

# Malta Startup Residence Programme

## Eligibility and Requirements

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### General Conditions

1. The Malta Startup Residence Programme is open to:
  - startup founders and co-founders;
  - core employees who are vital for the startup to start operating in Malta and who have specialised skills;
  - family members of the startup founders, co-founders and core employees, including, spouse, de-facto partner, minor children and adult sons or daughters who are principally dependent on the founder/core employee.
2. Founders co-founders and core employees must be 18 years and older;
3. Founders, co-founders, core employees and family members must:
  - be third-country nationals, non-EU, non-EEA and non-Swiss. Nationals from the currently sanctioned countries of (or have close ties with) Afghanistan, North Korea, Iran, Democratic Republic of Congo, Somalia, South Sudan, Sudan, Syria, Yemen and Venezuela are ineligible. This list of ineligible countries may be revised from time to time;
  - not have had previous applications for permanent residency or residency-by-investment status or citizenship rejected in Malta or abroad;
  - have no criminal record or pending criminal charges and do not pose any potential threat to the national security, public policy, public health, or public interest;
  - have recognised health insurance covering risks in Malta and other European countries for themselves and dependants;
4. Any permits issued to founders, co-founders, core employees and families are subject to the startup maintaining the approved business activity and adhering to all other residence permit prerequisites, following the approval, as determined by Malta Enterprise and Residency Malta Agency (the Agencies);
5. Prior to the collection of residency cards, the startup needs to be fully incorporated in Malta, registered with the relevant local authorities and have the founder and co-founder/s residing in Malta registered as employee/s of the Maltese startup;
6. During the whole programme, the Agencies reserve the right to ask for documentation to prove that all conditions of the approval are being met.

### Business eligibility

1. A startup undertaking shall be considered eligible if it is, 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.
2. The startup must have been registered for no longer than seven (7) years, globally (including Malta), and must meet the following criteria:
    - it has not taken over the activity of another enterprise
    - it has not been formed through a merger
  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 processes which are new or substantially improved compared to those adopted in current complementary activities.
  4. 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 Malta Startup Residence Programme, 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);
  5. The company's business plan must be approved by Malta Enterprise;
  6. The company's in line with the requirements of the local National FDI Screening office (<https://www.nfdismalta.com/>).#

## Founders and co-founders

1. The individuals identified as founders and co-founders must be associated with an enterprise that satisfies the business eligibility criteria outlined in this document;
2. A co-founder is defined as one of the first entrepreneurs to have set up the startup. 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;
3. The Agencies reserve the right to ask for documentation to prove 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;
4. Founders and co-founders must:
  - not have any direct affiliations with another company that is operating in the same industry as the applying company that has been registered for a period exceeding seven (7) years.
  - be in possession of sufficient financial resources in own bank statement to support themselves and any other dependants;
  - collaborate with Malta Enterprise throughout the validity of the permit, including on the submission of a detailed business plan and the timely provision of monitoring reports that may be annual or bi-annual as will be indicated in the approval letter;

5. Founders and 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.
6. The residence permit of founders and co-founders will be issued for three (3) years, which upon successful completion will be extended to a further five (5) years.

## Core Employees

1. Core employees must:
  - have a full-time employment contract in Malta with the company which has benefited from the Malta Startup Residence Programme;
  - have an annual gross salary of at least €30,000 per annum;
  - be employed within the timeframe during which the venture is classified as a startup;
  - declare at application stage the intention to hold their primary residence in Malta after being approved;
  - submit their application online after the residence permit is approved for founders and co-founders;
2. The residence permit of core employees will be issued for three (3) years, which upon successful completion will be extended to a further three (3) years.

## Family Members

1. Immediate family members must be included in the first application, even if they do not have the initial intention to relocate to Malta; 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;
2. Their permits will have the same validity period of the residence permit of the related startup founder, co-founder or core employee:
  - The residence permit of family members of founders, and co-founders will be issued for three (3) years, which upon successful completion will be extended to a further five (5) years;
  - The residence permit of family members of core employees will be issued for three (3) years, which upon successful completion will be extended to a further three (3) years;
3. 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 processes to submit the necessary applications to take up employment in Malta.

## 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 successful individual applicant covering a 3-year permit.
- After 3 years, a residency card fee of €137.50 applies for the next 5 years and a fee of €82.50 applies for permits renewed for a further three years.
- Founders, co-founders, and core employees must pay Jobsplus a fee of €690 for the employment licence that covers the duration of the licence for the first three years.
- After 3 years, founders and co-founders must pay Jobsplus a fee of €1,150 for the renewal of the employment licence that covers the duration of the licence for the next five years. Core employees must pay a further €690 to cover the duration of the licence for the next three years.

### Schedule of Fees

Description	Fee (€)	Duration
Application Fee (each adult applicant/dependant)	750	3 years
Residence Card Issuance Fee	82.50	3 years
Residency Card Renewal Fee (for 5 years, for founders and co-founders)	137.50	5 years (after 3 years)
Residency Card Renewal Fee (for 3 years for core employees)	82.50	3 years (after 3 years)
Employment Licence Fee (founders, co-founders, and core employees)	690	3 years
Employment Licence Renewal Fee (founders, co-founders)	1,150	5 years (after 3 years)
Employment Licence Renewal Fee (core employees)	690	3 years (after 3 years)

### 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 apply for this following the issuance of a Letter of Approval in Principle.

### 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.

## Accelerator programme

Third country nationals participating in Malta-based accelerator programmes that have been approved by Malta Enterprise 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 programme but will not be charged again for the processing of the fully fledged programme.

## Business Plan

Applicants are required to submit a mandatory business plan on the provided template both when applying for the Malta Startup Residence 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:

- Stylised Facts
- 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 (3 years)
- Cash Flow Statement (3 years)

## Submitting an application form

- Follow the instructions to submit an application form through this [link](#)
- Submit an online application through this [link](#)

**ENDS**

*Version 4*

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