

Incentive Guidelines

Trade Promotion





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1. Introduction

International markets present various opportunities to forward-looking businesses. Undertakings willing to build capacity to compete in different markets tend to be more innovative in their product/service offerings and processes. This incentive aims to support undertakings that are willing to establish new markets, or to introduce a new service or product in an existing international market.

1.1 Duration of the incentive

This aid scheme terminates on 31st December 2020.

These Incentive Guidelines may be changed and updated periodically.

1.2 Designated Authority

This incentive is administered by TradeMalta Limited Ltd (hereinafter referred to as TradeMalta Limited).

1.3 Budget

The total budget for this scheme is € 2.5 million for the duration of the scheme, with an average annual expenditure of €833,000.

2. Definitions

2.1 Single Undertaking

For the purpose of these Incentive Guidelines, the terminology *single undertaking* shall be defined as follows:

As per Commission Regulation EU No 1407/2013 of 18 December 2013 on the application of the Treaty on the Functioning of the European Union to *de minimis* aid, 'Singling' includes, for the purposes of this Regulation, all undertakings having at least one (1) of the following relationships with each other:

- a) one undertaking has a majority of the shareholders' or members' voting rights in another undertaking;
- b) one undertaking has the right to appoint or remove a majority of the members of the administrative, management or supervisory body of another undertaking;
- c) one undertaking has the right to exercise a dominant influence over another undertaking pursuant to a contract entered into with that undertaking, or to a provision in its memorandum of articles of association;
- d) one undertaking which is a shareholder in, or member of another undertaking, controls alone, pursuant to an agreement with other shareholders in, or members of that undertaking, a majority of shareholders' or members' voting rights in that undertaking.

Undertakings having any of the relationships referred to in points (a) to (d) of the first subparagraph, through one or more other undertakings, shall also be considered to be a single undertaking.¹

The same regulation states that a group of linked undertakings is considered as one single undertaking for the application of the *de minimis* rule, but those undertakings which have no relationship with each other, except for the fact that each of them has a direct link to the same public body or bodies, are not treated as being linked to each other. The specific situation of undertakings controlled by the same public body or bodies, which may have an independent power of decision, is therefore taken into account.¹

¹ [Commission Regulation \(EU\) No 1407/2013 of 18th December 2013](#)

2.2 Small and Medium Sized Enterprise

An 'SME' is an undertaking which fulfils the criteria laid down in Annex I of Commission Regulation (EU) No 651/2014 of 17 June 2014, declaring certain categories of aid compatible with the internal market in application of Articles 107 and 108 of the Treaty (hereinafter referred to as the General block exemption Regulation).

2.3 Large Enterprise

A 'Large enterprise' is an undertaking which fulfils the criteria laid down in Annex I of Commission Regulation (EU) No 651/2014 of 17 June 2014, declaring certain categories of aid compatible with the internal market in application of Articles 107 and 108 of the Treaty (hereinafter referred to as the General block exemption Regulation).

2.4 Incentive Entitlement Certificate (IEC)

For the purpose of these Incentive Guidelines, an IEC refers to the official letter issued by TradeMalta describing the assistance approved and against which claims for reimbursement can be made.

2.5 Franchisor

For the purpose of these Incentive Guidelines, the term *Franchisor* is deemed to be a limited liability company incorporated under the Companies Act Chapter 386 of the Laws of Malta that fulfills all the following criteria:

- a) The *Franchisor* owns trademarks, designs and other intellectual property rights which the company intends to provide to a franchisee to run a franchise location, in return for an agreed-upon fee.
- b) The *Franchisor* has produced a franchising manual (also known as an Operations & Training Manual) that provides a prescriptive guide to potential franchisees, which controls quality, communications and other standards.
- c) The *Franchisor* is not engaged in the re-selling or administering of a franchise business which belongs to third parties.

2.6 Brokerage or Networking Event

For the purpose of these Incentive Guidelines, a *Brokerage or Networking Event* is an event organised by international organisations with the scope of nurturing trade, technology transfers, developing business partnerships, facilitating business collaborations, or linking investor to business ventures such as venture capital pitching and brokerage events. Such events exclude seminars and conferences.

2.7 Trade Mission Voucher

Trade Mission Vouchers is a document issued by TradeMalta which may be used by the beneficiary to claim reimbursement of costs related to travelling and accommodation in line with the approved Trade Mission.

