

Funding 4 yEU

Focus on *SMEs*



Malta-EU Steering
& Action Committee

Issue 1

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ERDF E-Business Development Grant Scheme

The incentive provides support to SMEs which wish to invest in Information and Communications Technologies projects that integrate business functions, streamline workflows and enhance interactions with clients and suppliers. Such projects must be completed within 24 months, with the following classified as eligible costs:

- ICT Hardware Costs that form an integral part of the project.
- ICT Software Costs such as Database Management Systems, Enterprise Re-

source Planning Solutions, Computer Aid Design and Manufacturing software, Content Management Solutions, Client Relationship Management systems and Online portal and content management solutions.

The incentive will facilitate the realisation of ICT investments supporting growth through:

- a) The diversification of an enterprise's products and services, and
- b) significant changes to an enterprise's production process.

Preference will be given to projects that adopt ICT

solutions as a business enabling medium leading to:

- i. The establishment of processes that extend beyond an enterprise's main operations such as supply chain management and customer relationship management;
- ii. The provision of holistic ICT solutions for integrating the operations of an enterprise;
- iii. The harnessing of broadband solutions, such as e-learning and e-commerce.

- *The total budget allocated under this call is capped at € 990,000*
- *The application forms must be submitted to Malta Enterprise by Friday 26th March at noon.*

The following is a summary of the Maximum and Minimum financial aid together with the different co-financing rates

Enterprise Size	Co-financing rate	Maximum grant	Minimum grant based on a project value of Euro 25,000
Small Enterprises	50 %	€ 100,000	€ 12,500
Medium-sized Enterprise	40%	€ 80,000	€ 10,000
SME active in the transport sector	30%	€ 60,000	€ 7,500

For further details on this scheme, refer to the following documentation: Guidelines, Applications and Notes to Applicants are available from <http://www2.20millionforindustry.com/Default.aspx?tabid=118&language=en-US>

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ERDF Innovation Action Grant Scheme

The incentive will provide funds to SMEs by co-financing costs leading to Product or Service Innovation, Process Innovation and Organisational Innovation. All eligible costs funded under this scheme must fall within the following two categories:

1. Sub-contracted services acquired for implementing an innovation Management Technique
2. Investment costs in tan-

(IMT). This can take various forms;

- Quality management systems,
- Structured technology watch and audits
- Intellectual property/technology transfer management systems,
- Business process management,
- Benchmarking

gible and intangible assets conducive to either the diversification of output or to a fundamental change in the overall production process.

Project benefiting from this incentive should be completed within 24 months and the resulting minimum and maximum grant value are provided in the following table :

Enterprise Size	Co-Financing Rate	Maximum Grant	Minimum Grant based on a project value of € 50,000
Small Enterprises	50 %	€ 125,000	€ 25,000
Medium sized Enterprise	40 %	€ 100,000	€ 20,000
SME activity in the transport sector	30 %	€ 75,000	€ 15,000

For further details on the scheme, please refer to the following documentation: Guidelines, Applications and Notes to Applicants are available from:

<http://www.20millionforindustry.com/Default.aspx?tabid=115&language=en-US>

ERDF Small Start-ups Grant Scheme

The scope of the ERDF Small Start-ups Grant Scheme is to support the formation of new, high value-adding enterprises having less than 50 employees by part financing (25%) their initial operational costs.

Funding is provided for a maximum of 24 months. Project eligibility requires a minimum project value of €50,000, with the maximum grant value set at € 100,000.

Eligible costs must fall

within the following categories

1. Wages Costs

Assistance is capped at €20,000 per person over the 24-month project period and the beneficiary must retain the jobs supported by the scheme for a minimum of 36 months from the date of recruitment

2. Renting/Leasing of equipment and production facilities (25 % of cost incurred up to

two years) of

- Equipment required by an enterprise for its operations
- Private production premises

Renting and Leasing from enterprises that are linked to the applicants are not eligible whilst leased equipment must remain in the possession of the lessor.

3. Utilities

Co-financing of water and electricity costs.

• The total budget allocated under this call is capped at €2,959,000

• The application forms are to be submitted to Malta Enterprise by Friday 26th March, noon.

• The total budget allocated under this call is capped at €1,000,000

• The application forms are to be submitted to Malta Enterprise by Friday 26th March at noon.

For further details on this scheme, refer to the following documentation: Guidelines, Applications and Notes to Applicants are available from:

<http://www2.20millionforindustry.com/Default.aspx?tabid=114&language=en-US>

ERDF Innovation Action Grant Scheme(Environment)

The ERDF Innovation Actions Grant Scheme (Environment) supports Small and Medium-sized Enterprises (SMEs) planning to invest in projects designed to improve environmental performance through eco-innovation. Projects benefiting from this incentive should be completed within 24 months.

Eligible costs must fall within the classifications

listed below:

- Certification such as EMAS, ISO, Eco-Label and other standards recognised by the MSA.
- Plant, Machinery and Equipment required to enhance the environmental performance. Costs include engineering services required to modify existing plant, machinery and equipment and the acquisition of new machinery and equipment.
- Technology licensing to utilise technology and intellectual property required to achieve a better environmental performance.

