

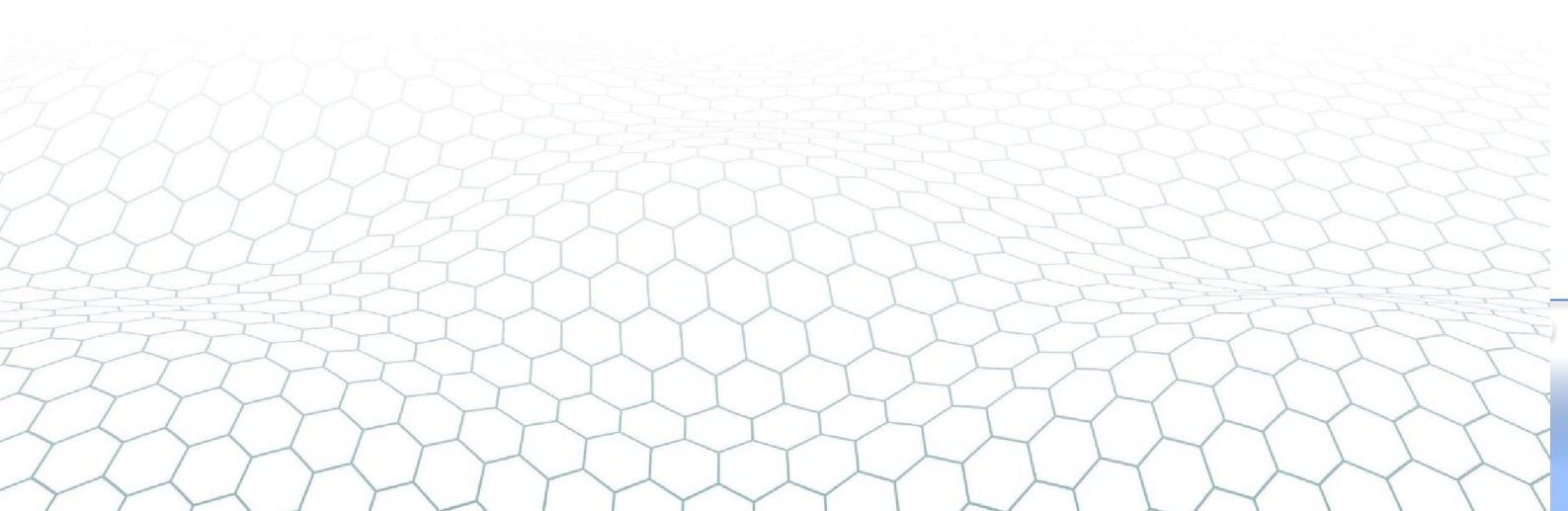


MALTAENTERPRISE

COVID- 19 Support Measure
INCENTIVE GUIDELINES
<https://www.maltaenterprise.com/support>

**One-Time Grant for Business Operations kept closed after
10th May 2021 due to
COVID-19 restrictions**

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1. Overview

- 1.1 As from the 10th May 2021 most business activities that had been ordered to temporarily close down as a measure to further restrict social interactions, and thus reduce the number of COVID-19 cases, will be allowed to recommence operation. Yet, some businesses, because of the additional risk of viral transmission associated with their activity will remain closed. In order to support these businesses, undertakings which are receiving the COVID-19 Wage Supplement that will still be closed in accordance with the instructions issued by the health authorities, will be given the opportunity to apply for a one-time grant of one thousand euro (€1,000).

2. Am I eligible?

- 2.1 To be eligible for support you must meet all the criteria established below:
- a. The applicant must not be engaged in activities specifically excluded under the *de minimis* Regulation (vide Section 8).
 - b. Applicant must be receiving the COVID-19 Wage Supplement.
 - c. The applicant must be engaged in an activity (or activities) that are still closed after the 10th May as per instructions issued by the Health Authorities, or in an activity directly dependent on these closed activities.

3. What is the maximum support?

- 3.1 Applicants may apply for a one-time grant that may not exceed €1,000.
- 3.2 This measure is a *de minimis* measure. The total amount of *de minimis* aid granted to a single undertaking shall not exceed the amount of €200,000 (or €100,000 in the case of single undertakings performing road freight transport for hire or reward) over any period of three consecutive fiscal years.

4. How do I apply?

- 4.1 Eligible beneficiaries of the COVID-19 Wage Supplement Scheme will receive an email to apply for this one-time grant. The application will be submitted online and will be processed through the same system used for processing the COVID-19 wage supplement benefits.

5. State Aid Rules and Obligations

5.1 Applicable State Aid

5.1.1 If the submitted application is approved, the beneficiary will benefit from *de minimis* State Aid in line with Commission Regulation (EU) No 1407/2013 of 18 December 2013 on the application of Articles 107 and 108 of the Treaty on the Functioning of the European Union to *de minimis* aid, as amended by Commission Regulation (EU) 2020/972 of 2 July 2020 amending Regulation (EU) No 1407/2013 as regards its prolongation and amending Regulation (EU) No 651/2014 as regards its prolongation and relevant adjustments (the *de minimis* Regulation).

