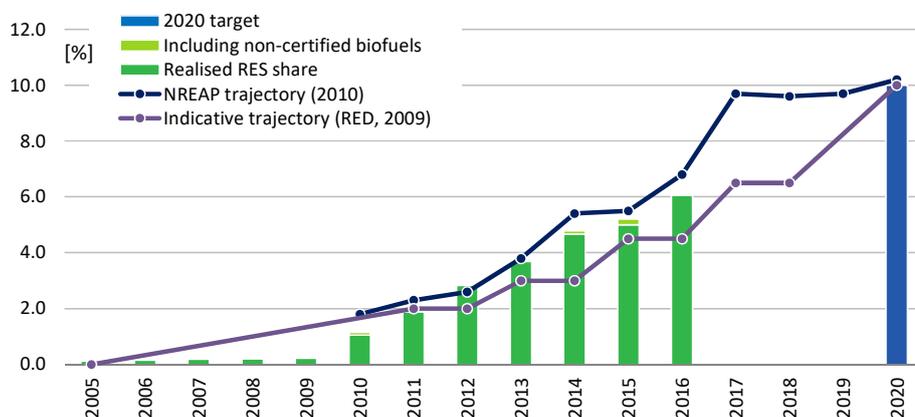


Summary

Malta's RES target for 2020 is 10%. By 2015, Malta had reached a RES share of 5%. Due to several major technology-related developments, Malta has revised the originally planned RES mix presented in its 2010 NREAP. Whilst offshore wind is no longer expected to contribute to reaching the target, installation of solar PV systems is given higher priority. Malta uses a combination of feed-in tariffs, grant schemes and a quota obligation on the share of biofuels delivered on the market to promote renewable energy sources.



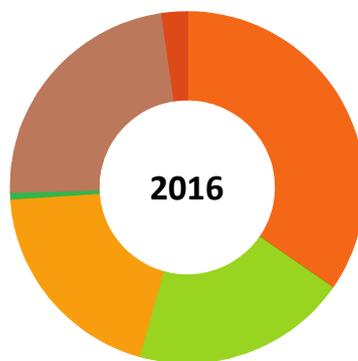
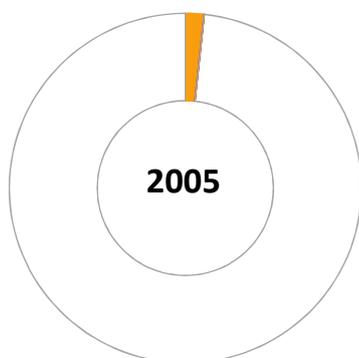
Source: EEA, Eurostat

Abbreviations used:

RES: renewable energy sources
 RES-E: renewable electricity
 RES-H/C: renewable heating/cooling
 RES-T: renewable transport fuels

Data for 2016

Overall RES share:	6.0%	Avoided fossil fuels:	0.0 [Mtoe]
Overall RES 2020 target:	10.0%	Avoided fuel expenses:	0.0 [billion euro]
Share RES-E in electricity:	5.6%	RES Turnover:	100 [MEUR]
Share RES-T in transport:	5.4%	RES Employment:	1000 [jobs]
Share RES-H/C in heating:	15.3%		



- Hydropower
- Wind power
- Solar PV, CSP and water heaters
- Solid biomass
- Biofuels in transport
- Renewable heat consumed
- Renewable heat derived
- Heat pumps
- All other renewables
- Gap towards 2016

Source: Eurostat, 2018.

	2005		2016		
	Energy		Energy	Employment	Turnover
Hydropower	0.0 ktoe		0.0 ktoe	< 100 Jobs	< 10 MEUR
Wind power	0.0 ktoe		0.0 ktoe	< 100 Jobs	< 10 MEUR
Solar PV, CSP and water heaters	0.0 ktoe		10.8 ktoe	< 200 Jobs	< 20 MEUR
Solid biomass	0.0 ktoe		0.0 ktoe	< 100 Jobs	< 10 MEUR
Biofuels in transport	0.0 ktoe		6.1 ktoe	< 100 Jobs	< 10 MEUR
Renewable heat consumed	0.5 ktoe		6.1 ktoe		
Renewable heat derived	0.0 ktoe		0.2 ktoe		
Heat pumps	0.0 ktoe		7.2 ktoe	< 100 Jobs	< 10 MEUR
All other renewables	0.0 ktoe		0.7 ktoe		
Gap towards 2016	30.5 ktoe				

Source: Eurostat, EurObserv'ER, 2018.

