

L.N. 79 of 2022

**MALTA ENTERPRISE ACT
(CAP. 463)**

**Innovation Aid for Small and Medium Sized
Enterprises (SMEs) Regulations, 2022**

IN EXERCISE of the powers conferred by article 5 of the Malta Enterprise Act, the Minister for Energy, Enterprise and Sustainable Development, after consultation with the Malta Enterprise Corporation has made the following regulations:-

1. (1) The title of these regulations is Innovation Aid for Small and Medium Sized Enterprises (SMEs) Regulations, 2022. Citation and commencement.

(2) These regulations shall be deemed to have come into force on 1st September 2021.

2. In these regulations, unless the context otherwise requires: Interpretation.

"Act" means the Malta Enterprise Act; Cap. 463.

"Corporation" means the Malta Enterprise Corporation established under the Act;

"Guidelines" means the Guidelines as may be published by the Corporation from time to time in terms of the Act;

"research and knowledge dissemination organisation" shall have the same meaning as assigned to it by 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, as amended;

"small and medium sized enterprise (SME)" or "(SMEs)" shall have the same meaning as assigned to it by Annex 1 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;

"undertaking" shall have the same meaning as assigned to it in the Act.

3. (1) An SME may seek support from a research and knowledge dissemination organisation to actively engage in innovation activities, to access expertise, knowledge and resources to Qualifying enterprises.

develop new, innovative and improved products, processes and services.

(2) Where the Corporation is satisfied that an SME is carrying out an innovative project, the Corporation may provide such an undertaking with financial assistance in accordance with the terms and conditions set out in the Guidelines.

(3) An eligible undertaking shall only qualify for a cash grant if such project leads to the creation, development and implementation of a new product, process or service with the aim of improving efficiency, effectiveness or competitive advantage.

Eligible costs.

4. The eligible costs shall be costs related to the secondment of highly qualified personnel, innovation advisory services and innovation support services required, specifically incurred for the implementation of the innovative project as further prescribed in the Guidelines.

Aid intensity.

5. (1) The aid intensity shall not exceed fifty per cent (50%) of the eligible costs. The maximum support per business research partnership shall be of one hundred thousand euro (€100,000).

(2) In the case of aid for innovation advisory and support services, the aid intensity can be increased up to one hundred per cent (100%) of the eligible costs provided that the total support for Innovation advisory services and innovation support services shall be capped at two hundred thousand euro (€200,000) per undertaking within any three (3) year period.

Deadline for submission of applications for assistance.

6. (1) Applications for assistance under these regulations shall reach the Corporation before the 31st August 2023.

(2) No assistance under these regulations shall be awarded by the Corporation after the 31st December 2023.