

# Supporting Industry during the COVID-19 outbreak

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## Supporting Industry During COVID-19 Outbreak



Quarantine Leave



Facilitating Teleworking Activities



Liquidity Measures  
Malta Development Bank through financial institutions.



Wage Supplement



COVID-19 R&D Fund

## Wage Supplement

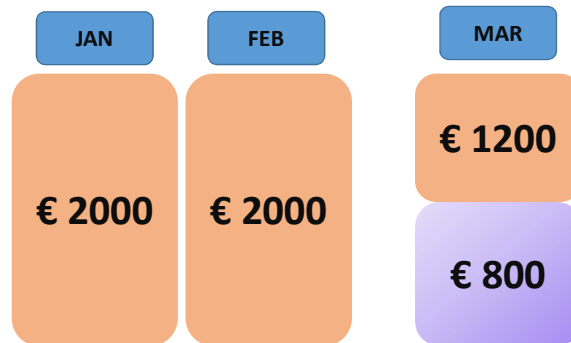


### Key Rules:

- The employer is to ensure that the provision of COVID Wage Supplement must not, at any time, result in a global salary package in excess of the employee's average basic salary for January and February, 2020.

### Example 1

Full-time  
Employee



## Wage Supplement



### Key Rules:

- The employer is to ensure that the provision of COVID Wage Supplement must not, at any time, result in a global salary package in excess of the employee's average basic salary for January and February, 2020.

### Example 2

Part-time  
Employee



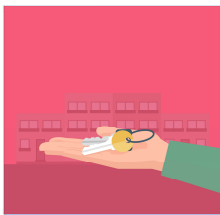
## Wage Supplement

- The wage supplement, tax deduction and other aid.

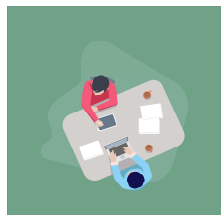


		No Supplement	Working With Supplement
Wage		2000	2000
Wage Supplement		0	-800
Amount eligible for tax Deductions		2000	1200
Tax deduction	35%	-700	-420
Eligible for State Aid		2000	1200
Tax Credit / Cash Grant	40%	-800	-480
Balance to Company		500	300

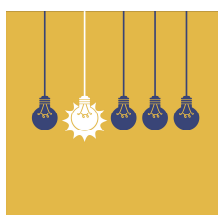
## Supporting Industry During COVID-19 Outbreak



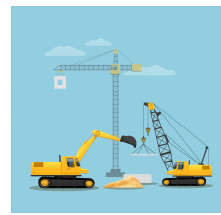
Rent Refund



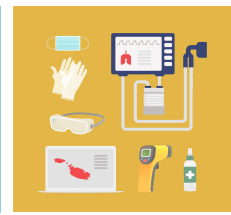
Business re-engineering and Transformation



Electricity Bill Refund

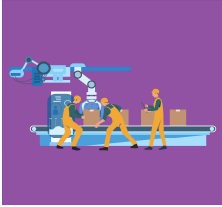


Modernisation of equipment — Construction



Investment Aid COVID Products

## Supporting Industry During COVID-19 Outbreak



**Skills Development Scheme**



**Export Credit Facility**



**Microinvest Cash Conversion.**

## Skills Development Scheme

Facilitating training and knowledge transfer to build a knowledge-based workforce.

Assisted undertakings will be supported in upgrading skills, address skills shortages, re-skilling, and addressing skill mismatches.

## Form of Aid

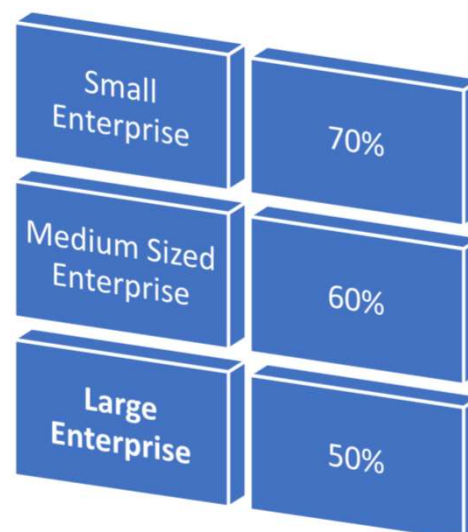
Qualifying projects will be mainly supported through a tax credit calculated as a percentage of eligible costs yet strategic projects may be supported through a cash grant.