2.8 Export Development Plan

An *Export Development Plan* is a document that provides a framework for the development of an undertaking's international business. The plan must include analysis, strategies and options relating to:

- i. services or products that are to be exported;
- ii. target markets;
- iii. unique selling propositions of products and services in that target market;
- iv. market entry strategies;
- v. budgets associated;
- vi. human resources and production capacities; and
- vii. management of risks and possible mitigation measures

For the purpose of this support measure, the *Export Development Plan* must cover a minimum period of twelve (12) months and a maximum period of thirty-six (36) months.

3. Eligibility

3.1 Eligible Undertakings

This incentive is open to undertakings whose purpose is to intensify their internationalisation activities. The different actions that can be supported are defined into separate Schedules which may be available to specific business activities.

The beneficiary must be an undertaking registered as one (1) of the following:

- a. A undertaking incorporated under the Companies Act Chapter 386 of the Laws of Malta being a partnership en nom collectif, en commandite or a limited liability company.
- b. Self-employed persons registered with Jobsplus.
- c. Co-operatives with the Co-operatives Board.

3.2 Exclusions

No support may be provided to:

- a. Undertakings defaulting on Value Added Tax (VAT), Income Tax, and National Insurance.
- b. Public entities defined as: “Ministries, Departments, Entities, Authorities, Public Commissions Public Sector Foundations and similar organisations that carry out a public or regulatory function which does not involve the carrying out of an economic activity, whether or not such organisations are established by law”. Nevertheless, commercial undertakings carrying out exclusively an economic activity in direct competition with third parties and in which Government has a controlling interest are eligible under this scheme.
- c. Undertakings engaged in activities specifically excluded under the applicable State Aid regulations (vide Section 9).
- d. Undertakings whose principal activities fall under Section L ‘Real Estate’ activities’ of the NACE Rev. 2
- e. Undertakings whose principal activities fall under Section K ‘Financial and insurance activities’ of the NACE Rev. 2
- f. Gambling and Betting activities

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The below are the indicative eligible sectors and activities:

B9.1: Support activities for petroleum and natural gas extraction C : Manufacturing E38.2: Waste treatment and disposal E38.3: Materials Recovery E39: Remediation activities and other waste management activities F41: Construction of buildings F42: Civil engineering F43: Specialised construction activities J58: Publishing Activities J59: Motion picture, video and television programme production, sound recording and music publishing activities J62: Computer programming, consultancy and related activities J63.1: Data processing, hosting and related activities; web portals M71: Architectural and engineering activities; technical testing and analysis M72: Scientific research and development N77.4: Leasing of intellectual property and similar products, except copyrighted works (Franchise Agreements) N82.2: Activities of Call Centres Q86: Human health activities R90: Creative Arts and Entertainment Activities
P85.4: Higher Education P85.5.2 – Cultural Education P85.5.9: Other education n.e.c.

4. Maximum Aid & Applicable Aid Intensity

4.1 Maximum Aid Intensity

The total aid that may be granted to a single undertaking is limited to €25,000 in any calendar year.

4.2 Aid intensity ²

TradeMalta may reimburse up to a maximum of 50% of the eligible costs. Per Diem costs shall be reimbursed at up to 50% of the official government rate.

TradeMalta may establish lower aid intensities by economic activity and specifically exclude certain activities from benefiting from this measure. Such capping shall be based on the NACE activity of the undertaking and shall be published on TradeMalta website.

Assistance for a single undertaking shall not exceed the amount of €200,000 over any period of three consecutive fiscal years as per Commission Regulation (EU) No. 1407/2013 of 18 December 2013 on the application of Articles 107 and 108 of the Treaty on the Functioning of the European Union to *de minimis* aid (the *de minimis* Regulation).

² The Aid Intensity indicates the maximum aid that may be awarded. TradeMalta Ltd may award aid at lower intensities after considering the available budgets, the value aid to be achieved from the support provided and the sector in which the applicant is active.

5. Supported Actions

Schedule A:

Support for participation in Business to Business (B2B) International Trade Events and Fairs

Schedule B:

Trade and Company Missions

Schedule C:

Participation in Formal Networking and Brokerage Events

Schedule D:

Market Preparedness and Development

Schedule E:

Collaborative Projects

Schedule F:

International Call for Tenders

Schedule A: Support for participation in B2B International Trade Events and Fairs

An eligible undertaking may be awarded support to facilitate the participation in B2B international trade events and trade fairs. Such events are intended to primarily support the development of trade between business undertakings established in different regions.