The following table shows the Maximum Aid Intensity and Value of Grant

Enterprise Size	Co-financing Rate	Maximum Grant	Minimum Grant Based on a Project Value of €
Small Enterprise	50%	€ 100,000	20,000 € 10,000
Medium-Sized Enterprise	40%	€ 100,000	€ 8,000

For further details on this scheme, refer to the following documentation:

Guidelines, Applications and Notes to Applicants are available from:

<http://www2.20millionforindustry.com/Default.aspx?tabid=117&language=en-US>

ERDF ENERGY Grant Schemes

The incentive provides support to SMEs investing in projects resulting in the decreased utilization of energy generated by fossil fuels. Projects benefiting from this incentive should be completed within 18 months of issue of the Letter of Approval by Malta Enterprise. The following table shows the Minimum and Maximum Aid Intensity

	Co-Financing Rate	Maximum Grant Based on a project value of € 200,000	Minimum Grant based on a project value of €
Beneficiaries	50 %	€ 100,000	25,000 € 12,500

The eligible cost must fall within the classifications set below:

1. Energy Saving Measures

Investment in the implementation of energy saving solutions and lighting, such as the installation of intelligent lighting systems, solar heating, thermal insulation, Combined Heat and Power (CHP), heat pumps, building management systems (excluding hotels), energy saving lighting (solely as part of a holistic plan).

2. Alternative Energy Sources

Investment in renewable energy solutions, such as the installation of energy generating solutions based on the use of solar power and wind power.

For further details on this scheme, refer to the following documentation:

Guidelines: <http://support.maltaenterprise.net/doc/erdf/ERGY/ERDF.ERGY.3.pdf>

- The total budget allocated under this call is capped at €1,500,000
- The application form must be submitted to Malta Enterprise by Friday 26th March at noon.

- The total remaining budget allocated under this call exceeds € 6,000,000
- The application form must be submitted to Malta Enterprise by Friday 26th March at noon.

ERDF Research and Development Scheme

This incentive provides grants to enterprises carrying out Industrial Research and Experimental Development activities (not exceeding 36 months) leading to the development of new or significantly improved products, processes or services. For an application to be considered for co-funding, a minimum project value (based on eligible expenses) of €60,000 is required. (The resultant minimum grant value will

depend on the applicable aid intensity).

The following costs are considered as eligible providing they are incurred in relation to an approved Industrial Research or Experimental Development project:

1. Personnel costs, instruments and equipment
2. Contractual research, technical knowledge and

patents. Such costs are not to exceed 25% of the total project costs.

3. Material, supplies and similar products, bought specifically for the research project and incurred directly as a result of the research activity.

The following table shows the Maximum Aid Intensity and Value of Grant

	Small Enterprise	Medium Enterprise	Large Enterprise	Maximum Grant
Industrial Research	70 %	60 %	50%	€ 300,000
Experimental Development	45%	35%	25 %	€ 300,000

For further details on this scheme, refer to the following documentation: Guidelines, Applications and Notes to Applicants from <http://www.20millionforindustry.com/Default.aspx?tabid=119&language=en-US>

ERDF International Competitiveness Grant Scheme

The ERDF International Competitiveness Grant Scheme supports enterprises targeting a new market and/or to introduce a new service or product in an existing international market.

Support available aims to facilitate the building of internal capacities within the enterprise so as to incentivise more firms to internationalise.

This scheme will reimburse 50% of marketing and trade fair costs, product certification and the wage costs of a business development manager as

part of a specified internationalisation project.

The aid intensity for projects supported under this incentive is set at 50% of the costs incurred in relation to the items of expenditure mentioned below. Projects benefiting from this incentive should be completed within 24 months and the project value must be at least €50,000. The resultant minimum grant value per project is Euro 25,000 while the resultant maximum grant value is of €100,000.

For further details on this

scheme, refer to the following documentation:

Guidelines: <http://support.maltaenterprise.net/doc/ERDF/COMP/ERDF.COMP.3.pdf>

Application: <http://www.20millionforindustry.com/Default.aspx?tabid=121&language=en-US>

Notes to applicants: <http://support.maltaenterprise.net/doc/ERDF/ERDF.Notes.to.Applicants.pdf>

- The total budget allocated under this call is capped at €2,300,000
- The application form must be submitted to Malta Enterprise by Friday 26th March at noon.

- The total budget allocated under this call is capped at €1,417,369.00
- The application form must be submitted to Malta Enterprise by Friday 26th March at noon.

Keeping the cutting edge – Toly Ltd

The 2008-2009 Global Recession has underlined the importance for firms, most notably SMEs, to be competitive in their approach to the markets they operate in. Although companies have greatly struggled to overcome the obstacles of financing, innovation and increased competitiveness have been identified as the way forward.

In the light of such considerations, the **20 Million For Industry** SME funding programme being overseen by Malta Enterprise, incorporates a number of grant schemes providing financial assistance in different stages of development.

One company that is in the process of benefitting from the International Competitiveness and Research and Development (R & D) schemes is TOLY products. Founded in 1971, the firm fast became one of the leaders in the cosmetics packaging industry. The multinational, with a manufacturing base in Malta, has identified a number of areas which will enable the firm to further expand its operations.

Under the International Competitiveness Scheme, the Danish-based firm secured €100,000. It will commit part of the funds to the recruitment of a Business Development Manager and its participa-

tion in a number of international fairs and exhibitions. Within the field of R & D, the €42,710 (co-financing rate of 25%) will be dedicated in the development of innovative packaging that should provide the company with an advantage over its competitors.

Although the funding obtained will not cover all of the costs that the company will encounter, financial assistance will enable the implementing of new concepts that would prove too costly without any financial aid. Recent events have further underlined the need for the EU to create a platform for businesses to pursue ideas and opportunities for growth.

ERDF Funding Obtained:

International Competitiveness
€100,000

R & D Costs
€42,710



Reference was made to: <http://www.20millionforindustry.com/>



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