

## Investing In Skills

Investing in Skills (IIS) is a scheme supported by the European Social Fund+ (ESF+), the Maltese Government, and Employers. It is part of Malta's Operational Programme for 2021-2027, focusing on fostering socioeconomic wellbeing and investing in human resources. The scheme provides funds to employers for upskilling their workforce, aiming to boost productivity and adaptability among individuals in the Maltese labour market. Its **goal** is to **enhance the knowledge and skills of employed persons through the granted funds**.

### Budget and Duration

- **Launch Date:** 18th September 2023
- **Budget Allocation:** Approximately €4 million
- **Application Window:** Open until 31st December 2026
- **Training Completion Deadline:** 30th June 2027
- **Closure Possibility:** Scheme may close earlier without notice if the budget is exhausted.



### Eligibility Criteria

The scheme is open to all employers, excluding Local Councils, Public Entities, Government Departments, and entities where the Government holds over 50% shareholding. This ensures a broad scope of eligibility among private enterprises.

To secure approval under the Investing in Skills scheme, applicants must meet all the eligibility criteria:

- a. **Complete Documentation:** Submission of a fully filled application form with relevant details.
- b. **Project Implementation:** Registered in eligible territory (Malta and Gozo), the project must be within or benefit this area.
- c. **Incentive Effect:** Demonstrate an incentive effect by submitting the application before the activity starts.
- d. **Eligible Training Programme:** Aid won't be granted for National Mandatory Standards training. Events like Information Sessions, Meetings, Conferences, Seminars, and Team Building are ineligible. The scheme supports formal and non-formal learning.
- e. **Formal Employment of Trainees:** Ensure trainees are formally employed during the training.
- f. **Exclusion Situation:** Avoid an exclusion situation per financial regulations.
- g. **Selected Operation Criteria:** Align with the Charter of Fundamental Rights and UNCRPD.

## Aid Intensity Based on Size

The aid intensity varies based on the size of the undertaking:

- **Large:** >250 employees, 50% aid intensity
- **Medium:** ≤250 employees, ≤ €50m turnover and/or ≤ €43m balance sheet total, 60% aid intensity
- **Small:** <50 employees, ≤ €10m turnover and/or ≤ €10m balance sheet total, 70% aid intensity
- **Micro:** <10 employees, ≤ €2m turnover and/or ≤ €2m balance sheet total, 70% aid intensity

## Evaluation and Eligibility of Operations

Projects submitted for evaluation by the Evaluation Committee undergo scrutiny based on the eligibility criteria, sanctioned by the Monitoring Committee. Eligible costs, such as trainer personnel, related operating expenses, and trainee personnel, are subject to a co-financing rate. However, costs associated with internal training, mandatory legal training, sessions from linked companies, free training, SEC/MATSEC courses, time for exams/tests, and various other categories are considered ineligible. Additionally, the origin of funds invested in the operation must be free from illicit sources.

## External Trainers Costs

External trainers engaged in the training sessions are eligible for reimbursement based on direct hours, capped at 8 hours per day and 40 hours per week. The reimbursement is calculated using the Standard Scale of Unit Cost, with a maximum of 10 trainees reimbursed per training, regardless of the number of beneficiaries. In exclusive training, up to 10 trainees per group are reimbursed. For non-exclusive training shared among multiple beneficiaries, Jobsplus reimburses a maximum of 10 trainees per group, adjusting grants accordingly.

## Supported Training Types

IIS takes a holistic approach to training, supporting various types:

- **Classroom Style Training:** Direct physical contact with a trainer, in group or one-to-one sessions, or on-the-job.
- **E-Learning Online Training (Live Sessions):** Conducted during live online sessions on platforms like Zoom or Skype, subject to Jobsplus access for monitoring visits.
- **E-Learning Online Training (Self-Led):** Conducted via prerecorded sessions, subject to Jobsplus access for monitoring visits and accreditation/recognition by MFHEA, ITS, UOM, or MCAST.
- **Distance Learning:** Conducted by correspondence, without the need for the student to attend a training centre, subject to accreditation/recognition by MFHEA, ITS, UOM, or MCAST.

For Classroom Style Training and E-Learning Online Training (Live Sessions), reimbursement is meticulously structured based on the unit cost per contact hour. There's a cap at 25 hours per trainee for non-accredited training, while accredited training is exempt from this cap, reimbursed up to the maximum contact hours approved by accrediting bodies.



## Trainees' Personnel Costs and Flight Expenses

- **Trainees' Personnel Costs:** Reimbursed based on the national minimum wage, with a maximum claim of 8 hours per day and 40 hours per week. However, personnel costs are not eligible for E-Learning Online Training (Self-Led) or Distance Learning.
- **Trainer and Trainee Flight Expenses:** Flight expenses for trainers and trainees residing abroad can be claimed based on Erasmus Plus Grant Support rates, reimbursed upon presentation of boarding passes at applicable rates.

## Application and Evaluation Process

The IIS application process operates on a first-come, first-served basis, with a preference for submissions at least 21 days before the training commences. The training is deemed eligible if applied for before commencement. Employers can initiate training at their own risk, with Jobsplus explicitly stating non-responsibility for losses if the training is found ineligible. The application necessitates a comprehensive set of documents, including a completed form, training schedule, evidence of accreditation, course content, financial estimates, and additional documents for NGOs and social partners.

It's crucial for beneficiaries to understand that accepting EU funds binds them to comply with the terms and conditions outlined in the Grant Agreement. Any proposed changes require written agreement, and failure to inform Jobsplus may lead to financial corrections. Importantly, requests to change external training providers or programs are not entertained; a fresh application becomes a necessity.

This article reflects the guidelines published by Business Enhance as at 9<sup>th</sup> January 2024.

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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.*