



RENEWABLE ENERGY POLICY REVIEW

MALTA

Malta is totally dependent upon imported fossil fuels for its energy needs, currently over 63% of the primary energy is used for power generation. Renewable Energy Sources (RES) could play a key role for the Island economy. Little development of RES exists so far. However, the potential for solar and wind is substantial, though costs are high. The Maltese government is currently creating a framework for support measures. The targets that are being proposed in the RES2020 proposal for Malta are 10% RES. Solar thermal applications (for hot water requirements) are RES with highest penetration rate in Malta.

KEY FIGURES

- The **share of RES in total primary energy consumption** was of 0.34% in 2007¹.
- The **share of RES in the gross final energy consumption** was 0 % in 2005.
- The **share of RES in the gross electricity production** was 0% in 2006².
- The **share of biofuels** in the transport sector in 2006 was 0.52%.
- Malta energy dependence on imports amounts to 100% in 2005.

RES TARGETS

Mandatory targets set by the Directive on the Promotion of the use of energy from renewable sources

- 10% share of renewable energy on the final consumption of energy in 2020.
- At least 10% share of renewable energy in final consumption of energy in transport by 2020.

¹ Eurobaromet'er

² The share of RES in gross electricity consumption in 2007 was 0%. Source: Eurobaromet'er

Indicative Target set by the RES- electricity European Directive from 2001³

- 5 % Share of RES on gross electricity consumption by 2010. However, at the national level, it has been decided to aim for 0.31%, excluding large wind farms and waste combustion plants, or for 1.31% in the event that the plans are implemented.

Indicative Target set by the European Biofuels Directive from 2003⁴

- Biofuels consumption of 5.75% of petrol and diesel use for transport in 2010⁵.

Progress towards the Targets

- The total RES-e production in 2006 was 0.01 GWh and, therefore, the RES-e share of gross electricity consumption was effectively zero percent.
- Malta has exceeded the target for biofuel production it had set for 2005 (0.30%); the share of biofuels in 2006 was 0.58%. Biodiesel in Malta is retailed either directly from the manufacturers or from a number of petroleum filling stations which retail B100 biodiesel from their pumps. Around 30 petroleum filling stations, equivalent to about 40% of total petroleum filling stations, retail biodiesel.

RES POLICY INSTRUMENTS

Support for RES electricity

In order to promote the uptake of RES, the Maltese government is continuing its development of support measures.

Capital grants

- Capital grants on PVs and microwind for domestic use. This amount to 50% up to €3,000 per installation.

³ Directive 2007/71/EC on the promotion of electricity produced from renewable energy sources in the internal electricity market. Currently in force, sets targets up to 2010.

⁴ Directive 2003/30/EC on the promotion of the use of biofuels or other renewable fuels for transport .Currently in force, sets targets up to 2010, with indicative targets by 2005.

⁵ Malta has indicated that given the scarcity of arable land and water resources for the production of energy crops used in biofuels production and the existing current conditions the national indicative target for Malta for 2010 is set to 1.25%.

- Net metering with a spill tariff – avoided electricity costs range between 16c/kWh and 23c/kWh. Malta promotes the generation of electricity by solar energy systems (in the national territory) through a price regulation in terms of a feed-in tariff. The price regulation is based on the so-called „Net-Metering System“ (Reg. 7 (7) PRESR). A metering device measures the electricity used by the plant operator and fed into the grid. If the proportion of the electricity fed into the grid exceeds the customer’s total electricity consumption, the grid operator shall pay 6.99€ct for every kWh of solar electricity that is fed into the grid.

Others

- Government leading by example (PV installations on public buildings and micro-wind installations).
- The Maltese Ministry of Finance grants once-only investment subsidies for small wind and solar power systems to domestic investors built within the Maltese territory. The grant for wind energy systems amounts to 25% of the purchase price, with a maximum grant of 232.94 € (100 Maltese Liri). The grant for solar energy systems amounts to 20% of the purchase price of a photovoltaic system (panels, inverters, cabling) with a minimum installed size of 1 kWp (+/- 5%), with a maximum grant of 1160 €. Furthermore, the state grants an additional 580€ for every additional kilowatt above the minimum capacity up to a maximum capacity of 3.7 kWp. Fractions of an additionally installed kWp are treated pro rata.

Support for RES Heating and Cooling

Capital grants

Capital grants on solar water heaters for domestic use (50% grant on cost & capped at €450, up from 25% capped at €233).

Support for biofuels

Quota

Resource	Quota in % (per year)	Year	Comments
Biofuels	0.3%	2005	Guideline
Biofuels	5.75%	2010	Compulsory

There is Exemption of excise duty for biofuels.

This measure makes biodiesel currently cheaper than petroleum diesel retailed in filling stations and therefore a fiscal incentive provides one of the driving forces for the biodiesel sales.

Sources:

European Commission Factsheets by Country

http://ec.europa.eu/energy/energy_policy/facts_en.htm

Member States Reports in the framework of the Directive 2001/77/EC on renewable electricity

http://ec.europa.eu/energy/res/legislation/electricity_member_states_en.htm

Member States Reports in the framework of the Directive 2003/30/EC on biofuels

http://ec.europa.eu/energy/res/legislation/biofuels_members_states_en.htm

Malta Resources Authority

<http://www.mra.org.mt/>

EurObserv'er Barometer

<http://www.energies-renouvelables.org/observ-er/sig/eufores/sig.asp>

Legal sources on renewable energy

<http://res-legal.eu/>



In the framework of the EU co-funded project: RES 2020: Monitoring and Evaluation of the RES Directives implementation in EU27 and policy recommendations to 2020



The sole responsibility for the content of this publication lies with the authors. It does not represent the opinion of the Community. The European Commission is not responsible for any use that may be made of the information contained therein.

Drafted in March 2009