



MALTAENTERPRISE

Accelerate 2024

INCENTIVE GUIDELINES

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<http://support.maltaenterprise.com>

Support and clarifications in relation to these guidelines may be obtained through Business First which may be contacted by calling 144 or by email on info@businessfirst.com.mt



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1. Introduction

1.1 Rationale

Accelerate supports Undertakings in their initial seven (7) years (including spin-offs from established enterprises) in financing participation in an Accelerator Programme recognised by Malta Enterprise. This incentive supports ventures with potential for growth, that have a viable business concept based on sound technical and scientific knowhow and that are in the process of developing the technology into a market ready offering. Eligible Undertakings may receive up to one hundred thousand euro (€100,000) to cover costs related to the establishing a start-up venture in Malta, fees charged by Accelerator Programmes and other costs incurred during the acceleration period.

1.2 Administrative Basis

Accelerate is an administrative measure issued by Malta Enterprise within the provisions of the Malta Enterprise Act. Malta Enterprise Corporation may issue and publish Incentive Guidelines in terms of Article 8 (3)(a) of the Malta Enterprise Act, Chapter 463 of the Laws of Malta.

1.3 Definitions

Accelerator Programme: An Accelerator Program, is a fixed-term, cohort-based program designed to accelerate the growth and development of enterprises by providing a combination of mentorship, resources, funding, and networking opportunities.

Programme Manager: Is an organisation that is providing and administering the Accelerator Program.

Applicant: An Applicant is an Enterprise or a group of persons having the intent to establish an Enterprise that submitted an application requesting support in terms of these Incentive Guidelines to the Corporation.

Beneficiary: A Beneficiary is an enterprise that is in possession of a Letter of Approval issued by the Corporation.


Corporation / Malta Enterprise: In these guidelines, Corporation and Malta Enterprise mean Malta Enterprise Corporation as established by the Malta Enterprise Act, Chapter 463 of the Laws of Malta.

Letter of Approval: A Letter of Approval is a document stipulating any terms and conditions deemed appropriate by the Corporation and establishing the support granted to an enterprise.

Letter of Intent: A Letter of Intent is a document stipulating any terms and conditions deemed appropriate by the Corporation and establishing the support granted to an enterprise which is still to be formally established.

Single Undertaking: Single Undertaking includes, all enterprises having at least one (1) of the following relationships with each other:

- a) one enterprise has a majority of the shareholders' or members' voting rights in another enterprise;
- b) one enterprise has the right to appoint or remove a majority of the members of the administrative, management or supervisory body of another enterprise;
- c) one enterprise has the right to exercise a dominant influence over another enterprise pursuant to a contract entered into with that enterprise or to a provision in its memorandum or articles of association;

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- d) one enterprise, which is a shareholder in or member of another enterprise, controls alone, pursuant to an agreement with other shareholders in or members of that enterprise, a majority of shareholders' or members' voting rights in that enterprise.

Enterprises having any of the relationships referred to in points (a) to (d) above through one or more other enterprises shall also be considered to be a single undertaking.¹

The *de minimis* Regulation states that a group of linked enterprises is considered as one single undertaking for the application of the *de minimis* rule, but those enterprises which have no relationship with each other except for the fact that each of them has a direct link to the same public body or bodies are not treated as being linked to each other. The specific situation of enterprises controlled by the same public body or bodies, which may have an independent power of decision, is therefore taken into account.

¹ https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=OJ:L_202302831&qid=1706714834273

2. Am I eligible?

2.1 Legal Form

In order to be considered for Accelerate, the applicant must be a registered business within the European Economic Area. Businesses that do not have a material presence in Malta may only be supported in participating in an Accelerator Programme being held in Malta. The Corporation may accept applications from individuals that have the intent of establishing a business, yet any aid approved would be conditional to the formal establishment of the business within the European Economic Area.