Hydropower jobs & turnover only covers 'small hydropower'. PV=Photovoltaics, CSP=Concentrated Solar Power. Biofuels in transport only covers compliant fuels (employment and turnover additionally cover the non-compliant biofuels). Derived heat includes heat produced in main activity producer plants and heat sold produced in autoproducer plants. Its counterpart is the final heat consumption in the final consumption sectors (such as households).



CURRENT RENEWABLE ENERGY POLICY

Malta launched a National Energy Policy in December 2012, aimed at diversifying the energy mix used in Malta while accelerating a shift in the energy culture. The national energy policy is based on the principles of diversification, security of supply, efficiency and affordability.

Malta aims to achieve its 2020 renewable energy target through different technologies, mainly solar, heat pumps, biofuels and waste to energy projects. It is expected that a relatively high number of small capacity renewable energy sources are distributed across the Maltese Islands. These shall be mainly integrated in existing building infrastructures due to Malta's limited space and the conflicting use by other activities.

In its national reporting on the progress towards the 2020 binding RES target, Malta points out that, due to several major technology-related developments, it has revised the original RES mix which was presented in the National Renewable Energy Action Plan (NREAP). Among others, the large offshore wind farm, which was expected to be a major contributor to the RES target in the original NREAP is not being considered further. Additionally, the significant price reduction for PV systems since 2005, mainly due to the cost of modules, has provided an alternative, cost-effective path for Malta to reach its 2020 RES target. The Maltese Government's policy is to prioritize investment in PV systems installed on rooftops and brown field sites, sometimes referred to land that has been used for industrial and commercial purposes and is now derelict and possibly contaminated, or previously developed land that has the potential for being redeveloped.

Malta enjoys an abundance of sunshine and mild temperatures. This, coupled with other factors such as the existence of flat roofs as the standard way of building and the recent trend of increased power consumption in summer due to air conditioning, also favours the application of solar PV on a wide scale.

OVERVIEW OF MAIN SUPPORTING POLICIES

Malta uses a combination of feed-in tariffs, grant schemes and a quota obligation to promote renewable energy sources. For the promotion of renewable electricity, Malta has introduced a feed-in tariff and an investment grant scheme. For renewable heating, grants for solar water heating systems to private householders are provided, whereas support for renewable energy in the transport sector is provided through a substitution obligation on importers and wholesalers of fossil fuels, where a specific percentage of biofuels shall be included in imported or wholesaled petrol and diesel. In addition, use of electric vehicles is promoted through a governmental grant scheme. This scheme supports the purchase of electric vehicles for private individuals, local councils, the business community and NGOs.

Table 1: Overview of support schemes to promote renewable energy in Malta

	REGULATORY POLICIES					FISCAL INCENTIVE AND PUBLIC FINANCES		
	Feed-in premium	Heat bonus for CHP	Quota obligation without certificates system	Tendering	Net-metering/ net-billing	Subsidy (Energy Aid) and/or Investment Aid	Tax regulation mechanism	Loans
RES-E								
- Offshore wind								
- Onshore wind								
- Solar	○					○		
- Hydro								
- Geothermal								
- Solid biomass								
- Biogas								
RES-H/C								
- Solar thermal						○		
- Geothermal								
- Biomass								
- Biogas								
- Large ambient heat application								
- Small scale installations, e.g. solar thermal collectors, heat pumps, biomass boilers and pellet stoves								
- Others, i.e. aerothermal, hydrothermal								
RES-T								
- Biogasoline			○					
- Biodiesel			○					
- Biogas								

Sources: EurObserv'ER, GSR/REN21, RES-Legal Europe (2017)

Table 2: Brief description of key policy instruments aimed at promoting RES in Denmark

