

## SME Enhance Scheme

Business success is dependent on the ability of the enterprise to focus **investment on expansion, diversification, innovation of the operations, as well as on initial investments**. This incentive shall seek to support Undertakings through **non-repayable Grants** to part finance investment in relation to the activities outlined and aimed at potentially **improving the productivity of the enterprise**.



### Eligible Expenditure

This Grant Scheme will support eligible enterprises to procure:

- a) **Equipment, Plant and Machinery** - Costs for the purchasing of the main component of the operation in terms of equipment, plant and machinery required by the Undertaking for the operation.
- b) **Equipment, Plant and Machinery (ancillary items)** - Costs for the purchasing of ancillary items to the main activity of the project.
- c) **Lease of private operational premises** - Costs for leasing of privately owned operational premises required for the operations of the Undertaking for the duration of 2 years.

### Application

The SME Enhance will remain effective until **31 December 2023**, subject to availability of funds. Actions financed under the SME Enhance are to be implemented within 24 months from the date of the Grant Agreement.

## Maximum Grant and Assistance

This scheme is being offered under two different state aid regulations, explained in further detail below.

### a) De Minimis Regulations:

The **minimum grant value** under this scheme is set at **€10,000** whilst **the maximum grant value** is set at **€120,000**, part-financing eligible costs up to **50% for investments in Malta** and **60% for investments in Gozo**.

At application stage, applicants will have the option to either provide 3 comparable quotations or an investment proposal.

### b) General Block Exemption Regulation:

The **minimum grant value** under this scheme is set at **€10,000** whilst **the maximum grant value** is set at **€500,000**, part-financing eligible costs between **10%-30% for investments in Malta** and an additional **5% for investments in Gozo** as per the below schedule.

Size of Undertaking	Aid Intensity		
	Projects in Gozo	Projects in Malta (in assisted areas designed 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%

This article reflects the guidelines published by Business Enhance as at 11<sup>th</sup> September 2023.

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*\*The objective of this summary is to outline the principal elements of the rules being summarized herein. Accordingly, it is not intended to be provided by way of comprehensive and definitive advice. Interested parties should seek professional advice by contacting DFK Malta Tax & Consultancy Limited before acting upon any information included in this document.*