

SUPPORTING MARKETING INITIATIVES for Specific Tourism Markets in Gozo 2020

An Incentive Scheme to Assist Businesses in
Gozo Promote Niche Tourism Markets



NOTES TO APPLICANTS

1. OBJECTIVE OF THIS SCHEME

Niche tourism markets target specific audiences with special interests that motivate their choice of destination. The objective behind this scheme is to promote and kindle investment in particular niche markets, mainly through marketing campaigns, while at the same time promoting Gozo as a destination. The scheme can provide several advantages to beneficiaries such as increasing awareness of the niche market and related activities, developing applicants' brands on an international level, enhancing Gozo's branding value, and further stimulating investment in the quality of the local product.

2. TARGETED NICHE MARKETS

This scheme will be mainly supporting the promotion of the following niche tourism markets **(in no particular order)**:

- Crafts & Artisanal Products
- Sports & Adventure Tourism including diving
- Gozo as a Wedding destination
- Local Delicacies and Gastronomy
- Gozo as a Health and Well-Being destination
- Hosting of MICE activities in Gozo (Meetings, Incentives, Conferences and Events)
- Religious Tourism

The Directorate does not exclude other niche markets that are not listed above, depending on the segment's potential contribution to qualitative and sustainable tourism.

3. SUPPORTED INITIATIVES

This scheme will support marketing initiatives falling under these two categories:

- participation in specialized fairs/events abroad **and/or**;
- advertising on an international level

For the scheme to be effective, it is essential that the supported initiatives are ones that have been duly researched and decided upon, taking into consideration valuable return on investment. Relevance in audience demographics, such as the geographic area selected for promotion, is therefore indispensable. Statistics published by the Malta Tourism Authority and the National Statistics Office (NSO) indicate that the traditional Western European markets such as UK, Italy, Germany and France still provide the highest inbound tourism to Malta. However, affluent countries such as Switzerland, the Scandinavian region, and the emerging markets of Eastern Europe and Asia, offer huge untapped potential.

In view of the above, fairs/events held in Europe will be given prominence, however fairs/events held beyond Europe that have a global context/outreach will also be considered. It is at the Directorate's sole discretion to decide on the latter.

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4. ELIGIBLE EXPENSES

4.1 The Ministry for Gozo will cover **up to 50%** of the following eligible expenditure (**a**, and **b** below):

- a) up to a **maximum of €3,000**, in the case of entities which decide to undertake **either** advertising in publications / social media / on-line / television targeted to a **foreign** audience and where Gozo is clearly communicated as a holiday destination **or** participation in international fairs/events abroad with the objective of promoting Gozo as a holiday destination.
- b) up to a **maximum of €4,000** in the case of entities which decide to undertake **both** advertising initiatives and participation in international fairs/events abroad.

4.2 With regards to advertising initiatives, costs related to web hosting and to the development of the entity's website and social media channels shall be considered as part of the eligible costs. However, local promotion of the respective business entity or tourism related activity, (such as for example leaflets distributed locally, or any other type of advertising or promotion that is not distributed internationally), shall **NOT** be considered as eligible expenditure for refund under this scheme.

4.3 The costs of participation in international fairs will cover up to a maximum of 1 person for the following activities:

- i) an **economy class air fare ticket** to and from the location of the fair;
- ii) up to the maximum of the **registration costs / participation fees**; and
- iii) up to the maximum of **60% of the standard subsistence allowance cost to cover for bed and breakfast accommodation**. The standard subsistence daily rate is published by the Ministry for Finance, for Government and public-sector employees. This will be calculated on the number of nights to be spent abroad multiplied by the per diem allowance, irrespective of the time of departure from Malta and, will cover **only up to a maximum of a day before the event, and a day after its conclusion**. **International representatives** who are already located abroad, and who participate on behalf of the business entity, **shall NOT be considered eligible**.