A.1 Eligible Events:

An eligible B2B international trade event or trade fair shall be considered as an eligible event where the applicant is present as an exhibitor with a managed promotional stand, promoting the undertaking's products and services to other economic operators.

A.2 Eligible Participants

a) Eligible Undertakings as defined in Section 3 of these Guidelines operating in and classified by the National Statistics Office (NSO) under the NACE categories listed in the document entitled "List of Eligible Activities for Trade Promotion Support" published on TradeMalta website and published in Annex I of this document.

b) Franchisors.

c) TradeMalta reserves the right to approve participants that do not regularly fall under the provisions of (a) and (b) above but that are involved in an activity which TradeMalta considers to be of substantial added value produced in Malta and leading to direct economic benefit for the Maltese economy. The approval of such cases need to be approved formally by TradeMalta's Board and documented for audit purposes.

A.3 Eligible Costs

Reimbursement shall be awarded on the following costs:

- i. Rental of exhibition space and/or stand paid directly or indirectly to the organiser.³
- ii. Subcontracted stand construction services.
- iii. Rental of display aids.
- iv. Design and printing of backdrops, posters, banners and pop up banners that are an integral part of the stand.
- v. Freight expenses incurred for shipping materials and exhibits required to setup and run the exhibition space and/or stand.
- vi. Travel and Per Diem costs covering one (1) representative (employee or director) of the undertaking required to manage the exhibition space and/or

³ For indirect payments affected through third parties, the full payment trail has to be disclosed. Any additional costs beyond the payment affected to the organiser are ineligible.

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stand. The maximum number of days covered by the Per Diem shall be limited to the duration of the event.

- vii. Travel costs (excluding Per Diem costs) covering a second representative (employee or director) of the undertaking required to manage the exhibition space and/or stand (if the stand footprint exceeds twenty five (25) square meters).
- viii. Interpretation Services specifically provided to the undertaking during the trade event or fair.
- ix. WIFI connection paid by the undertaking at the event.⁴
- x. Administration charges related to the setting up of the stand.

A.4 Ineligible Costs

Any costs that are not listed in Section A.3 above will not be considered eligible.

A.5 Application Process

General details on the application process are provided in Sections 7 of these Guidelines.

Applications for support under this schedule should be received by TradeMalta at least three (3) months prior to the first day of the event. Applications that do not include sufficient information on the event and compelling reasons on how participation should increase the potential of the undertaking to grow internationally may be rejected.

Applications under this schedule shall be processed by TradeMalta.

A.6 Claim Process

General details on the claim process are provided in Sections 8 of these Guidelines.

Claims related to support approved under this section should include:

1. Proof of participation such as evidence of the exhibitor's tag or official list of exhibitors;
- and
2. Photographs of the stand indicating the location of the display aids, backdrops, posters, banners and pop ups.

⁴ Costs incurred by individuals (unless self-employed) shall not be considered as eligible.



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Schedule B:

Trade and Company Missions

Undertakings may be supported to participate in trade missions organised or endorsed by TradeMalta. Trade missions provide a structured approach to nurture collaboration and business development, providing business operators with the opportunity to develop their internationalisation potential and help entrepreneurs gain knowledge on how to operate in specific markets.

B.1 Eligible Participants

This support is open to eligible undertakings as defined in Section 3 of these Guidelines engaged in an eligible economic activity in Malta that meet the conditions that shall be established by TradeMalta in relation to each specific mission.

B.2 Eligible Costs

Travel costs and Per Diem covering one (1) representative (employee or director) of an undertaking participating in the event. The maximum number of days covered by the Per Diem shall be limited to number of full calendar days included by the trade mission. Travel and Per Diem will be calculated in line with Section 6.1. The official event information published by TradeMalta may indicate a specific capping or fixed reimbursement for the event.

B.3 Application Process

General details on the application process are provided in Section 7 of these Guidelines.

Further details on the application process will be specified in the official event information published by TradeMalta. Applications are to be received prior to the commencement of the trade mission.

B.4 Claim Process

General details of the claim processes are provided in Section 8 of these Guidelines.

Beneficiaries will receive a *Trade Mission Voucher* confirming the total aid that may be awarded.

