



# National EED Implementation Report (NIR) 2021

## EED implementation in Malta

### 1. Legal context

The Ministry for Energy, Enterprise and Sustainable Development (through the Energy and Water Agency) is responsible for overseeing the implementation of the Energy Efficiency Directive – Directive (EU) 2018/2002 of the European Parliament and of the Council of 11th December 2018. Other Ministries are involved in the implementation of this directive, the main one being the Ministry for the Environment, Climate Change and Planning for those provisions relating to buildings.

Subsidiary Legislation 513.07 Energy Efficiency Regulations, Legal Notice 66 of 2021.

### 2. Status of the implementation

#### 2.1. Legislative provisions

This table contains information on how the EED has been implemented by article, including any relevant web links.

EED Article	Implementation status
<b>Article 4</b>	<p>Article 4 of the EED requires the establishment of a long-term strategy for mobilising investment in the renovation of the national stock of residential and commercial buildings, both public and private. The first version of Malta's long-term strategy for mobilising investment in the renovation of buildings gives a clear picture of the particular attributes of the Maltese buildings. It describes the method of construction, energy consumption patterns and limitations of the local building sector.</p> <p>The Long-Term Renovation Strategy has been finalised and adopted. It includes Malta's plan for the renovation of the building stock, and its ambition in terms of number of properties to be renovated and corresponding estimate of energy which would be saved. The strategy proposes a framework for the Maltese government to adopt when designing policies and schemes to support the uptake of energy efficiency measures, including deep renovations and on-site generation. The strategy provides more details about concrete actions that the Maltese government plans to put in place in the short to medium term. These actions will be aimed primarily at encouraging cost-effective measures and improving worst-performing buildings.</p>



EED Article	Implementation status
<b>Article 6</b>	<p>With respect to the provisions of Article 6 of the EED, The Energy and Water Agency collaborated with the relevant entities including the Department of Contracts to formalise in an appropriate guidance document the administrative processes to implement Article 6 of the EED. The document is available online to guide public authorities in their procurement of goods, services and buildings in line with Article 6.</p>
<b>Article 7</b>	<p>For the period 2014-2020, Malta indicated that Article 7 energy savings would be met through the setting up of an Energy Efficiency Obligation Scheme, as well as alternative policy measures.</p> <p>For the period 2021-2030, the obligation on the electricity supplier is no longer in place so Malta will achieve its savings through alternative policy measures which include amongst other things:</p> <ul style="list-style-type: none"> <li>• Financial support schemes for Solar Water Heaters and Heat Pump Water Heaters</li> <li>• Financial Support Schemes for Services and Industry</li> <li>• Financial Support Schemes for Solar PV</li> </ul>
<b>Article 8 and Article 16</b>	<p>Malta has adopted Option (a) in line with Article 8(1)(a), where energy audits are carried out in an independent manner by qualified and/or accredited experts according to qualification criteria. The Energy and Water Agency (EWA) monitors energy audit activities. It promotes energy audits and guarantees the attainment of the desired quality in mandatory audits by non-SMEs.</p> <p>EWA in conjunction with the Regulator for Energy and Water Services has issued a guidance note on the carrying out of mandatory energy audits by non-SMEs. This guidance note is updated for each round of audits as needed. The latest version is available at the link:</p> <p><a href="https://www.rews.org.mt/#/en/a/88-registered-and-authorised-providers-energy-services-providers">https://www.rews.org.mt/#/en/a/88-registered-and-authorised-providers-energy-services-providers</a></p> <p>The Regulator for Energy and Water Services published Government Notice (GN 1032 of 2014) which sets out a scheme for the registration of training courses leading to the certification of energy auditors and energy managers. The registered training courses and the list of certified energy auditors and energy managers are available at the following link:</p> <p><a href="https://www.rews.org.mt/#/en/a/81-providers-res-and-energy-audits">https://www.rews.org.mt/#/en/a/81-providers-res-and-energy-audits</a></p>
<b>Articles 9-11</b>	<p>In line with its programme to ensure an efficient electricity distribution system, the DSO, Enemalta has equipped 99.6% of its consumers with smart meters and has adopted a tariff system that favours the prudent use of energy.</p> <p>Furthermore, post-2020, electricity tariffs shall continue to incorporate a built-in mechanism which promotes end-use savings. This includes a “rising block tariff” and an eco-reduction mechanism. These mechanisms incentivise end-users to reduce consumption below an established threshold and deter high consumption by applying higher tariffs as consumption increases.</p>