### COVID-19 Regeneration:

As part of the regeneration budget a fund of €5 Million has been allocated to support small enterprises to regenerate the business activity following the disruptions caused by the COVID-19 outbreak.

The aid intensity shall be based on the size of the applicant.

The maximum aid awarded shall be calculated by applying these percentages to the eligible costs.

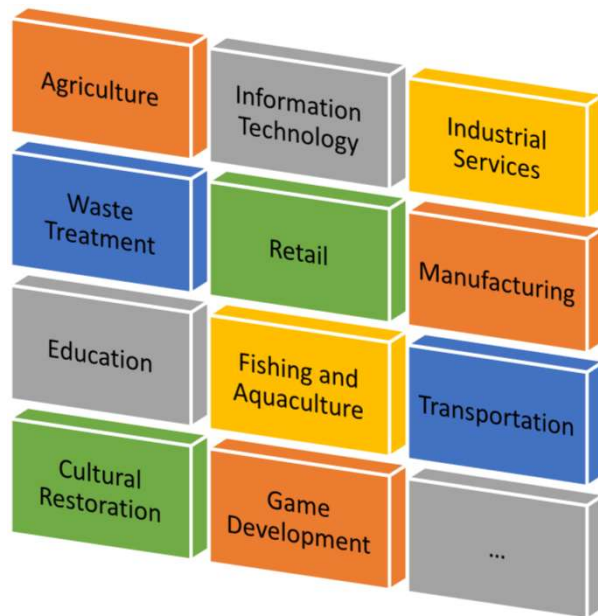


## Eligible Entities

Duly registered undertakings (including self-employed persons) that carry out an economic activity in Malta.

The applicant must employ at least five (5) persons on full time basis.

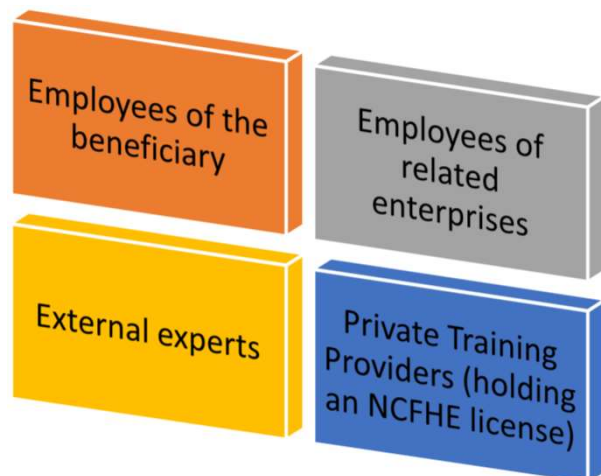
The supported activity should result in an eligible economic activity identified under the NACE categories listed in the Incentive Guidelines.



## Eligible Training Providers

- All training should lead to pre-established outcomes relevant to the current or future role of the trainee.

Training which is mandatory under national law cannot be supported



## Ineligible Training



- Team building activities and training which focuses on the corporate culture, values, organisational behaviour, brand identity and similar company focused actions specific to the employer are not covered by this measure.
- Any training related to gambling will be considered ineligible.
- Training which is mandatory under national law cannot be supported.
- Mandatory training required by the undertaking to conduct its business.
- Mandatory training required by the employees to be able to engage their contractual role.

## Eligible Costs



- Wages costs of trainers and trainees.
- Rental of Training rooms and tools and equipment.
- Hourly costs of training service providers (direct contact hours).
- Wages may be covered only during official working hours (8hrs per day)
- When training is not charged at an hourly rate it will be capped at € 25 per trainee per hour.
- One to one, on the job training may be considered if the training involves the use of machinery and equipment.

## Eligible Costs



Consultancy costs for developing the training programme

- Up to 10% of total eligible costs



Air Travel for trainees and trainers

- Only air travel is covered and costs related to other forms of travel, hospitality and subsistence are not covered.

## General Applications

- Applications should be submitted prior to the commencement of the training programme
- Applications should include details of:
  - the training programme;
  - the training provider;
  - the trainees;
  - the expected outcome.



## State Aid

- Aid cannot be rewarded to applicants and undertakings in difficulty.
- Aid cannot be awarded to undertakings that have an outstanding recovery order following a previous Commission decision.
- Aid may not be granted if it is related to export activities towards third countries or Member States, namely aid directly linked to quantities exported, to the establishment and operation of a distribution network or to the other current expenditure linked to export activity.
- Aid contingent upon the use of domestic in preference to imported goods may not be supported.

THANK YOU

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