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Schedule C: Participation in Formal Networking and Brokerage Events

An eligible single undertaking may be awarded support to facilitate participation in a Brokerage or Networking Event organised with the scope of developing and enhancing productive economic activities. Support will only be provided if an employee or director of the applicant undertaking is present at the event.

C.1 Eligible Undertakings

a) Eligible undertakings as defined in Section 3 of these Guidelines operating in and classified by the National Statistics Office (NSO) under the NACE categories listed in the document entitled “List of Eligible Activities for Trade Promotion Support” published on TradeMalta website.

b) Franchisors.

C.2 Eligible Costs

Reimbursement shall be awarded on the following costs:

- i. Registration Costs which shall be limited to one (1) person if the registration is charged per individual participant.
- ii. Travel costs and Per Diem covering one (1) representative (employee or director) of an undertaking participating in the event. The maximum number of days covered by the Per Diem shall be limited to the number of days in which the undertaking actively participates in formal networking or brokerage events. Travel and per diem will be calculated in line with Section 6.1.

C.3 Application Process

General details on the application process are provided in Section 7 of these Guidelines.

Applications for support under this schedule should be received by TradeMalta prior to the Event. Applications that are not received within the specified time period and/or do not include sufficient information on the event and compelling reasons on how participation should increase the potential of the undertaking to grow internationally may be rejected.

Applications under this schedule shall be processed by TradeMalta except for participation in Enterprise Europe Network (EEN) events which shall be processed by TradeMalta.

C.4 Claim Process

General details on the claim process are provided in Section 8 of these Guidelines.

Beneficiaries will be required to provide proof of participation in the event. Such proof could be provided by submitting the official list of schedule meetings are confirmed by the organising body.

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Schedule D: Market Preparedness and Development

An eligible single undertaking may be awarded support to address market preparedness and development capabilities to enter a specific market. This support must be linked to an Export Market Development Plan covering at least a period of twelve (12) months which must be endorsed by TradeMalta. Assistance approved on the Export Market Development Plan is limited to thirty (36) months.

D.1 Eligible Undertakings

a. Eligible undertakings as defined in Section 3 of these Guidelines engaged in a productive economic activity which falls under the NACE categories listed in the document entitled “List of Eligible Activities for Trade Promotion Support” published on TradeMalta’s website.

b. Franchisors

D.2 Eligible Costs

- a) Design, development, production, duplication and printing of marketing material⁵ required to implement the Export Market Development Plan.
- b) Design and development of packaging and product information for legal or regulatory purposes as required placing product in target market.
- c) Translation costs of the marketing material from Maltese or English into other languages, as specifically required to implement the Export Market Development Plan.
- d) Internet Search Engine Optimisation (SEO) costs required in increasing visibility in target markets and implementing the Export Market Development Plan. Support for SEO shall be capped at € 1,000 per annum.
- e) Travel Costs and Per Diem subsistence covering one (1) representative (employee or director) attending pre-determined business meetings outside of Malta in one or more target markets as identified in the Export Market Development Plan. Travel and Per Diem will be calculated in line with Section 6.1. Per Diem may only be paid to cover the days in which the undertaking can prove participation in at least one (1) business meeting. The maximum number of days which can be covered by the Per Diem subsistence in a single trip is capped at five (5) days.
- f) Travel cost (as per section 6.1) excluding Per Diem, incurred by the undertaking in holding a business meetings in Malta with unrelated undertakings established in a market identified in the Export Market Development Plan.
- g) Participation in conferences, fairs and similar events related to the undertaking’s activity.

⁵ Eligible marketing material refers to informative brochures, handouts, audiovisual productions and electronic media. Such material should include product and service information. Promotional merchandise is not eligible.



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D.3 Application Process

General details on the application process are provided in Section 7 of these Guidelines.

Support under this schedule is conditional to the endorsement from TradeMalta of an Export Market Development Plan. Applications should provide a schedule of actions covering a period of not more than twelve (12) months.

Applications under this schedule shall be processed by TradeMalta.

D.4 Claim Process

General details on the claim process are provided in Section 8 of these Guidelines.

In addition beneficiaries will be requested to submit the following documentation:.

- i. A copy of the marketing material for which costs are claimed.
- ii. Original text and translated text in relation to any translation costs claimed. The scripts need to be signed by the translator.
- iii. Delegate passes or similar evidence for participation in conferences, fairs or similar events.
- iv. E-mails and/or letters confirming meetings in relation to which claims are claimed.

