

Malta Startup Residence Programme

Eligibility and Requirements

Eligibility Criteria

To be eligible for the Startup Residence Programme an individual must satisfy the following requirements:

1. has a concrete intention to develop and/or expand their business in Malta;
2. is the founder or the co-founder of an enterprise, which has been registered for not more than seven (7) years anywhere globally (including Malta), which fulfils the following:
 - it has not taken over the activity of another enterprise,
 - it has not yet distributed profit,
 - it has not been formed through a merger.
3. A co-founder would be one of the first entrepreneurs to have set-up the start-up. This would also be reflected in the market cap table. In case of a dispute as to whether the individual would be a co-founder, reference will be made to the market cap table until the second year to determine that the co-founders had significant stake in the registered entity. In addition, proof as to whether the co-founder would have served as a director and/or had legal representation of the company, together with other duties related to the company might be requested;
4. Third country nationals, excluding EU, EEA and Swiss are eligible. Nationals from (or have close ties with) Afghanistan, North Korea, Iran, Democratic Republic of Congo, Somalia, South Sudan, Sudan, Syria, Yemen and Venezuela are ineligible. The list of ineligible countries may be revised from time to time;
5. A founder, co-founder or core employee applying under this programme must be 18 years and older;
6. The incorporated Startup in Malta is required to place a tangible investment and/or paid up share capital of not less than €25,000. In case where more than four (4) co-founders apply for the Startup Residence Permit, an additional €10,000 needs to be placed per additional co-founder. In any case, the maximum number of co-founders eligible for the Startup Residence Programme is six (6);
7. The founder and/or co-founders benefitting from this programme need to have a physical and tangible presence in Malta not only from a business point of view but also in terms of living in Malta. Thus, those benefitting need to be living and paying their taxes in Malta;
8. Has recognised health insurance covering risks in Malta for himself/herself and dependants;
9. In possession of sufficient financial resources in own bank statement to support himself and any other dependents within existing regulations;
10. Has no criminal record or pending criminal charges and does not pose any potential threat to the national security, public policy, public health, or public interest; and
11. Must not have previously had applications for a residence status or citizenship rejected in Malta or abroad.

Duration

The residence permit will be issued for an initial period of three (3) years following the approval of Malta Enterprise and Residency Malta. This will be renewed for a further (5) years once Malta Enterprise and Residency Malta confirms that the start-up is still ongoing and the founder or co-founder(s) still meets the eligibility criteria of the Programme.

General Conditions

To obtain a Startup Residence permit, one needs to additionally satisfy the following conditions:

1. submit an online application to Malta Enterprise (a business plan or an application for assistance which is the equivalent of a business plan that will be provided by Malta Enterprise);
2. startup undertaking shall be considered as eligible if they are, or shall be engaged in one or more of the following activities in Malta:
 - manufacturing;
 - software development;
 - industrial services analogous to manufacturing;
 - health, biotechnology, pharmaceuticals and life sciences;
 - eco startups involved in the blue, green and sustainable industries;
 - other innovative economic activities which are enabled through knowledge and technology providing services or products which are currently not readily available in the relevant market or which shall be provided through a process which is novel.
3. eligible business projects must meet at least two of the following criteria:
 - propose products and/or services that have the potential to generate income from various geographical markets;
 - produce products and/or services which are new, innovative or substantially improved compared to complementary products on the market;
 - utilise process which are new or substantially improved compared to those adopted in current complementary activities.
4. collaboration with Malta Enterprise throughout the validity of the permit, including the submission of a detailed business plan and the timely provision of monitoring reports that may be annually or bi-annual as will be indicated in the approval letter;
5. during the whole programme, Malta Enterprise and the Residency Malta reserve the right to ask for documentation to proof that all conditions of the approval are being met;
6. immediate family members even if they do not have the initial intention to relocate to Malta are to be included in the first application, later requests for addition of family members will be dealt with on a case-by-case basis and approval of such a request is not automatic;
7. Prior to the collection of the final residency card, the start-up needs to have been fully incorporated in Malta and registered with the relevant local authorities;
8. any permits issued for founders and co-founders, core employees and families are subject to the startup maintaining the business activity as approved by Malta Enterprise and no criminal charges are faced by the applicants following the approval.