5.1.2 Commission Regulation (EU) No 1407/2013 allows a 'single undertaking' to receive an aggregate maximum amount of *de minimis* aid of €200,000 under all *de minimis* aid measures, over a period of three consecutive fiscal years. This aggregate maximum amount threshold applies in principle to all economic sectors with the exception of a 'single undertaking' performing road freight transport for hire and reward for which a lower *de minimis* threshold of €100,000 over any period of three fiscal years applies. The agriculture and fisheries sectors are subject to different thresholds and criteria. For the purpose of this declaration, the term 'single undertaking' shall be defined as per Commission Regulation EU No 1407/2013 of 18 December 2013 on the application of the Treaty on the Functioning of the European Union to *de minimis* aid. It includes all companies in a group (which fall under the direct or indirect ownership or control of the same ultimate parent company) and relevant partner and linked enterprises as defined in Annex 1 of Commission Regulation (EU) No 651/2014. The three fiscal year period covers the fiscal year concerned as well as the previous two fiscal years. 'Fiscal year' means the fiscal year as used for tax purposes by the undertaking concerned.

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

5.1.4 The *de minimis* declaration form¹ must be filled in and submitted together with the application form.

5.2 Applicability of the Aid

5.2.1 Assistance approved under this aid scheme is NOT:

- a) Aid granted to undertakings active in the fishery and aquaculture sector, as covered by Council Regulation (EC) No. 104/2000²;
- b) Aid granted to undertakings active in the primary production of agricultural products;
- c) Aid granted to undertakings active in the sector of processing and marketing of agricultural products, in 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;

¹ The *de minimis* Aid Declaration may be downloaded from <http://www.maltaenterprise.com/en/support/docs/de-minimis-declaration>

² Council Regulation (EC) No 104/2000 of 17 December 1999 on the common organisation of the markets in fishery and aquaculture products (OJ L 17, 21.1.2000, p. 22).

- d) Aid to export-related activities towards third countries or Member States, namely aid directly linked to the quantities exported, to the establishment and operation of a distribution network or to other current expenditure linked to the export activity;
 - e) Aid contingent upon the use of domestic over imported goods;
 - f) Aid for the acquisition of road freight transport vehicles granted to undertakings performing road freight transport for hire or reward.

55.2.2 Where an undertaking is active in the sectors referred to in points (a), (b) and (c) above as well as in other sectors falling within the scope of the *de minimis* Regulation, the Corporation will ensure a separation of the activities or distinction of costs. 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.

5.3 Cumulation

5.3.1 *De minimis* aid granted in accordance with this Regulation may be cumulated with *de minimis* aid granted in accordance with Commission Regulation (EU) No 360/2012 up to the ceiling laid down in that Regulation. It may be cumulated with *de minimis* aid granted in accordance with other *de minimis* regulations up to the relevant ceiling laid down in Article 3(2) of this Regulation.

5.3.2 *De minimis* aid shall not be cumulated with State aid in relation to the same eligible costs or with State aid for the same risk finance measure, 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. *De minimis* aid which is not granted for or attributable to specific eligible costs may be cumulated with other State aid granted under a block exemption regulation or a decision adopted by the Commission.

6. Further Information

This is an administrative measure having the Malta Enterprise Act, Chapter 463 of the Laws of Malta as legal basis.

Useful Definitions

- (a) **Applicant:** An Applicant is an Undertaking that has submitted a complete application for support under this scheme to the Corporation.
- (b) **Beneficiary:** A Beneficiary is an Undertaking that is in possession of a Letter of Approval issued by the Corporation.
- (c) **Corporation / Malta Enterprise:** The terms The Corporation and Malta Enterprise shall mean Malta Enterprise Corporation as established by the Malta Enterprise Act (CAP 463 of the Laws of Malta).
- (d) **Single Undertaking:** For the purpose of this scheme, the term Single Undertaking shall be defined as per Commission Regulation EU No 1407/2013 of 18 December 2013 on the application of the Treaty on the Functioning of the European Union to *de minimis* aid.

Single Undertaking includes, for the purposes of the *de minimis* Regulation, all undertakings having at least one (1) of the following relationships with each other:

- one (1) undertaking has a majority of the shareholders' or members' voting rights in another undertaking;
- one (1) undertaking has the right to appoint or remove a majority of the members of the administrative, management or supervisory body of another undertaking;
- one (1) undertaking has the right to exercise a dominant influence over another undertaking pursuant to a contract entered into with that undertaking or to a provision in its memorandum or articles of association;

- *one (1) undertaking, which is a shareholder in or member of another undertaking, controls alone, pursuant to an agreement with other shareholders in or members of that undertaking, a majority of shareholders' or members' voting rights in that undertaking.*

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

The same Regulation states that a group of linked undertakings is considered as one single undertaking for the application of the de minimis rule, but that undertakings 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 undertakings controlled by the same public body or bodies, which may have an independent power of decision, is therefore taken into account³.

9. Contacts

For guidance on this measure kindly contact Business 1st on 144 during office hours.

³ Commission Regulation (EU) No 1407/2013 of 18th December 2013
