

Gozo Teleworking Scheme

Teleworking to Gozitan Employees based in Malta in the Private Sector 2021



Guidance notes to applicants



MINISTRY FOR GOZO



1. Introduction

1.1 Scope of the Guidance Notes

These Guidance Notes are intended to assist employers in applying for support under the Gozo Teleworking Scheme. Through this scheme, aid is to be granted to employers in the form of a financial grant spread over a 3-year period, paid proportionately on the number of days the employee is granted telework. The scheme also offers a financial grant related to the Technological and Capital Investment to equip the employee with the necessary tools to perform tasks.

All applicants must abide by the Guidance Notes valid at the time of application, which may be periodically reviewed, updated and amended.

1.2 Objective of the Scheme

The Gozo Teleworking Scheme will provide aid to eligible employers, based or having business premises in Malta to offer their Gozo resident employees stationed there, the facility to work from home should their job-related tasks be equally fulfilled. Providing employees with the opportunity to balance their work and life commitments, whilst still maintaining the same level of performance throughout the organisation, is given prominence by various organisations both on a national and international level. Offering this level of flexibility to a workforce implies managing at a distance, which subsequently necessitates a more robust and adaptable system of work measurement. However, it is widely understood that this flexibility allows the employee to be increasingly productive, incentivizes the employee to go the extra mile and substitute time lost in travel with actual work done.

1.3 Legal Basis for the Scheme

The administrative basis for this scheme is Budget Measure 7.19, Incentives for the Creation of Jobs in Gozo, Budget Speech 2020 and Budget Measure 3.18 – Incentives for Job Creation in Gozo, Budget Speech 2021.

1.4 Available Budget and Duration of the Scheme

The scheme is demand driven. Aid will be awarded on a first-come, first-served basis, subject to the annual ceiling and total budget. The Gozo Teleworking Scheme is one of 4 schemes that will be funded out of a budget of €600,000 specifically allocated under the Malta Budget 2021 to support businesses and incentivize job creation in Gozo. Complete applications must be submitted by the **30th of November 2023** and recruitment must take place by the same date. Any exceptions made for applications submitted afterwards will be at the discretion of the Ministry based on the entity of the investment.

1.5 Main Parties involved in the Implementation of the Gozo Teleworking Scheme

A – Ministry for Gozo

The overall responsibility for the monitoring, management and implementation of the Gozo Teleworking Scheme is with the Ministry for Gozo.

B- The Beneficiary

The beneficiary hereinafter is referred to as the Employer.

- i. In the case of the Gozo Teleworking Scheme, the beneficiary is the Employer benefitting from the incentives provided by this scheme when granting telework to an eligible participant based on a signed Grant Agreement.
- ii. The Beneficiary is responsible to implement the employment activity in line with the terms and conditions of the Grant Agreement signed and of these Guidance Notes. The beneficiary should always be guided by the principles of good governance, sound financial management, fairness and transparency.

2. Eligibility

2.1 Eligibility of Applications

Complete applications will be evaluated against the eligibility criteria listed in this Section (2. Eligibility). Incomplete or incorrect applications will be rejected.

The Scheme will be implemented in line with the provisions of 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 (OJ L 352, 18.12.2013, p.1), as amended by Commission Regulation (EU) 2020/972 of 2 July 2020 amending Regulation (EU) No 1407/2013 as regards its prolongation and amending Regulation (EU) No 651/2014 as regards its prolongation and relevant adjustments (OJ L 215, 7.7.2020, p.3).

Undertakings active in all economic sectors may be eligible, with the exception of:

(a) aid granted to undertakings active in the fishery and aquaculture sector, as covered by Council Regulation (EC) No 104/2000 of 17 December 1999 on the common organisation of the markets in fishery and aquaculture products (OJ L 17, 21.1.2000, p. 22).

(b) aid granted to undertakings active in the primary production of agricultural products;

(c) aid granted to undertakings 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 undertakings 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.

2.2 Eligibility of the Employer

Eligibility is subject to availability of funds and subject to the overall scheme's eligibility period. The latest version of the documentation, as published on the Ministry for Gozo website must be submitted.