Ineligibility

For the scope of the Malta Startup Residence Programme, the following are not eligible:

- Any company where the business plan is not approved by Malta Enterprise;
- Any other company where the business activity is not in line with the requirements of the local National FDI Screening office (<https://www.nfdismalta.com/>).

Visas

Third-country nationals who require a visa to be admitted to Schengen territory (Annex 1 of Regulation [EU] 2018/1806) may opt to apply for this following the issuance of a Letter of Approval in Principle. Applicants may also apply for a Premium Visa Service which is the issuance of a National D Visa against an additional charge of €300 payable to Identity Malta Agency.

Core Employees

This programme is also open for core employees who are vital for the startup to start operating in Malta and who have specialised skills and earn not less than €30,000. In addition, this employment needs to take place within the timeframe in which the venture is classified as a startup. The residence permit will be issued for three (3) years, which upon successful completion will be extended to a further 3-year period. The application for core employees is to be submitted online after the Malta Startup Residence permit is approved for the co-founders.

Conditions for Core Employees:

1. be a third-country national;
2. must be 18 years and older;
3. have a full time employment contract in Malta with the company which has benefited from the Startup Residency programme;
4. declare at application stage the intention to hold their primary residence in Malta after being approved; For the purpose of the Startup Residence Programme, residency is defined as a minimum of 183 days cumulative physical presence during a period of 365 days (year).
5. has recognised health insurance covering risks in Malta for himself/herself and dependants;
6. in possession of sufficient financial resources in own bank statement to support himself and any other dependents within existing regulations;
7. has no criminal record or pending criminal charges and does not pose any potential threat to the national security, public policy, public health, or public interest; and
8. must not have previously had applications for a residence status or citizenship rejected in Malta or abroad.

Family Members

The Malta Startup Residence Programme is open to family members of startup founders, co-founders and core employees. Their permits will have the same validity period of the residence permit of the startup founder/co-founder or core employee. These include spouse, de-facto partner, minor children and adult sons or daughters who are principally dependent on the founder/core employee. The residence permit issued to family members does not grant beneficiaries automatic access to the labour market. However, one can make use of an existing lean processes to submit the necessary applications to take up employment in Malta.

Conditions for family members:

1. be a third-country national;
2. declare at application stage the intention to hold their primary residence in Malta after being approved;
3. has recognised health insurance covering risks in Malta for himself/herself and dependants;
4. has no criminal record or pending criminal charges and does not pose any potential threat to the national security, public policy, public health, or public interest; and
5. must not have previously had applications for a residence status or citizenship rejected in Malta or abroad.

Accelerator Programme

Non-EU nationals participating in Malta-based accelerator programmes will be granted a residence permit or a visa according to the duration of the accelerator programme in Malta. On successful completion of the programme and submission of business plan to Malta Enterprise, the participants will be considered for the Malta Startup Residence Programme. The participants will pay the full fee on application for the accelerator permit but will not be charged again for the processing of the normal programme.

Fees

The fees applicable for applying for the Malta Startup Residence Programme are as follows:

- €750 for each adult applicant / dependant for a 3-year Startup Residence Programme;
- €82.50 to Identity Malta Agency for the issuance of the residence card, for each individual applicant covering a 3-year permit.

Tax Obligations

Normal obligations shall apply as per Tax Act – Chapter 123 of the Laws of Malta and/or other relevant regulations imposed by similar legal frameworks and/or policies implemented by the Commissioner for Revenue.

Business Plan

Applicants are to submit a mandatory business plan on the provided template both when applying for the start-up residency programme as a standalone and even when applying for this programme together with financial assistance from Malta Enterprise. Each business plan needs to cover the following points:

Part 1 – Company/Group Overview:

- Product/Service
- Technology
- Clients
- Investment (raised or being planned)
- Achievements
- Company/Group Structure

- The Team

Part 2 – The Malta Project:

- The function of the Malta company
- Employment in the Malta based Company
- Marketing
- Malta Company Structure
- Linkages in local eco-system
- Corporate Social Responsibility

Part 3 – Financials:

- Main Source of revenue
- Pricing Model
- Funding plan
- Financials
- Financial Projections (Three years)
- Cash Flow Statement