

Seat Utilisation Scheme

Guidelines and Regulations 2021-2022



ISSUED: 11th November 2021

ALLOCATIONS

MAXIMUM ELIGIBLE AMOUNT PER PROJECT	CO-FUNDING	DISBURSEMENT
EUR 15,750*	The fund may cover up to 100% of eligible costs	100% following approval of final report

*The session budget is disbursed on a first-come-first-served basis

TIMEFRAMES

OPEN CALL	DEADLINE	RESULTS	SESSION BUDGET	ELIGIBLE TIMEFRAME
11/11/2021	10/12/2021*	Within 10 working days from the submission of the complete application	€200,000	01/12/2021 – 31/12/2021
11/12/2021	31/12/2021*		€150,000	01/01/2022 – 28/02/2022
01/01/2022	01/02/2022*		€330,000	01/03/2022 – 30/04/2022
01/02/2022	01/04/2022*		€330,000	01/05/2022 – 30/06/2022
01/04/2022	01/06/2022*		€330,000	01/07/2022 – 31/08/2022
01/06/2022	01/08/2022*		€330,000	01/09/2022 – 31/10/2022
01/08/2022	03/10/2022*		€330,000	01/11/2022 – 31/12/2022

* or when session budget is disbursed.

1. Introduction

The Government is committed to continue supporting artists, organisers and producers in the view of the unprecedented challenges which the world is facing due to the ongoing consequences stemming from the pandemic.

In light of the unique circumstances presented by COVID-19, the Seat Utilisation Scheme has been developed to enable cultural and artistic events to take place during the dates stated on page 2 of this document. The Seat Utilisation Scheme can be availed of for those events falling within the scope outlined in the “Standards for safer organised controlled events taking place in an enclosed area” as published by the Health Authorities. The relevant event/events would also need to satisfy the eligibility criteria as found further below in this document.

The Seat Utilisation Scheme 1 is intended to increase the economic viability of cultural and artistic events. This scheme will enable compensation for seated ticketed events which would have to operate below full seating capacity due to public health restrictions. The compensation will be equal to the difference between the projected ticket sales in circumstances without public health restrictions and the projected ticket sales with the current public health restrictions (which may vary over time). This will be calculated with a capping of €15 per ticket for each seated ticketed event.

2. Definitions

Applicant

- An applicant may be an individual, a group, or an organisation. Applicants cannot be employees of Arts Council Malta, Public Cultural Organisation or involved in the management of the Seat Utilisation Scheme.

Application

- An application is a submission, inclusive of all mandatory documents and any annexes to the application form made by an eligible applicant.

Beneficiary

- The beneficiary is the recipient of the grant. The beneficiary is responsible for the implementation of the proposal supported by the Scheme.

Controlled Grouping

- A number of persons within a bubble in an enclosed area as specified by the Health Authorities.

Cooperatives

- Cooperatives must be registered with the Koperattivi Board.

Creative Professionals

- All artistic and creative individuals professionally active in the cultural and creative sectors.

Cultural Operators

- All individuals or organisations operating within the cultural and creative sectors.

Eligibility

- Applicants are screened in terms of eligibility. Applications are screened to determine eligibility in terms of section 3 of these guidelines. Applications that are not eligible shall not be processed further.

Event

- A controlled cultural or artistic activity in an enclosed area on specific day/s and time/s with a ticketed audience.

Group

- A number of persons with or without legal personality may form a group. One of the persons involved must take the leading role and have the main legal responsibility for managing the event and the grant. This person must be a Maltese citizen or be in possession of a Malta residence permit or of a Maltese citizenship certificate or of a Maltese passport.

Individual

- Individuals applying for a grant must be Maltese citizens; or be in possession of a Malta residence permit; or of a Maltese citizenship certificate; or of a Maltese passport.

Management and Administration:

- Arts Council Malta is responsible for the management of Strand 1 of the Seat Utilisation Scheme. All official correspondence, including the submission of applications, must be sent to the address indicated in these scheme guidelines.

Mandatory documentation:

- Any document(s) needed to support the applicant's proposal and aids the evaluation of the application (kindly refer to section 4.1).

Maximum Funding:

- There is a maximum ceiling of €15,750 per applicant to be allocated throughout the scheme (ie: from 01st December 2021 until 31st December 2022). This will be decided on a case-by-case basis depending on the application.

Public Cultural Organisations

- Public cultural entities falling under the remit of Arts Council Malta which include Teatru Manoel, Mediterranean Conference Centre, Malta Philharmonic Orchestra, Fondazzjoni Kreattività, Pjazza Teatru Rjal, Valletta Cultural Agency, MICAS, Festivals Malta, Kor Malta and ŻfinMalta.

Registered Entities

- Entities legally established and registered in Malta. Registered entities must be registered with the Malta Business Registry, in accordance with the Companies Act requirements in the case of a company or a partnership, and in accordance with the Civil Code in the case of a Foundation and an Organisation/Association.

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 a single undertaking.