- 2.2.1 To be eligible, the Employer must certify that the single undertaking has neither exceeded, nor will exceed with the aid granted through this scheme, the de minimis threshold of €200,000 (or €100,000 in the case of a single undertaking performing road freight transport for hire or reward) cumulatively from this scheme and any other *De Minimis* scheme over the applicable three-year reference period, in line with the *De Minimis* Regulation.
- 2.2.2 Further to point 2.2.1, the Employer must duly fill in the State Aid (*De Minimis*) Declaration found at Section D of the Scheme Application.
- 2.2.3 The Employer's business concern must:
 - i. either be registered and based in Malta;
 - ii. or if registered in Gozo, must have branches and units in Malta where Gozo-resident employees entered in this scheme are stationed.
- 2.2.4 The Employer may apply for up to a maximum of 10 employees per year.

2.3 Eligibility of the Employee

- 2.3.1 Any individual who is resident in Gozo is eligible.
- 2.3.2 Shareholders and Directors of the Undertaking will not be eligible to benefit from the Gozo Teleworking Scheme if they take up employment within the same private undertaking.
- 2.3.3 Persons occupying official positions with Non-Governmental Organizations (NGO's) will not be eligible to benefit from the Gozo Teleworking Scheme if they take up employment with the same NGO.

3. Financial Management, Eligible Amount and Payments

3.1 Payment Procedures and Reimbursement

As part of the payment and reimbursement procedures, the Tourism and Economic Development Directorate within the Ministry for Gozo will be responsible to ensure that the:

- a. Claims for reimbursement made by the Employer are correct; and
- b. Teleworking has been granted within the conditions stipulated in the submitted application.

3.2 Eligible Costs

The Gozo Teleworking Scheme consists of 2 components:

- a) A maximum grant of €10,000, in the form of a salary refund, that shall be spread over a 3-year period:
 - a. Year 1 entitles 30% up to a maximum of €3,000;
 - b. Year 2 entitles 30% up to a maximum of €3,000;
 - c. Year 3 entitles 40% up to a maximum of €4,000.

The salary refund shall be based on the proportion of teleworking hours each Gozitan employee is granted by the Employer. The first payment shall take place once the employee has performed the first year of teleworking.

The Employer shall provide a plan on beginning of Year 1, Year 2, and Year 3 to specify the number of days the employee will be granted. While the number of days does not necessarily need to be strictly adhered, due to unforeseen circumstances that may arise from time to time, it is imperative that the

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difference does not exceed 20 days per working year. Exceeding this threshold may result in the ineligibility of granting funds. Moreover, the grant will be reimbursed on the actual number of days granted and not the number of days stated in the plan.

In order to be eligible for the scheme, the minimum amount granted is an average of 2 days per week and a maximum of 4 days per week.

Finally, Teleworking Agreement between the Employer and the Employee must be entered into between **1st January 2021 and 30th November 2023**, and must abide in its entirety to [Subsidiary Legislation 452.104, Telework National Standard Order, Legal Notice 312 of 2008](#).

- b) The Employer shall be also eligible to a partial financial reimbursement related to the Technological and Capital investment made. This is a one-time payment, offered for each employee eligible to benefit from this scheme. This aid refers solely to a Notebook Computer or PC together with a Printer including scanning facilities. The eligible financial aid offered entails 75% reimbursement to the expenses cited, with a maximum of up to €850 reimbursement ceiling. This reimbursement is eligible **upon purchase of the stated equipment, subject to the remaining Terms and Conditions of this Scheme being met.**

3.3 Upon application, the Employer is committing to provide the employee an agreement and plan of a minimum of one year teleworking up to a maximum of three years teleworking.

3.3.1 In the case where there is the incompleteness of Year 1, there will be no salary reimbursements made and any partial financial reimbursement received by the Applicant in relation to the Technological and Capital investment made, **must be returned to the Ministry.**

3.3.2 In the case where there is the completion of Year 1, however the end of Year 3 has not been reached, a valid reason for such termination of teleworking agreement has to be provided, which has to be signed by both parties – the employer and the employee. The Ministry will decide whether reimbursement to the Employer should be made and shall be made on a pro-rata basis where applicable.

3.3.3 The Employer and employee must clearly agree on the days and location of work away from office. Teleworking shall only be considered as teleworking when the employee is performing tasks as stated in his/her job description at home that are usually performed within the premises controlled by the employer.

