



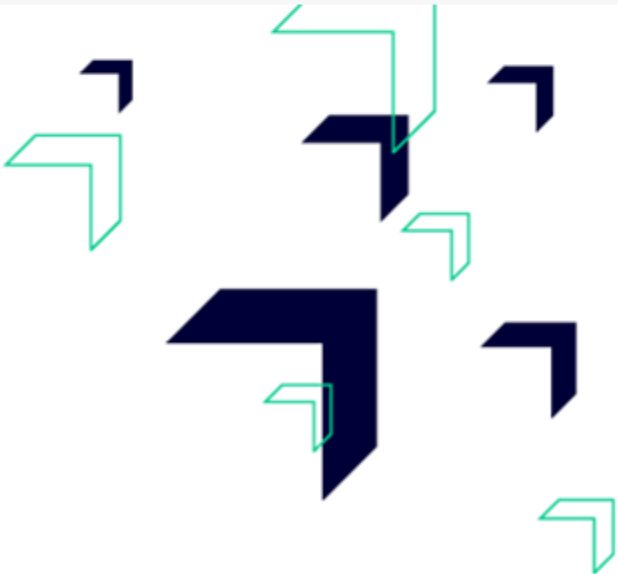
GOVERNMENT
OF MALTA



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Business Reports for SMEs

27th April 2023



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Introduction

Under the 2021-2027 ERDF, CF & JTF Programme, Aid Schemes will be centrally administered and managed by the Measures and Support Division, which has been tasked to act as the Intermediate Body in terms of Article 71 (3) of EU Regulation 2021/1060 of 24 June 2021.

To date, 3 schemes have already been approved by the Monitoring Committee: the Schemes addressing Start-ups, Small investments and Large investments. A new scheme focusing on Business Reports will also be launched.

The Monitoring Committee is hereby being presented with the criteria for this fourth grant scheme falling under Priority Objective 1 (RSO1.3).

The four schemes shall be launched on 1st June 2023 and together shall have an initial budget of €16.5M.

Priority Objective 1 – RSO1.3

The fourth grant scheme under Priority Objective 1, Specific Objective RSO1.3 ‘Enhancing sustainable growth and competitiveness of SMEs and job creation in SMEs, including by productive investments (ERDF)’ is the following:

- Business Reports for SMEs with an allocation €1.5M

Ex-ante Assessment of Aid Schemes

In the ex-ante assessment carried out, the SME Consultancy Scheme under the 14-20 Programme was deemed relevant and had a good uptake and synergies with the investment schemes.

The lump sum SCO used was also considered positively.

The report recommended that the SME Consultancy Scheme is to '*... be maintained but modified to increase the maximum support for some types of studies and expanded in scope to embed advisory activity. According to the findings of the thematic evaluation, the amount of reimbursement was considered overall appropriate....*'

Context within ERDF suite of Aid Schemes

- The scheme being presented today is the first component of our offering for advisory related grants under the 21-27 programme.
- This scheme is the one that will offer continuity and an uninterrupted availability of support for business plans and process and system reviews, which are the key requisites to access our other investment schemes.
- For this reason, as well as the positive assessment, the scheme and criteria are very similar to the SME Consultancy Scheme.
- Other support schemes for advisory services are being explored and prepared to have a more comprehensive offering, taking on board the recommendations made in the ex-ante assessment.
- These have not been grouped in a single scheme to allow for differences in the type and cost of the report, target beneficiaries as well as the aid regime and intensities that will be applied.

Business Reports for SMEs

- Eligible enterprises are SMEs. These enterprises generally have limited in-house resources and competences required to conduct studies to assist them in their decision-making processes to embark on investment initiatives. This limitation presents a dependency on outsourcing services to develop necessary reports.
- The Business Reports for SMEs shall seek to support SMEs through a non-repayable Grant to cover part of the costs incurred for external consultancy services contracted to provide the enterprise with a Business Report being either a Business Plan or a Process and Systems Review aimed at rendering it more efficient or more competitive.

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- Aid under this scheme shall be awarded in accordance with the de minimis State Aid Regulation.
- Grant is a lump sum of €4,000, with an aid intensity of 80%. (same Simplified Cost Option as for the SME Consultancy Services Grant Scheme under the 2014-2020 programme).
- This scheme shall be administered through an open rolling call with periodical cut-off dates.
- Project timeline – 6 months from Grant Agreement.

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Eligible Actions

A Business Report procured from an external Consultancy Service Provider (which is registered with the IB and autonomous and unrelated to the Beneficiary Undertaking).

External consultancy services shall be procured to provide a:

- Process and Systems Review aimed at rendering the Undertaking potentially more efficient; or
- Business Plan addressing the proposed investment initiatives, aimed at rendering the Undertaking potentially more competitive.

Exclusions

- The exclusions shall be in line with the ERDF regulation and applicable state aid regulations.

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Assessment, Evaluation and Selection

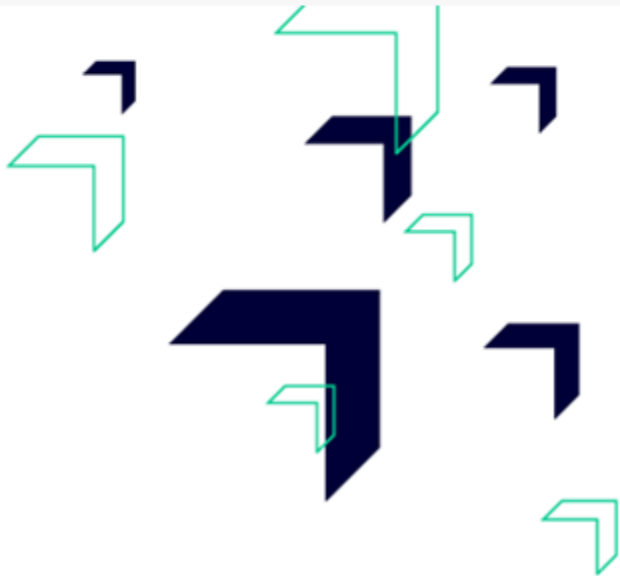
- The Gateway Criteria are the minimum requirements which must be met for an application under the Business Reports for SMEs to be approved for funding.
- This stage will involve a Due Diligence process to establish that the Gateway Criteria are met. (same approach as for applications under the SME Consultancy Services Grant Scheme under the 14-20 programme that were not scored against any Selection Criteria were only assessed against the Gateway Criteria).

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Gateway criteria

- Complete application: an Undertaking must present a fully compiled application together with all the requested supporting documentation, by the indicated deadline.
- Eligibility of Undertaking: the Undertaking is an eligible Undertaking, in line with the respective guidelines, regulations and within the state aid parameters.
- Eligibility of action and activities: the action for which the applicant is asking for support is eligible and at least includes an eligible activity in line with the incentive guidelines.
- Applications meeting all the Gateway Criteria will be granted funding on a first-come-first served basis subject to the budget availability under the respective measure.

Thank you !



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