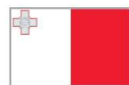


ERDF Grant Schemes Selection Criteria

Operational Programme I - *Fostering a competitive and sustainable economy to meet our challenges*

**Monitoring Committee
24th November 2022**



European Union
European Structural and Investment Funds



Introduction

- Under the current Operational Programme, ERDF Grant Schemes are administered and managed by the Measures and Support Division (MSD), which has been tasked to act as the Intermediate Body in terms of Article 123 (6) of EU Regulation 1303/2013.
- The MC is hereby being presented with the Gateway and Selection criteria for a new State Aid Measure under PA3 **"Equipment and Machinery SME Grant Scheme"** with an allocation of €2M.

Equipment and Machinery SME Grant Scheme

This incentive will seek to support Undertakings through the provision of assistance in the form of non-repayable Grants to part-finance investment in equipment and machinery aimed at directly improving the productivity of the enterprise.

Such investment can be aimed at expanding, diversifying, and/or innovating the operations, and by supporting initial investments.

Equipment and Machinery SME Grant Scheme

Aid under this scheme shall be awarded in accordance with the de minimis State Aid Regulation.

Minimum funding grant of €10,000 and a maximum grant capped at €120,000, with an aid intensity of 50% for projects in Malta and 60% for projects in Gozo.

This scheme shall be administered through an open rolling call with periodical cut-off dates.

Equipment and Machinery SME Grant Scheme

Eligible Actions

- Investment in equipment and/or machinery which is considered as directly contributing to improving the productivity of the enterprise.

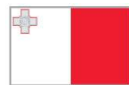
Eligible Costs

- Purchasing of new equipment and/or machinery

Exclusions

- Same exclusions as in the current investment schemes under the 14-20 programme.

Assessment, Evaluation and Selection



European Union
European Structural and Investment Funds



Gateway Criteria

All applications are required to meet the minimum eligibility requirements set out under the Gateway Criteria in order to be considered for selection. This stage will involve an assessment and a Due Diligence process to establish that these minimum requirements are met.

Complete application: an Undertaking must present a fully compiled application together with all the requested supporting documentation, by the indicated deadline.

Eligible Undertaking: the Undertaking is an eligible Undertaking, in line with the respective guidelines and within the state aid parameters.

Eligible action: the action for which the applicant is asking for support is eligible and includes, at least, one eligible activity.

Match Financing: the applicant has submitted evidence as to its capacity to match finance the project from private sources.

Selection Criteria

Those applications that meet all the requirements of the Gateway Criteria shall proceed for assessment under the selection criteria.

The Project Selection Committee will evaluate and score each of these applications against the following set Selection Criteria, with a total potential score of **100 points**.

Risk Assessment

Excellence

Impact and Sustainability

Quality and efficiency of implementation

Open rolling calls

This aid scheme will be administered through an open rolling-call. After scoring, applications attaining 50% of the total score or higher will be approved for funding on a first-come-first served basis, subject to the budget availability.

	Selection Criteria				Points
	Risk Assessment	Excellence	Impact & Sustainability	Efficiency and Quality of Implementation	
Equipment and Machinery SME Grant Scheme	10	30	25	35	100

Selection Criteria

Risk Assessment - 10pts

Ratio of Operation value to net assets of Undertaking – 5pts

Applications will be risk assessed in terms of the ratio of the project's value to the financial resources of the Undertaking.

Qualitative assessment of the Undertaking – 5pts

Applications will be risk assessed in relation to the age of the Undertaking, business experience, track record of the management and controlling shareholders.

Selection Criteria

Excellence - 30pts

Quality of the proposed project concept through its main characteristics – 5pts

The Application should be of good quality and provide clear information that can be readily understood. The proposed project concept should not be run-of-the-mill.

The evaluation will be assessing the overall quality of the proposed project, the project background, context and need for the project, the project's objectives, expected results and resources required. The Application is to clearly evidence the enterprise's need to invest in the new equipment and/or machinery and the utilisation of same equipment to attain results.

Selection Criteria

Coherence and clarity of the Application - 10pts

The evaluation will be assessing the project's work plan, strategy and quality of the Application. Coherent proposals supported by quantitative data and market research will be rewarded.

Action seeks to maximise the internationalisation of the Applicant – 5pts

The action will be assessed in terms of the project's potential to support the Applicant to strengthen its international presence.

Action is ambitious and is addressing an identified gap within the enterprise and/or the specific sector the enterprise operates in – 10pts

The action will be assessed in terms of the extent of identified gaps (both in the enterprise and/or the sector) it addresses. The evaluation will focus on the novelty of the concepts and new approaches proposed by the project.

Selection Criteria

Impact and Sustainability - 25pts

The return on investment (ROI) and potential cost reductions – 10pts

An assessment of the project's impact vis-à-vis the return on investment (ROI), by dividing the projected increase in turnover by the cost of machinery. The application will also be assessed on the potential cost reductions to the operations of the Applicant through the reduction in the cost to sales ratio.

Applicant's plan to make the enterprise more sustainable, resilient and better prepared for the challenges ahead – 5pts

The application and the investment shall be assessed against this criterion.

Selection Criteria

Project results in improvements in the Undertaking's business model – 5pts

The application will be evaluated in relation to the project's impact on the sustainability of the business model. Applicants are to identify the benefits which shall emanate as a result of the project.

Project in line with National Policies and the Programme's horizontal priorities: Environmental Sustainability and Equal Opportunities – 5pts

The application will be assessed in relation to potential impact on National Policies linked to the Programme and to the effective integration of the Programme's horizontal priorities being Environmental Sustainability and Equal Opportunities.

Selection Criteria

Efficiency and Quality of implementation - 35pts

Size of Undertaking – 10pts

Proposals submitted by Micro enterprises or autonomous enterprises will be rewarded.

A holistic investment – 5pts

Projects that propose a holistic investment tied to a clear objective will be rewarded.

Selection Criteria

Quality, readiness and timeliness of the proposed project – 10pts

Projects are to:

- present a GANNT Chart / Implementation Schedule of the proposed actions
- include an assessment of the potential implementation risks, the probability of these risks happening and the identification of measures to mitigate same risks
- demonstrate the capacity to deliver the project and that they have a contingency plan to compensate for adverse effects on timetable, expenditure, and outputs.

Applications showing that their proposal is in an advanced state of readiness, such as having already assessed the options obtained or in possession of required licences/permits, shall be rewarded. Evidence of such documents is to be provided with the application.

Selection Criteria

Management and Control Systems in place including organization's structure – 5pts

The Applicant should ideally provide an organigram or description of the organization's structure. In the Application the applicant is to identify the segregation of the level of management and control and include an overview of the expertise of the key personnel who will lead the project.

Any quality standards adopted by the applicant will also be considered.

Selection Criteria

Level of capacity and allocation of resources towards the project – 5pts

The capacity to implement the project is part of the commitment of the Applicant.

The evaluation will be assessing the allocation of human resources, both internal and external, towards the project to ensure its successful implementation and sustainability.

Experience in the implementation of projects co-financed through Structural Funds, other EU programmes or own funds shall be rewarded.

Contact Details

*Secretariat to the Monitoring Committee,
Planning and Priorities Coordination Division,
The Oaks Business Centre, Block B,
Farsons Street,
Hamrun HMR 1321*

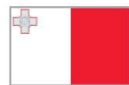
Tel: + 356 25552555

Email: info.eufunds@gov.mt

Website: www.eufunds.gov.mt



 **EU funds** | 2014
for Malta | 2020



European Union
European Structural and Investment Funds