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Schedule E: Collaborative Internationalisation Projects

Through the sharing of resources, undertakings forming part of a collaborative network can benefit from transfer of knowledge, combined capacity, improved business prospects and achieve higher competitiveness.

Support may be awarded when at least three (3) independent undertakings, at least two (2) of which are SMEs, that work together on a new joint export project and submit an Export Market Development Plan covering at least twelve (12) months and which is endorsed by TradeMalta.

The costs related to the collaborative projects should be equally split between the participating undertakings. The aid shall be apportioned accordingly and accounted for in the individual take-up of the participating enterprises.

E.1 Eligible costs:

- a) The support provided under Schedule D.
- b) The cost of one (1) full time **Export Development Manager** whose role should be to implement the joint marketing strategy and should be specifically indicated as the key role in the person's employment contract. The contract should also include a direct reference to the other parties engaged in the project and should be valid for a period that covers the whole Export Market Development Plan.

Reimbursement will be calculated on the net pay (excluding any other remuneration such as bonuses, overtime, allowance and benefits) and shall be capped at € 500 per month, which may be increased to €800 if the employee holds a tertiary education level (minimum MQRC 6). In cases where the Export Development Manager is employed on a part-time or reduced hours basis, the maximum support shall be reduced proportionally to the hours worked. The reimbursement of the costs related to the Export Development Manager is restricted to the first 12 months of the engagement of the person.

E.2 Application Process

General details are provided in Section 7 of these Guidelines.

Support under this schedule is conditional to:

- i. The endorsement from TradeMalta of an Export Market Development Plan;
- ii. The appointment of an Export Development Manager;

and

- iii. A written commitment from all parties collaborating in the project. The application should:



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- a) identify the Project Leader who will be responsible of all interaction related to the project.
- b) be endorsed by all parties collaborating in the project.

Applications are to be received by TradeMalta within three (3) months from the date TradeMalta approves the Export Market Development Plan. Applications under this schedule shall be processed by TradeMalta.

E.3 Claim Process

General details are provided in Section 8 of these Guidelines. (The provisions in Schedules D and F shall apply to costs covered by that schedule).

All claims are to be submitted by the Project Leader and must be signed by the authorised representative of each party collaborating in the project.

For Wage costs for Export Development Manager

- a. A copy of the contract of employment clearly indicating the full time appointment as Export Development Manager for the project. (A letter of appointment signed by the employee and all the parties engaged in the project should also be presented).
- b. Payslips covering the relevant period engaged in the project. The pay slips must be countersigned by the employee.
- c. Employment history issued by JobsPlus of the Export Development Manager.

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Schedule F:

International Call for Tenders

International Tenders are an opportunity for business undertakings to expand into new markets.

F.1. Eligible Pre-Tender Costs

- i. Fees of purchase of the tender specifications.
- ii. A onetime Travel and Per Diem cost covering one (1) representative (employee or director) of an undertaking to attend a meeting which is considered as relevant to the implementation of the submission of the tender. Travel Costs and Per Diem will be calculated in line with Section 6.1.

F.2 Eligible Undertakings

Eligible undertakings as defined in Section 3 of these Guidelines engaged in a productive economic activity which falls under the NACE categories listed in the document entitled “List of Eligible Activities for Trade Promotion Support” published on TradeMalta website.

F.3. Application Process

General details are provided in Section 7 of these Guidelines.

Applications for support under this schedule should be received by TradeMalta before costs are incurred. Applications that do not include sufficient information on the tender specifications and compelling reasons on how participation should increase the potential of the undertaking to grow internationally may be rejected.

Applications under this schedule shall be processed by TradeMalta.

F.4. Claim Process

Beneficiaries will be requested to submit the following documentation apart from the documentation requested in Section 8.

- i. Proof of submission of the offer.
- ii. E-mails and/or letters confirming that any travel claimed was related to official meeting related to the submission of the tender.

6. Additional Provisions

- a. Tax, including Value Added Tax (VAT) and other taxes or duties, is not considered as an eligible cost.
- b. Expenses claimed may not originate from businesses linked to the applicant/beneficiary.
- c. The applicant/beneficiary may be requested to verify that the best economic market value of the expenses claimed has been sought.
- e. Aid approved by TradeMalta will be revoked or suspended until that undertaking has reimbursed old, unlawful and incompatible aid that is subject to a recovery decision.
- f. In the case of businesses or groups of undertakings, only one (1) undertaking within the related group may receive aid for participation in any single trade event or mission. Aid may be awarded to more than one (1) undertaking with a Group of undertakings as long as the activities are not the same or similar.
- g. Approval of assistance is subject to budgetary limitations.