2.2 Establishment Date

Accelerate is available to enterprises established not earlier than seven (7) years from submission of application, and that are not related to any other enterprise engaged in the same or related activity that has been established for a longer period than seven (7) years. A related activity is defined as an activity within the same value chain, as shall be determined by the Corporation.

2.3 Eligible Activities

In order to be eligible for assistance under this incentive, applicants must be (or plan to be) active in one of the following sectors:

- a) Manufacturing (NACE Section C);
- b) Software development (NACE J 62.01);
- c) Industrial services analogous to manufacturing;
- d) Health, Biotechnology, Pharmaceuticals and Life Sciences;
- e) Other economic activities which are enabled through knowledge and technology and which have the potential to expand internationally as may be approved by Malta Enterprise.

2.4 Disqualifying criteria

Malta Enterprise shall disqualify any undertaking:

- a) that intends to carry out activities related to Construction and Real estate Activities; (Activities related to the development of new Information Technology solutions relevant to the construction and real estate industries and the development of sustainable development solutions and materials shall not be deemed ineligible); or
- b) whose revenue (or future revenue) is generated directly from the outcome of games of chance (Gambling activities - NACE R.92).

Irrespective of the parameters established in these guidelines, undertakings must not be engaged in activities excluded from receiving this aid in terms of the applicable State Aid regulation (see Section 6 - State Aid Rules and Obligations).

The Corporation shall refuse applications from undertakings that have dues in relation to VAT, Income Tax, and Social Security payments that in total exceed €1,000, unless the applicant has a repayment agreement to settle any dues that is being honoured. The Corporation may, at its discretion, accept applications from undertakings that have dues in relation to VAT, Income Tax, and Social Security payments, of up to €1,000, after considering the reasons for these dues as provided by the applicant and on the condition that the applicant commits to regularise these dues within an established timeframe.

3. The incentive.

3.1 **Maximum Support**

Accelerate supports eligible enterprises that have been accepted to participate in an Accelerator Programme recognised by the Corporation. Any eligible enterprise may receive a grant not exceeding one hundred thousand euro (€100,000). The amount may need to be adjusted to ensure that the amount of aid awarded to the single undertaking would not result in the *de minimis* threshold being exceeded.

3.2 **Eligible Costs**

The funding may be used to cover the following costs:

- a) Accelerator participation and service fees as listed in an official Accelerator Programme in publicly available documentation.
- b) Travel (Air travel only) covering up to four (4) round trips from the country of residence of the participant to the country where the Accelerator Programme is taking place or from the country where the Accelerator Programme is taking place to the country of residence of the participant.
- c) A per diem covering a maximum of two (2) persons² per enterprise and capped at two hundred euro (€200) per person. The per diem is intended to cover accommodation and other recurring operating expenditure that may be incurred by the enterprise to participate in the Accelerator Programme. A per diem can only be claimed for dates (including partial days) falling within the official Accelerator Programme start and end date. Persons who are resident in the country where the accelerator programme is organised are not eligible to receive a per diem.
- d) Fees not exceeding five thousand euro (€5,000) charged by a Corporate Service Provider in relation to any legal, administrative, recruitment, accounting, corporate identity and business registration as may be required for setting up and registering a business entity in Malta.
- e) Rent of business premises in Malta including costs for access to shared offices and similar facilities.
- f) Rent of plant machinery and equipment required for the undertaking to validate the proposed product or service.

² The persons supported through a per diem may change during the course of the accelerator programme.

4. Applying for Support

4.1 Duration of the Incentive and Applicable Incentive Guidelines

This incentive shall be available from 5th April 2024 until the 31st December 2030. Interested enterprises should access the Corporation's client portal and download the latest application in which a submission deadline may be established. The Corporation's client portal may be accessed from <https://clientportal.maltaenterprise.com/login>. First time users will be required to register.

The Corporation may periodically update and amend these Incentive Guidelines and may terminate the incentive at an earlier date.

The Corporation shall accept applications until 31st October 2030.