Undertaking

- An undertaking is defined as an entity engaged in an economic activity within the meaning of Article 107 TFEU (i.e. any activity consisting in offering goods and services on a market), regardless of its legal status and the way in which it is financed. The classification of a particular entity as an undertaking depends entirely on the nature of its activities. The application of the State aid rules does not depend on whether the entity is set up to generate profits. Non-profit entities can also offer goods and services on a market. Where this is not the case, non-profit entities remain outside the scope of State aid. Furthermore, the classification of an entity as an undertaking is always relative to a specific activity. An entity that carries out both economic and non-economic activities is to be regarded as an undertaking only with regard to the former.

Voluntary Organisation

- An organisation which is legally established and/or publicly registered in Malta, having a statute. Voluntary organisations must be enrolled with the Commissioner for Voluntary Organisations in accordance with the Voluntary Organisations Act requirements (<http://www.maltacvs.org>). The applicant must be a legally authorised representative of the organisation.

3. Eligibility

Applications will first be screened in terms of eligibility. Ineligible applications in terms of the points below shall not be processed further.

3.1 Who can apply?

The Grant is open to undertakings (for which assistance will be granted in line with the *de minimis* Regulation), [kindly refer to Section 7 of these guidelines for additional information]. Furthermore, applicants must qualify as one of the following:

- Creative professionals/individual artists.
- Entities registered with the Malta Business Registry (including companies, partnerships, foundations and organisations/associations).
- Groups, Collectives and Consortia.
- Registered Cooperatives
- Voluntary Organisations enrolled with the Commissioner for Voluntary Organisation.

Applicants must be Maltese citizens; or be in possession of a Malta residence permit; or of a Maltese citizenship certificate; or of a Maltese passport.

Furthermore, applicants must hold a registered VAT number showing the main trade classification applicable to cultural or artistic activities, which features the NACE code.

3.2 Who cannot apply?

- Applicants cannot be employees of Arts Council Malta, Public Cultural Organisations, or involved in the management of the Seat Utilisation Scheme.
- Applicants whose profile is not verified due to it being incomplete for not having the below mandatory documents:

- A copy of your Maltese ID card (including the front and back side) or your Maltese residence permit or your Maltese citizenship certificate or your Maltese passport.
- A signed statute in the case of a Voluntary Organisation
- Applicants who do not meet all applicable standards issued by the Health Authorities.
- Beneficiaries who have not honoured previous funding commitments.
- In the case of registered entities, entities who have not presented the required annual documentation to the Malta Business Registry and are not in possession of a Good Standing Certificate of registration.
- Events receiving local public funds through established government line-votes.
- Organisations who do not have a registered address in the Maltese Islands.
- Organisations whose main trade classification is not applicable to cultural or artistic activities.
- In the case of Voluntary Organisations, Voluntary Organisations which are:
 - not enrolled with the Commissioner for Voluntary Organisations;
 - who have not presented their updated accounts to the Commissioner for Voluntary Organisations;
 - which do not have a registered address in the Maltese Islands.

3.3 What amounts can be covered?

This grant may cover up to 100% of the following costs (up to a maximum of €15,750 per applicant, whichever is the lowest) as per guidelines published by Health Authorities from time to time.

- Compensation for seated ticketed events operating below full seating capacity due to public health restrictions. This will be calculated with a capping of €15 per ticket for each seated ticketed event up to a maximum of 350 seats and three events.
(€15 x 350 seats x 3 events = €15,750)

3.4 What cannot be covered?

- Costs already covered by Public Cultural Organisations, or another public funding programme/scheme managed or co-managed by Arts Council Malta or other public agency, Government department or Ministry
- Costs which are already covered through usual operational budgets (space which is owned by the applicant or the partner/supporting organisation/individual)
- Fees for services provided by Public Cultural Organisations or other public agency, Government department or Ministry
- Funding for the creation or upholding of bursaries, prizes or scholarships
- Recoverable VAT, where applicable
- Compensation related to seat utilisation falling outside the eligible timeframe.

3.5 Non-eligible applications

- Applications in receipt of seat compensation through any other public funding initiatives.
- Applicants who do not provide a formal approved risk assessment or venue declaration prior to the event.

- Applications submitted after the deadline or when session budget is distributed.
- Applications submitted by public entities with or without a line vote.
- Events that are not related to culture and arts.
- Events whose duration does not fall within the eligible timeframe.
- Events whose objective is fundraising or political propaganda.
- Incomplete applications (refer to application checklist in section 4.1).
- Organisers will be deemed automatically ineligible for funding if it is established that protocols and risk assessment requirements were not followed.
- Proposed events/events that are not scheduled to take place during the eligible timeframe.

Any other events which may be developed outside the scope of the *Seat Utilisation Support Scheme* are not eligible for support.

Applicants can submit more than one application under the same call; however, only one of the applications can be funded per session.

Applicants can submit an application under multiple calls; however, the total amount awarded throughout the scheme (between 01st December 2021 to 31st December 2022) shall not exceed the total amount of €15,750.