6.1 Travel Costs and Per Diem

- a. The support in relation to travel costs (air/ferry/trains) and per diem, shall be only eligible when the travel (to attend the meeting/ meetings, event or events) starts and ends in Malta.
- b. Reimbursement of travel costs will be capped at €250 (per round trip) for direct flights starting from Malta to European and Mediterranean countries and at €500 (per round trip) for indirect flights from Malta to any destination.
- c. Per Diem rates shall be established on TradeMalta Website. Per Diem cost shall be reimbursed at up to 50% of the official government rate.
- d. Cross border travel may be supported when an undertaking participates in more than one (1) meeting or event in a single journey which started and ended in Malta. In such instance, the total reimbursement per leg shall be capped at €100 which shall be considered as an addition to the capping provided in (b) above whereby the furthest destination will be taken into consideration.

7. Application and Assignment of Aid

Aid under this incentive is subject to approval by TradeMalta Ltd .

7.1 Application Process

Applications will be processed in terms of the Incentive Guidelines in force at the date of application. Applicants should use the official application which is available on TradeMalta website.

Although support for some actions covered under these Guidelines may be submitted after the costs are incurred, TradeMalta cannot guarantee that such applications will be upheld. It is recommended that applications are, in all cases, submitted as early as possible giving TradeMalta sufficient time to approve the cost before they are committed.

7.2 Approval

Support under this incentive Guideline may only be awarded by TradeMalta.

On being satisfied that an applicant fulfils the conditions set out in these Guidelines, TradeMalta will consider the value to be gained by the applicant from participating in the trade event, fair or mission and its potential impact on the growth of the Maltese economy.

Should TradeMalta consider the application favourably, an Incentive Entitlement Certificate (IEC) stating the approved amount, the eligible cost items and the applicable aid intensity is issued. The IEC will be issued subject to terms and conditions that may be imposed by TradeMalta. The benefits entitled by such IEC may be revoked if the applicant fails to abide by such terms and conditions.

TradeMalta shall reserve the right to revoke any IEC and recover any aid granted in terms of this Guideline if:

- a. The applicant breaches the rules set in these Guidelines, De Minimis Aid Regulations, or any conditions set in the IEC issued by TradeMalta.
- b. The expenditure claimed is found not to be directly related to the trade or business activity.
- c. There is double funding of the same eligible costs from TradeMalta or any other National or European or international entity.

8. Claim Process

8.1 Claims

Claims must be submitted on the appropriate claim forms which may be downloaded from TradeMalta website and will only be accepted if all the supporting documentation is received by TradeMalta . All incomplete claims will be rejected.

Claims must be submitted to TradeMalta within three (3) months from the date of the event and/or meeting.

8.2 Supporting Documentation required with claims

The following documentation shall be required in addition to the requirements specified in the respective schedules. TradeMalta may furthermore request additional documentation and information which TradeMalta may deem relevant to process the claim.

8.2.1 (a) Local Transactions

For each local transaction, the beneficiary must submit:

a) The Tax Invoice (as specified in the 12th Schedule of the VAT Act Chapter 406 of the Laws of Malta) and an associated receipt.

OR

b) The Tax Invoice (as specified in the 12th Schedule of the VAT Act Chapter 406 of the Laws of Malta) marked as paid and signed by the supplier.

OR

c) The original Fiscal Receipt (as specified in the 13th Schedule of Chapter 406 of the VAT Act.

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TradeMalta shall consider as eligible only invoices/receipts which include: -

- i. the name and details of the supplier and beneficiary;
- ii. date of supply;
- iii. a clear description of the item/s purchased; and
- iv. the VAT numbers of both the suppliers and beneficiary.

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8.2.1 (b) Foreign Transactions

TradeMalta shall consider as eligible only invoices/receipts which include: -

- i. the name and details of the supplier and beneficiary;
- ii. date of supply;
- iii. a clear description of the item/s purchased; and
- iv. the VAT number of the beneficiary (where applicable)

8.2.2 Proof of Payments

TradeMalta shall require proof of payment from the claimant and shall accept the following documents as proof of payments:

- a. Encashed Cheques; or
- b. Bank Statements which include the name of the supplier and payers details; or
- c. Credit Card statements which include the name of the supplier and payers details;
or
- d. Receipt from supplier.