EED Article	Implementation status
<b>Article 12</b>	<p>Article 12 requires MSs to take appropriate measures to promote and facilitate an efficient use of energy by small energy customers, including domestic customers. Malta is addressing this requirement through various initiatives intended for small energy customers investing in energy efficiency and renewable sources. These measures include fiscal incentives, feed-in tariffs, grants and subsidies, and the implementation of lighthouse projects in the residential sector. Furthermore EWA technical personnel disseminate best practices by participating in popular media programmes and conduct home visits, to promote energy efficiency and provide tailored energy and water saving tips. These instruments and policies are intended to promote a behavioural change towards the better use of energy.</p>
<b>Article 14</b>	<p>In 2015, a comprehensive assessment on the potential for the application of high efficiency cogeneration and efficient district heating and cooling in Malta was delivered to the European Commission in accordance with Article 14(1) of Directive 2012/27/EU. This report determined that district heating systems are not cost-effective solutions for Malta due to the fact that the final energy consumption for heating purposes in Malta is relatively low compared to what is needed to justify the considerable investment required for district heating networks. Indeed, despite the increase in final energy consumption for heating and cooling foreseen for 2030 and 2050, the final heating demand is likely to remain below the necessary threshold that renders such technologies economically feasible. It is for this reason that the new report carried out in 2020 does not consider the possible use of district heating networks. Scenarios and technologies also take into consideration the lack of a natural gas grid. Additionally, CHPs were also not prioritised as technologies to be assessed in the report, since the recommendation for potential use outlined in the 2015 report was met with significant challenges during its implementation. In an effort to overcome these challenges and incentivise the uptake of high-efficiency CHP units, in 2016 the government released a scheme whereby enterprises were eligible for aid through tax credits. To date, the uptake was nil, mainly due to spatial requirements for onsite fuel storage (mainly LPG) and applicable international standards. Such challenges brought about by spatial constraints, along with Malta's ambition to contribute to the EU-wide commitment of decarbonising by 2050, led to the prioritisation of more relevant technologies to Malta's heating and cooling specificities, as analysed in the 2020 report.</p>
<b>Article 15</b>	<p>In line with the requirements of this Article, the designated distribution system operator has carried out an assessment of the energy efficiency potential of the electricity infrastructure.</p>

EED Article	Implementation status
<b>Article 17</b>	<p>Regular training sessions and seminars for energy auditors have been organised whereby best practices are shared with the aim of continuing to ensure capacity building of national expertise and higher-quality audits. These events also target the analysis of grey areas of expertise observed from the ex-post assessments of past audits. Auditors will be encouraged to work together as teams, building a pool of expertise, to provide more comprehensive audits which cover the various aspects of energy use. Training sessions for industry employees on energy efficiency measures shall be organised to target both their place of work as well as the employees' households. This will be part of a holistic campaign to promote energy efficiency and renewable energy, starting in 2019 which includes an energy efficiency website <a href="https://energyefficiencymalta.com/">https://energyefficiencymalta.com/</a> and a project Investing in Energy <a href="https://mbb.org.mt/category/projects/archive/investing-in-energy/">https://mbb.org.mt/category/projects/archive/investing-in-energy/</a> aimed at introducing further energy audits to Small and Medium Enterprises and raising energy saving in the agenda of all enterprises.</p> <p>The Energy and Water Agency will also be undertaking initiatives to help raise awareness amongst the public on behavioural changes which can help save energy. These include studies as well as educational and social media campaigns in order to increase energy efficiency in households.</p>
<b>Article 18</b>	<p>A public consultation on Energy Performance Contracting was held in February 2017. Respondents highlighted that take-up is restricted due to limited savings. Furthermore, potential ESCO providers find it difficult to accumulate a sufficiently large portfolio of interventions to build a suitable business case. Malta is currently analysing whether the development of a financial Special Purpose Vehicle, which would provide off-balance sheet financing for ESCOs and their customers, offer attractive repayment options through low interest rates and have a higher risk tolerance than traditional financing instruments, would achieve the required effectiveness and leverage in the local scenario.</p>
<b>Article 19</b>	<p>Studies to implement these paragraphs of this Article are still being developed.</p>

## 2.2. Non-legislative provisions

With the local transposition of the Energy Efficiency Directive in 2014, the industry sectors were informed of their legal obligations towards Article 8, and the Government relayed its commitments to support all economic sectors to boost competitiveness. The Sustainable Energy and Water Conservation Unit in the summer of 2014 approached the Malta Business Bureau, to facilitate the implementation of the obligation of Article 8 and also proceeded to negotiate voluntary agreements with non-SMEs to promote the implementation of energy efficiency measures as a tool to support this aim. A number of voluntary agreements were signed in 2015 covering energy saving measures implemented from 2014 onwards. The Agency has just kick-started the process of updating these voluntary agreements. Companies achieved 88.6GWh cumulative energy savings in the period 2014-2018.

### 2.3. Implementing bodies

Indicate here who the main implementing bodies are in your country and in which field they support EED implementation.

The Ministry for Energy, Enterprise and Sustainable Development

Regulator for Energy and Water Services

The Ministry for Environment, Climate Change and Planning

Building and Construction Agency

### 3. Implementation of revised EED articles

The above bodies are responsible for the implementation of the revised EED articles. In view of the new directive, an update to the previous Legal Notice was deemed necessary: Subsidiary Legislation 513.07 Energy Efficiency Regulations, Legal Notice 66 of 2021.

### 4. Relevant information

The Energy and Water Agency: <https://www.energywateragency.gov.mt/>