4.2 Application process

Support through this incentive should only be requested to Malta Enterprise after the eligible undertaking (whether established or in the process of being established) has been accepted to participate in an Accelerator Programme.

Undertakings interested in applying for this support must complete the application form which shall be provided on request by the Corporation. The application form and the following additional documentation should then be submitted through the Corporation's client portal:

- a) Incorporation Documents confirming the business is established in the EEA. (If applicant is not yet established in the European Economic Area, the applicant will be required to indicate the Corporate Service Provider that will support the process of registering the Business in Malta.)
- b) CVs and documentation (such as passport documents) identifying the ultimate beneficiary owner(s) and any other key individual related to the business.
- c) CVs and documentation (such as passport documents) identifying the persons that will physically attend the Accelerator Programme.
- d) Details of the Accelerator Programme as advertised by the Programme Manager.
- e) The acceptance letter (or equivalent) issued by the Programme Manager.
- f) General Data Protection and
- g) De minimis declaration form.

In order to process the application, the Corporation shall be granted a concession to discuss the application and other details relevant to the business with the Programme Manager.

Incomplete applications will be rejected. The Corporation shall have the right to reject any application received.

5. What happens after I apply?

5.1 Evaluation

Once you submit the application through the portal, it will be evaluated in line with the terms and conditions of these Incentive Guidelines. Each submission will be reviewed on its own merit and any support will be awarded at the sole discretion of the Corporation. In assigning aid under this incentive, the Corporation will examine the business' potential to provide a contribution to the Maltese economy.

In evaluating the submission, the Corporation shall be examining various criteria that will include:

- a) Feasibility: Is the business feasible in the context of the Maltese business environment, how does the Malta based set-up fit in the business' overall strategy for international growth/development.
- b) Employment: Will the business require the engagement of highly knowledgeable/skilled persons in Malta.
- c) Impact: Will the business help strengthen new/developing sectors, markets and technologies in Malta or support the regeneration of existing activities.
- d) Environmental: Is the business aligned to Malta's environmental and sustainable development targets.

In its evaluation process, the Corporation shall also consider the knowledge/know-how of the project promoters, and conduct verifications on their other activities and their reputation.

During the evaluation, the Corporation may request further information and clarifications, beyond the information requested in the application.

5.2 Award

If Malta Enterprise approves the application, the Corporation will issue a Letter of Intent or Approval (in line with Part VI Section 28 et seq. of the Malta Enterprise Act.) specifying the terms and conditions of the award.

To facilitate start-ups and reduce the administrative burdens, the Corporation may enter into an agreement with the Programme Manager so that approved funds are forwarded to the Programme Manager who would be responsible to manage the funding on behalf of Malta Enterprise. Costs must be charged to the support program at cost and with no mark-up from the Programme Manager. The costs of participation in the accelerator and the fees of any services offered directly through the Programme Manager must be (or have been) defined and established by the Accelerator Programme prior to the selection of the Accelerator Programme participants.

5.3 Monitoring

Beneficiaries may be monitored by the Corporation and other agencies entrusted by the Corporation. If a beneficiary fails to actively participate in the Accelerator Programme, the Corporation may revoke and/or recover all or part of the support granted.

The Corporation may request any documentation it deems relevant, request evidence and participation to events organised by the Accelerator and conduct site visits at the applicant's place of business to ensure that the support is being utilised in relation to the approved project.



5.4

Revocation and Suspension of Aid

The Corporation may revoke or suspend an approval and may seek to recover funds with interest from the undertaking who was awarded the aid if any breach of the applicable regulations, these guidelines or the approval parameters is identified.

In terms of Part VII and Part VIII of the Malta Enterprise Act, Chapter 463 of the laws of Malta, the Corporation may revoke, amend or modify the Letter of Approval and apply penalties or request recovery of aid in the case of breach of these Guidelines or the conditions set down in the Letter of Approval issued by the Corporation and any relevant regulations.

