paralleled by a "strong track record of fiscal prudence and consolidation over the medium-term," with public debt levels having gone down well below European requirements in the years before the COVID-19 pandemic.

## Malta is first European country to reach herd immunity

This positive forecast was also a result of a continuously improving health situation, resulting from two-pronged strategy. Firstly, Malta's targeted social measures have ensured a quick decline in the number of active Covid-19 cases, with the country registering one of the lowest infection rates in Europe and single-digit cases as from early May.

In parallel, authorities have implemented one of the fastest vaccination roll-outs around the globe, with two-thirds of the population already vaccinated by mid-May. Across all age cohorts, take up of the vaccine has been significant.

As a result, Malta became the first European Union country to reach herd immunity by mid-May. This target is considered to have been achieved after more than 70% of the population has been vaccinated. Such a milestone has permitted the relaxation of most social restrictions, the re-opening of tourism and the commencement of a gradual return to normality.

With a significant part of the adult population being vaccinated, fatalities and cases required intensive care have reduced dramatically.

# Malta's Economic Recovery Plan: Gearing up to a sustainable and digital regeneration

While continuing to support businesses which still require assistance to stay afloat, Malta has already started to shift its gear as it embarks on a green, resilient, and inclusive transformation. As part of this regenerative economic process, businesses are being encouraged to future-proof their operations through a fully-fledged digital transition while ensuring environmental sustainability.

In this context Government has recently announced a significant economic recovery plan, including the allocation of an additional €20 million in aid to businesses, and tax credits of €78 million to help businesses regenerate themselves

and kickstart the road to economic recovery. These support measures have the twin objective of supporting entrepreneurs with their immediate liquidity requirements while embarking on a transformative process to change and grow.

A number of businesses, despite their best of intentions, have seen liquidity dry up through the past months. In this context, direct support measures, such as the renewal of support schemes to cover rent and electricity payment are intended to improve





## Subsidy on rental payments



## Electricity supports scheme to cover 50% of electricity bills



## Help to ReStart and Transform businesses



## Cash grants of up to €50,000 and 20% in tax credits to help companies invest sustainably

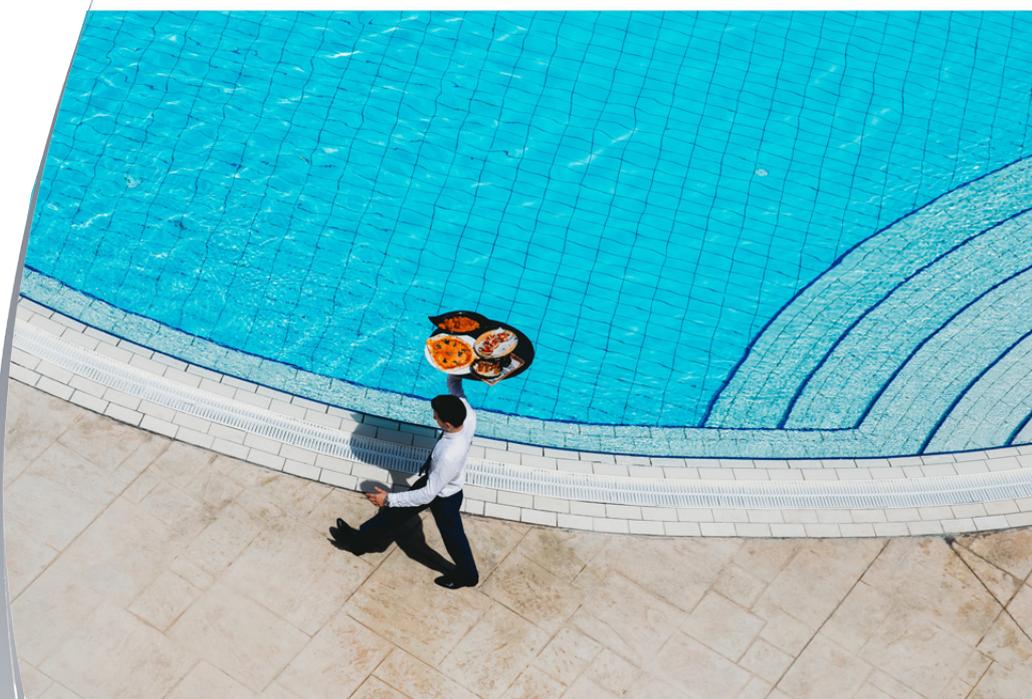
their cash flow while incentivising economic activity.

In parallel, businesses are being encouraged to future-proof themselves by going green and digital. Support measures in this context include the Change 2 Grow scheme, which supports business re-engineering and transformation. Such assistance reflects the country's ambitions for the upcoming decade and also takes due consideration of major EU strategies, particularly the European Green Deal and the important commitments it entails.

Conscious of the significant contribution that businesses offer on the road to economic growth, authorities are providing a hand-holding approach to ensure that no stone is left unturned in the collective effort towards recovery. Aware that the pandemic's

impact was not solely financial, entrepreneurs are offered the possibility to engage professional business advisory services to map their future course of action.

Moreover, Malta Enterprise will fund a specialised programme intended for psychological support to these entrepreneurs by professional experts in the field.



# INVEST IN MALTA



**TechForCann** | SHORTCUT  
TO INNOVATION

## First European medical cannabis tech accelerator in Malta invests €2.5m

TechforCann EU is investing €2.5m to establish the first European tech accelerator for the medical cannabis industry, in Malta. The accelerator complements Malta's vision to further develop an innovative medical cannabis ecosystem.

The cannabis industry is stepping up into biotech, pharma and high-tech sectors and our goal is to identify and lead top-performing start-ups to success, thus creating job opportunities within the pharmaceutical sector. Participants in the program receive funding and pilot their technology within an EU-GMP licensed facility in Malta.

# few

## Few Raises €250K in Pre-Seed Funding

The holistic health and wellbeing company, Few, has raised 250K in pre-seed funding, with the main contribution coming from Malta Enterprise, which approved a seed growth funding of 190,000 Euros through the Start Up Finance scheme. The rest of the capital comes from external investors.

Few provides a mobile app which serves the marketing needs of the health and wellbeing community. The app, bearing the same name, brings together various providers of health and wellbeing, and offer a holistic marketing solution of their services. The business aims to elevate wellness practitioners by providing them with a platform to offer health and fitness services to customers.

## American KYC/AML company, VITAL4DATA, opens European HQ in Malta

# VITAL<sup>4</sup>®

VITAL4Data, a leading Software as a Service (SaaS) company, in the domain of AI-driven risk screening and monitoring, based in Atlanta in the US, has opened its European Head Quarters in Malta. The company's proprietary AI-driven technology specialises in the real-time collection, and analysis, of data, worldwide, without any human intervention in what is being considered a world first. This serves both to reduce costs, and dramatically increase the accuracy of results obtained for the parties making use of this cutting-edge service.



## Zenabis obtains licence to produce cannabis for medicinal and research purposes

Zenabis Global's Maltese joint venture ZenPharm has obtained a Maltese licence to produce cannabis for medicinal and research purposes, after a two-year process by the Malta Medicines Authority. The company, which was assisted by Malta Enterprise in setting up its operations in Malta, will be exporting finished medicinal cannabis products to countries of the European Union and United Kingdom



MALTAENTERPRISE

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