4. Submitting the application

Follow these steps to apply:

1. Read these guidelines and regulations very carefully.
2. Check whether your proposed idea can be addressed by this scheme.
3. Press the link that will take you to the online application system.
4. Create your profile with Arts Council Malta by clicking on Register and filling in the details.
5. From the open calls section, select the online application for the scheme you intend to apply.
6. Follow the instructions step by step. Fill in all the required information from the online application including the budget and attach the supporting documentation.
7. Submit the application. You should be receiving an automatic acknowledgement by the system. If you do not receive such a notification, contact us on applyforfunds@artscouncil.mt.

In case of difficulty, you can call us on 2334 7230 Monday to Friday between 09:00 and 16:00 or email us on fundinfo@artscouncil.mt.

It is your responsibility to present a complete application form as explained in these guidelines and regulations. If you do not present all the necessary information and documentation, your application will not be processed.

It is solely at the Arts Council Malta's discretion to request that applicants provide any missing mandatory documentation.

Upon the submission of the application, applicants accept that, should the application be awarded funding, the name, the event title and the amount awarded can be published by Arts Council Malta.

4.1 Checklist – Mandatory Documents

- A copy of the VAT certificate of Registration and the accompanying document featuring the main trade classification - NACE code.
- A copy of the identity verification document.
- A declaration signed by the venue which clearly indicates the full seating capacity of the venue and the current seating capacity due to public health restrictions.
- A signed declaration submitted by the venue hosting the event, if applicable, which states that the venue is following the directives issued by the Health Authorities.
- A formal approved risk assessment, if applicable (this must be presented prior to the date of the event).
- A most recent Good Standing certificate of Registration, in the case of a registered entity – This document is renewed annually by the Malta Business Registry and is proof of compliance.
- CVs and/or bio notes of key persons involved in the implementation of the event.

5. Funding process

This scheme is administered on a first come first served basis. Applications will be considered eligible only if they meet the requirements as stated in sections three and four of these guidelines.

Arts Council Malta reserves the right to refuse any application that is deemed not to be congruent with the principles and eligibility criteria outlined in this document.

5.1 Communication of results

The result notification from Arts Council Malta will indicate the decision, according to the eligibility criteria. Result notifications will be sent within ten days from the submission of a complete application including all mandatory documentation.

The awarded applications will be published online. Only the names of the successful applications will be published; in the case of applications which have not been awarded any funds, only their reference number will be published.

No information on the evaluation process will be released before the official result notification. Any form of soliciting will automatically disqualify an application.

All information received will be considered confidential, both during and after the evaluation process. Provisions on data protection and confidentiality for successful events will be included in the Grant agreement.

6. Implementation and monitoring

A contract specifying the conditions of the scheme will be signed. The grant may only be awarded upon completion of the above process within the established timeframe.

The disbursement equivalent to 100% of the amount allocated will be processed after the signing of the contract and the submission of the final report by the beneficiary, following approval by Arts Council Malta.

The beneficiaries must use Arts Council Malta's logo on all related material and specify that the event was supported by the grant as follows: **Supported by Arts Council Malta**, in all marketing, PR and printed material. The grant received must be used solely for the purpose for which it was awarded, in line with the submitted proposal and the contract.

Beneficiaries must notify Arts Council Malta immediately if changes affecting the grant take place during implementation. Changes cannot be implemented unless approval is received. Arts Council Malta reserves the right to revise or withhold the final payment if the change in the event is not considered to be in line with the initial proposal, or if the Council is not informed of the changes within a reasonable time.

Beneficiaries must make themselves available for visits and communication with Arts Council Malta representatives for monitoring purposes both during the implementation of the event as well as after its completion.

Arts Council Malta also reserves the right to revise the final payment if the total expenditure is less than that estimated in the application form.

6.1 Report

At the end of the project, you will be required to submit a report by not later than six (6) weeks after the event is concluded. Arts Council Malta will provide a template for your report. If relevant, together with this report, beneficiaries must submit copies of any relevant marketing, publicity or information material developed for the funded project.

You will be required to present a final updated budget together with all supporting documents including a ticket reconciliation report.

Arts Council Malta retains the right to make use of submitted event material.

Arts Council Malta retains the right to recover funds in case these are not being used and/or are misused and/or are not used according to the submitted budget.

7. State Aid rules

The State aid 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 aid, OJ L 352/1 of 24 December 2013, 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 215/3 of 7 July 2020.

This Regulation applies to aid granted to undertakings in all sectors, 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;
- 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.

The total amount of de minimis aid granted to a single undertaking shall not exceed the amount of €200,000 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.

This maximum 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 Arts Council Malta. 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.

Applicants are to submit a de minimis declaration indicating any other de minimis aid received or applied for during the previous two fiscal years and the current fiscal year. This will ensure that the total amount of de minimis aid granted to a single undertaking under the de minimis rule will not exceed the applicable de minimis threshold over three fiscal years.

Should a successful applicant not be eligible to receive de minimis aid, the said applicant will be deemed ineligible and the next ranked applicant will be awarded.

In line with the de minimis State Aid Regulation, records regarding de minimis aid shall be maintained for 10 years from the date on which the last individual aid is granted under the Scheme.

Need advice?

You are welcome to call us on 2334 7230, on weekdays, between 09:00 and 16:00, or send us an email on fundinfo@artscouncil.mt.

Guidelines updated on 10th November 2021