5. CONDITIONS TO PARTICIPATE IN THIS SCHEME

Participation in the scheme is based on the following conditions:

5.1 Operators must be licensed tourism operators/(dive-centres), registered with the Malta Tourism Authority (MTA), and located in Gozo. **A copy of the licence is to be submitted**

5.2 Operators must engage in any of the supported initiatives as specified in **clause 3**, during the year **2020**. **A description of the marketing initiatives for which support is being requested is to be provided**

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5.3 Interested operators should fill in the electronic form and upload **all** the required documentation

5.4 Eligible expenditure will only be reimbursed **AFTER** the activities have been undertaken, and the relative documentation, provided, including:

- i) a copy of the advertising undertaken in both print / social media or television. In the case of audio-visual material this should be presented on a CD or USB;
- ii) a copy of all the invoices (including VAT), **clearly presented per each activity and using the [template provided](#)**. In the case of airplane tickets, either a copy of the airline's electronic ticket or the boarding pass, would be considered as the required proof;
- iii) in cases where payments are in other currencies other than Euro, a copy of the exchange rate **on the date of payment** is to be provided;
- iv) a signed **de minimis declaration form** (which can be downloaded [here](#)).

5.5 Interested operators should apply to participate in the scheme by filling in the electronic form, and uploading the required documents through the following [link](#), by not later than **30th April 2020**. Each application will be acknowledged in writing on the e-mail address provided in the application. The Tourism & Economic Development Directorate will also guide the business entity on whether the proposed initiatives are eligible or not.

5.6 The Tourism & Economic Development Directorate, within the Ministry for Gozo will be entitled to make the required verifications with the Malta Tourism Authority, and other government entities on the information submitted. An application can be rejected if the provided information results incorrect or does not satisfy any of the conditions for participation in this scheme. The Ministry for Gozo can also request further information from the applicant prior to making a final decision.

5.7 All the documentation required for the reimbursement of funds, as per **clause 5.4**, should be sent **by not later than Friday 20th November 2020 (at the address below)**:

Tourism and Economic Development Directorate
Ministry for Gozo
Saint Francis Square
Victoria, Gozo

Claims for reimbursements submitted after this date will not be processed.

5.8 Disbursement of funds will start immediately once the submitted documentation (as per clause **5.4**), is verified by the Tourism & Economic Development Directorate.

5.9 The Tourism & Economic Development Directorate reserves the right to close the scheme earlier than indicated, subject to the allocated funds for this purpose being exhausted. Should this be the case, the Directorate will publish a notice on the Ministry for Gozo website (www.gozo.gov.mt) to this effect.

6. STATE AID RULES

This scheme will be implemented 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 [OJ L 352/1] (the *de minimis* Regulation).

No aid will be granted to those sectors expressly excluded from the scope of the *de minimis* Regulation.

The total amount of *de minimis* aid granted to a single undertaking shall not exceed the amount of €200,000 (or €100,000 in the case of a single undertaking performing road freight transport for hire or reward) over any period of three consecutive fiscal years. 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.

The term 'single undertaking' includes all enterprises having at least one of the following relationships with each other:

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

Enterprises having any of the relationships referred to in points (a) to (d) above through one or more other enterprises shall be considered to be a single undertaking.

The maximum *de minimis* 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 the Tourism and Economic Development Directorate. 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 rules on cumulation of aid as outlined in Article 5 of the *de minimis* Regulation will be respected.

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CHECKLIST OF DOCUMENTS TO BE SUBMITTED WITH APPLICATION

Clause	Document	Submitted Yes/No
5.1	Malta Tourism Authority (MTA) Licence	
5.2	Description of the marketing initiatives for which support is being requested	

CHECKLIST OF DOCUMENTS TO BE SUBMITTED AFTER INITIATIVES ARE UNDERTAKEN

Clause	Document	Submitted Yes/No/NA
5.4 (i)	A copy of the advertising undertaken in both print / social media or television. In the case of audio-visual material this should be presented on a CD or usb;	
5.4 (ii)	A copy of all the invoices (including VAT) clearly presented per each activity . In the case of airplane tickets a copy of the airline's electronic ticket	
5.4 (iii)	If payment is not in Euro, a copy of the exchange rate on the date of payment	
5.4 (iv)	Signed <i>de minimis</i> State Aid Declaration	

EXPENDITURE TEMPLATE TO BE USED PER EACH ACTIVITY

PARTICIPATION IN EVENTS ABROAD

Event	
Date	

Expenditure	Cost Euros
Flight ticket 1 person only	
Registration Costs	
Hotel Accommodation & Breakfast	
Total Cost	

INTERNATIONAL ADVERTISING

Expenditure	Cost Euros
On line	
Print Adverts	
Audio Visual Adverts	
Total Cost	