3.3.4 If a teleworker has been granted telework before submission of application, the Employer is still eligible to submit application but shall not be eligible to the equipment component. **To be eligible for equipment reimbursement, telework must be granted from 1st January 2021 thereon and the equipment must be purchased during the same year.**

3.3.5 In order to ensure that employee does not endure any form of marginalization, it is being recommended that the maximum amount of telework to be assigned is 80% (average) of working hours per week. On a 5-day working week with an 8-hour a day performance, this translates into a maximum of 4 days a week of tasks performed at home. However, should both the employer and employee agree on the assignment of more than 80%, the Ministry shall still deem the application as eligible.

3.3.6 The minimum amount of telework is 40%, which on a 5-day working week (average) with an 8-hour a day performance, the employee is assigned a minimum of 2 days of tasks to be performed at home.

- 3.3.7 Granting the 80% maximum threshold shall be eligible for the maximum grant available. However, the first salary reimbursement shall take place after one year of teleworking agreement elapses, following the vetting of documentation by the Ministry for Gozo.
- 3.3.8 The calculation that leads to the financial amount to be reimbursed is based on the total amount of hours the employee has performed at home. Therefore, to provide a simple example with whole figures to ensure clarity:
- If a full-time employment generates a total of 1,000 hours per year, 800 hours (80% of total) becomes the 100% baseline. If an employee does not reach the 800 hours amount, the grant will be provided to the Employer proportionately. If for instance the employee performs 500 hours from home during one whole year, the Employer will be entitled to €1,875 from the €3,000 during Year 1, apart from the equipment grant cited in Section 3.2 (b). Should the employee be granted the full 800 hours, the Employer will receive the full €3,000 assigned to Year 1.

4. Information & Data Protection

4.1 Publicity

- a. In order to enhance transparency regarding the use of the Scheme's funds, general details of the operation such as the name of the Employers; the title of the operations and the amount of public funding allocation to each Undertaking may be published.
- b. The Ministry for Gozo will provide a publicity poster to the Employer showing the fund sources of the Scheme. The applicant must place this poster in a prominent place within their premises.
- c. The Employer shall ensure that the participants whose wages and equipment are being partially funded under The Gozo Teleworking Scheme have been informed about the Scheme's benefits.

4.2 Data Protection

All data is collected and held by the Ministry for Gozo and/or transferred to third parties in order to fulfil reporting functions, publicity, research and other Community obligations according to Law and in line with the provisions of the Data Protection Act¹ and the General Data Protection Regulation².

¹ Data Protection Act, Cap 440 of the Laws of Malta

² General Data Protection Regulation (GDPR) EU 2016/679

5. Definitions of the Terms Used

The Ministry for Gozo shall administer the Gozo Teleworking Scheme. Equipment that is partially reimbursed by the Ministry should be for the exclusive use of the teleworker. If this is found to be not the case, the Ministry can disqualify the Employer and revoke funds accordingly. The Ministry for Gozo shall also revoke funds if it has been found that there has been submission of false declaration. The same applies should the Ministry for Gozo note any breaches of the Maltese Laws.

Beneficiary refers to the entity legally responsible for the application submitted and the recipient of the aid. The recipient of aid granted by the Gozo Teleworking Scheme is the Employer.

Single Undertaking – A ‘single undertaking’ includes, for the purposes of this scheme, 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 also be considered to be a single undertaking.

Eligible Employer –

- To be eligible, the Employer must certify that the single undertaking has neither exceeded, nor will exceed with the aid granted through this scheme, the threshold of €200,000 (or €100,000 in the case of a single undertaking performing road freight transport for hire or reward) cumulatively from this scheme and any other *De Minimis* scheme over the applicable three-year reference period, in line with the *De Minimis* Regulation.
- The Employer’s business concern must be
 - i. Either registered and based in Malta;
 - ii. Or if registered in Gozo, must have branches and units in Malta where Gozo-resident employees entered in this scheme are stationed.
- The Employer must grant the minimum number of hours stated in these Guidance Notes.
- The Employer must ensure that Subsidiary Legislation 452.104, Telework National Standard Order, Legal Notice 312 of 2008 is adhered to in its entirety.
- Equipment that is partially reimbursed by the Ministry should be for the exclusive use of the teleworker. If this is found not to be the case, the Ministry can disqualify the Employer and revoke funds accordingly.

Telework refers to a form of organising and, or performing work, using information technology, in the context of an employment contract or relationship, where work, which is usually performed at the employer’s premises, is carried out away from those premises on a regular basis.



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The **Teleworker** refers to the employee performing telework. This must be a Gozo resident engaged with an eligible employer and performing duties in Malta.