<i>Instrument</i>	<i>Description</i>
Grant scheme for PV systems in the domestic sector	PV installations are eligible for a grant. This scheme has been extended until 31 March 2017.
Feed-in tariff for grid-connected PV systems	A feed-in tariff is paid for the production of renewable electricity from solar PV installations.
Grant scheme solar water heaters in the domestic sector	Private households are eligible for a once-only grant for the installation of a solar water heating system.
Quota obligation for biofuels	A petroleum provider shall place on the market as a minimum biofuel amounts as a percentage of the total energy content of petrol and diesel imported or wholesaled. The energy content made by biofuels produced from wastes, residues, non-food cellulosic material and ligno-cellulosic material are considered to be twice that made by other biofuels.

For further information:

The 2012 National Energy Policy for the Maltese Islands, <http://cdz.com.mt/wordpress/wp-content/uploads/2012/12/ENERGY-POLICY-I.pdf>

Member State Progress Report, available at the Renewable Energy pages of the European Commission, <https://ec.europa.eu/energy/en/topics/renewable-energy/progress-reports>

EurObserv'ER 16th annual overview barometer, <https://www.eurobserv-er.org/category/all-annual-overview-barometers>

EEA charts on progress of renewable energy sources for EU and per Member State, <https://www.eea.europa.eu/data-and-maps/indicators/renewable-gross-final-energy-consumption-4/assessment-1>

International Energy Agency (IEA) database on policies and measures , <https://www.iea.org/policiesandmeasures/renewableenergy/?country=Malta>

RES Legal database: <http://www.res-legal.eu/search-by-country/malta>

Global Status Report by REN21, <http://www.ren21.net/gsr-2017>

What is meant by ...?

Auctions for granting renewable energy support	An auction is a process of granting production or investment support to renewable energy projects based on the lowest bids by eligible project developers.
Feed-in tariff (FiT)	A support scheme which provides for a technology-specific remuneration per unit of renewable energy payable to eligible renewable energy producers. A proper, periodic review of FiT rates is often undertaken with the aim to prevent both too high FiTs so as to minimise regulatory rents, i.e. supra-normal returns and too low FiTs to preclude below-target market uptake because of FiT levels that are perceived by market participants to be less attractive. In addition, feed-in tariffs often include "tariff depression", a mechanism according to which the price (or tariff) ratchets down over time.
Feed-in premium (FiP)	A scheme which provides for a support level per unit of renewable energy to eligible renewable energy producers, typically for a period of 10-20 years, at a pre-set fixed or floating rate. The premium is typically adjusted periodically to exactly offset change in the average energy wholesale market price, based on a pre-specified benchmark market price. A floating FiP may move freely or may only be allowed to move within a pre-set interval.
Grants	Grants are non-repayable funds disbursed by one party (grant makers), often a government department, corporation, foundation or trust, to a recipient, often (but not always) a non-profit entity, educational institution, business or an individual. (Source: Wikipedia.org)
Green public procurement	In Green public procurement contracting authorities take environmental issues into account when tendering for goods or services. The goal is to reduce the impact of the procurement on human health and the environment. (Source: Wikipedia.org)
Renewable quota scheme (RQS)	A RQS mandates certain market actors (typically retail suppliers or large energy end-users) to respect a pre-set minimum share or amount of their total energy procurements from renewable sources of energy. Typically a tradable green certificate (TGC) scheme is operated to enable the obligated parties to prove their compliance with the prevailing renewable quota target by means of TGCs.
Sliding feed-in-tariff	A FiT scheme which pre-sets technology-specific declining feed-in tariffs for certain prospective vintages in line with the technology-specific learning curve, as projected by the National Regulatory Agency (NRA). Often a depression rate is used indicating the %/annum decrease in the rate level.
Soft loans	Loans at concessional (below market-based) terms, for example at sub-market-conform interest rates, made available in several Member States to stimulate certain renewable energy technologies.
Tax credits	These are amounts a tax paying entity is allowed to deduct when declaring payable taxes, for example company tax or income tax, to the tax authorities, for example the producer tax credits (PTCs) used in the United States to stimulate among others wind energy deployment.



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Disclaimer

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