6. State Aid Rules and Obligations

This Scheme will be implemented in line with Commission Regulation (EU) 2023/2831 of 13 December 2023 on the application of Articles 107 and 108 of the Treaty on the Functioning of the European Union to *de minimis* aid (the *de minimis* Regulation).

The total amount of *de minimis* aid granted to a single undertaking shall not exceed the amount of €300,000 over any period of three consecutive years.

This maximum threshold would include all State Aid granted under this aid scheme and any other State Aid measures granted in line with the *de minimis* Regulation including that received from any entity other than Malta Enterprise. Any *de minimis* aid received in excess of the established threshold will have to be recovered, with interest, from the undertaking receiving the aid.

The *de minimis* declaration form indicating any other *de minimis* aid received and/or applied for over any period of 3 years to which the *de minimis* Regulation applies, must be filled in and submitted together with the application form.

6.1 **Applicability of the Aid**

As per Article 1 of the *de minimis* Regulation, assistance may not be granted to the following:

- (a) aid granted to undertakings active in the primary production of fishery and aquaculture products;
- (b) aid granted to undertakings active in the processing and marketing of fishery and aquaculture products, where the amount of the aid is fixed on the basis of price or quantity of products purchased or put on the market;
- (c) aid granted to undertakings active in the primary production of agricultural products;
- (d) aid granted to undertakings active in the processing and marketing of agricultural products, in one of the following cases:
 - I. where the amount of the aid is fixed on the basis of the price or quantity of such products purchased from primary producers or put on the market by the undertakings concerned;
 - II. where the aid is conditional on being partly or entirely passed on to primary producers;
- (e) aid granted to export-related activities towards third countries or Member States, namely aid directly linked to the quantities exported, the establishment and operation of a distribution network or other current expenditure linked to the export activity;
- (f) aid contingent upon the use of domestic goods and services over imported goods and services.

Where an undertaking is active in the sectors referred to in points (a), (b), (c) or (d) above and is also active in one or more of the other sectors falling within the scope of the *de minimis* Regulation, or has other activities falling within the scope of this Regulation, aid may be granted in respect of the latter sectors or activities. Malta Enterprise will ensure, by relying on appropriate means such as separation of activities or separation of accounts, that the activities in the sectors excluded from the scope of the *de minimis* Regulation do not benefit from the *de minimis* aid granted in accordance with this scheme. Only those sectors eligible for assistance under the *de minimis* Regulation will be assisted. Activities in the

sectors excluded from the scope of the de minimis Regulation will not benefit from assistance under this aid scheme.

6.2

Cumulation

In terms of Article 5 of the de minimis Regulation, de minimis aid granted under this incentive may be cumulated with:

- (a) de minimis aid granted in accordance with Commission Regulation (EU) 2023/2832;
- (b) de minimis aid granted in accordance with Commission Regulations (EU) No 1408/2013 and (EU) No 717/2014 up to the relevant ceiling laid down in Article 3(2) of the de minimis Regulation.

Aid granted in accordance with this scheme shall not be cumulated with State aid in relation to the same eligible costs if such cumulation would exceed the highest relevant aid intensity or aid amount fixed in the specific circumstances of each case by a block exemption regulation or a decision adopted by the Commission.

6.3

Publication in Central Register

In line with Article 6(1) of the de minimis Regulation, as of 1 January 2026, information on de minimis aid granted under this scheme shall be made publicly available in a central register .

The following information shall be made public:

- the identification of the beneficiary,
- the aid amount,
- the granting date,
- the aid instrument, and
- the sector involved on the basis of the statistical classification of economic activities in the Union ('NACE classification').

7. Contact Details

The official Incentive Guidelines are published at:

<http://www.maltaenterprise.com/en/support/microinvest>

Further information on the scheme, as well as information and guidance on the filling in of the application form may be obtained by contacting Business First during office hours.

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