8.2.3 Travel Claims

In case of travel claims for events/meetings organised outside of the Maltese territory, the following documentation must be presented:

- a. Invoices (in line with Section 8.2.1)
- b. Proof of Payment (in line with Section 8.2.2.)

9. State Aid Rules and Obligations

9.1 Applicable State Aid

These Incentive Guidelines are in line with the [Commission Regulation \(EU\) No. 1407/2013 of 18 December 2013 on the application of Articles 107 and 108 of the Treaty on the Functioning of the European Union to de minimis aid \(the de minimis Regulation\)](#)

The *de minimis* Aid Declaration may be downloaded from <http://www.maltaenterprise.com/en/support/docs/de-minimis-declaration>

The total amount of *de minimis* aid granted to a single undertaking shall not exceed the amount of €200,000 over any period of three consecutive fiscal years.

This aggregate maximum threshold applies in principle to all economic sectors with the exception of the road transport, agriculture and fisheries sectors for which different thresholds and criteria apply. The term 'undertaking' includes also all companies in a group (which fall under the direct or indirect ownership or control of the same ultimate parent company) and relevant partner and linked enterprises as defined in Annex I of Commission Regulation (EU No 651/2014 of 17th June 2014). This period covers the fiscal year concerned as well as the previous two fiscal years. 'Fiscal year' means the fiscal year as used for tax purposes by the undertaking concerned.

This maximum threshold would include all State aid granted under this aid scheme and any other State aid measure granted under the *de minimis* rule including that received from any entity other than TradeMalta. Any *de minimis* aid received in excess of the established threshold will have to be recovered, with interest, from the undertaking receiving the aid. The *de minimis* declaration form¹⁰ must be filled in and submitted together with the application form.

9.2 Applicability of the Aid

Assistance approved under this aid scheme is NOT:

- a. Aid granted to businesses active in the fishery and aquaculture sector, as covered by Council Regulation (EC) No. 104/2000;
- b. Aid granted to businesses active in the primary production of agricultural products;
- c. Aid granted to businesses active in the sector of processing and marketing of agricultural products, in the following cases:
 - i. Where the amount of the aid is fixed on the basis of the price or quantity of such products purchased from primary producers or put on the market by the businesses concerned;
 - ii. Where the aid is conditional on being partly or entirely passed on to primary producers;
- d. Aid to export-related activities towards third countries or Member States, namely aid directly linked to the quantities exported, to the establishment and operation of a distribution network or to other current expenditure linked to the export activity;
- e. Aid contingent upon the use of domestic over imported goods;
- f. Aid for the acquisition of road freight transport vehicles granted to businesses performing road freight transport for hire or reward.

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Where an undertaking is active in the sectors referred to in points (1), (2) and (3) above as well as in other sectors falling within the scope of the *de minimis* Regulation, TradeMalta will ensure a separation of the activities or distinction of costs. Only those sectors eligible for assistance under the *de minimis* Regulation will be assisted. Activities in the sectors excluded from the scope of the *de minimis* Regulation will not benefit from assistance under this aid scheme.

9.3 Cumulation

In terms of Article 5 of the *de minimis* Regulation, *de minimis* aid granted under this incentive may be cumulated with *de minimis* aid granted in accordance with Commission Regulation (EU) No 360/2012¹³ up to the ceiling laid down in that Regulation. It may be cumulated with *de minimis* aid granted in accordance with other *de minimis* regulations up to the relevant ceiling fixed in terms of these Incentive Guidelines.

De minimis aid approved under the **Trade Promotion Scheme** shall not be cumulated with State aid in relation to the same eligible costs or with State aid for the same risk finance measure, if such cumulation would exceed the highest relevant aid intensity or aid amount fixed in the specific circumstances of each case by a block exemption regulation or a decision adopted by the European Commission. *De minimis* aid which is not granted for or attributable to specific eligible costs may be cumulated with other State aid granted under a block exemption regulation or a decision adopted by the Commission.

10. Further Information

Further information on this scheme, as well as information and guidance on the filling in of the application form may be obtained by contacting TradeMalta, TradeMalta or Enterprise Europe Network (Malta) during office hours.

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