

Recovery and Resilience Plan for Malta

European Funds for Digitalisation and Energy Efficiency Projects

The **Recovery and Resilience Plan (RRP)** for Malta addresses the need for a strong and immediate recovery. Reforms and investments in the plan are aimed at making Malta more **sustainable, resilient** and better prepared for the challenges and opportunities of **green** and **digital transitions**.



This newsletter focusses on 3 latest **funding opportunities** related to **digitalisation** and **energy efficient schemes**. A total of €35 million of these funds will be used for digitalisation-related projects; with €5 million for SMEs and €10 million for projects tied to the tourism and cultural sectors. Whilst €20 million will be used for schemes promoting more energy efficiency in buildings.

The **deadline** for applying for these schemes is **30th September 2022**.

1. Renovation of Private Sector Buildings Grant Scheme

The objective of the scheme is to **improve energy efficiency, reduce energy demand, lower carbon emissions and limit energy waste** through the **retrofitting of private sector buildings**. Renovation, retrofitting, and refurbishment of existing buildings represent an opportunity to upgrade the energy performance of commercial building assets for their ongoing life.

This incentive seeks to assist enterprises through **non-repayable Grants** to part-finance investments to retrofit their operations, and **hence improve their energy and resource efficiency by reducing the energy used for heating, cooling, ventilation, hot water and lighting**.

The building renovations undertaken are to lead to a **reduction of Primary Energy Demand (PED)** of at least **30%**. Also, the measure requires the economic operator/s carrying out the construction works to ensure that

at least **70%** (by weight) of the **non-hazardous construction and demolition waste generated** on the construction site shall be prepared for **re-use, recycling and other material recovery**, including backfilling operations using waste to substitute other materials, in accordance with the waste hierarchy, Article 11.2 (b) of Directive 2008/98/EC on waste and the EU Construction and Demolition Waste Management Protocol

The **Grant** amount that an Undertaking may receive is of **€300 per m2** (capped at €1M per undertaking). The aid shall depend on the set aid intensities, as follows:

Investment In Malta		Investments In Gozo	
Small & Micro	50%	Small & Micro	55%
Medium	40%	Medium	45%
Large	30%	Large	35%

This Grant Scheme will support eligible enterprises to undertake actions that reduce the primary energy demand of the building by reducing the **energy used for heating, cooling, ventilation, hot water and lighting** through:

- Actions involving **systems for the above energy use**
- **Interventions on the building envelope** that reduce the energy demand required by the above.

2. SME Digitilisation scheme

This incentive seeks to assist SMEs through **non-repayable Grants** to part-finance investment to **digitalise their operations**, and hence improve their resilience, efficiency, productivity and customer experience by addressing **new digital capabilities and digitalised processes** such as product and process design and engineering, end-to-end procurement, supply chain/distribution and after sales.

The maximum funding amount is **€50,000** per digitalisation investment in digital technologies, part-financing eligible costs **up to 50%** for investments in **Malta** and **60%** for investments in **Gozo**.

This Grant Scheme will support eligible enterprises to undertake costs in tangible and intangible assets in the following actions:

- i. **e-Commerce Website**
- ii. **Digital Solutions –**
 - a) Commercial Off-The-Shelf (COTS) and Custom Software
 - b) Hardware (such as Laptops, Docking Station, Port Replicator, Monitors, Tablets)
 - c) Analytical Tools (including necessary hardware and software)
 - d) Cyber Security systems
 - e) Cloud computing
 - f) Routers, switches and WIFI related equipment
 - g) Other hardware and software (identified in the application and not already identified above, which the division may consider eligible under this scheme)
 - h) Training costs on the use of the specific item acquired under points a to g above and included in the purchase price of the item in question, and thus from the same provider.

3. Digital Intensification Grant Scheme

This incentive seeks to assist eligible enterprises through **non-repayable Grants** to part finance **initial investment for SMEs**, or an **initial investment in favour of a new economic activity** in the case of **large enterprises**.

Proposals which are in line with the below priorities will be given precedence in selection.

• **Manufacturing industry** – investment that supports the transformation operations and transition to Industry 4.0 by optimising the use of existing technologies and exploitation of emerging technologies and trends such as digital twinning, predictive maintenance, track-and-trace, and modular design amongst others

• **Tourism industry** – investment that ensures that digitalisation is leveraged with a view to enhance operations by addressing not only operational logistics but exploring the possibility of analytical tools and AI to design, adapt and personalise hospitality packages and offerings that maximise client experiences and investment in digitalisation and other technologies that will also contribute towards better resource efficiencies, such as the use of water and electricity.

The maximum grant value under this scheme is set at **€200,000 per digitalisation** investment.

Size of Undertaking	Aid Intensity		
	Projects in Gozo	Projects in Malta (in assisted areas designated in Malta's Regional Aid map)	Projects in Malta (in localities not falling within the Regional Aid map)
Micro and Small	35%	30%	20%
Medium	25%	20%	10%
Large	15%	10%	N/A

This Grant Scheme will support eligible enterprises to undertake the following investment costs in tangible and intangible assets in the following actions:

Specific Digital Solutions (as identified in the Process and Systems Review) including –

1. Hardware

2. Commercial Off-The-Shelf (COTS) and Custom Software

3. Other Digital Solutions

4. Installation including any training costs on the use of the specific item acquired under points 1 to 3 above and included in the purchase price of the item in question, and thus from the same provider.

This article reflects the guidelines published by Measures and Support Division, Ministry for Foreign and European Affairs as at 20 July 2022.

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