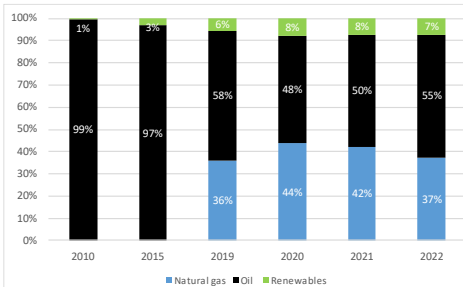


REPowerEU Two Years on_Malta

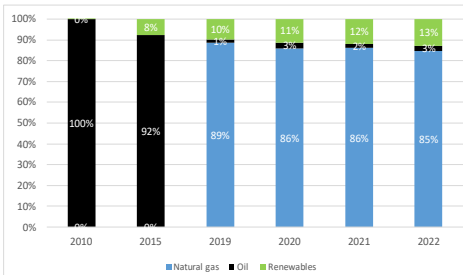
Key energy figures

Graph 1: **Energy mix**



Source: Eurostat

Graph 2: **Electricity mix**



Source: Eurostat

Save energy

1. KEY ENERGY SAVINGS MEASURES

Malta is implementing energy efficiency measures to contribute to energy security further, such as:

- The **Scheme for the Renovation of Private Sector Buildings** was launched in July 2022, with the first call closing in September 2022. The grant scheme provides up to 1 million EUR per undertaking to address upfront costs of

commercial building renovations that lead to at least a reduction of Primary Energy Demand of 30%⁽¹⁾.

- **Public awareness campaigns** were launched targeting behavioural change to reduce energy consumption and GHG emissions, with specific actions targeted at the residential sector, and new guidelines were introduced to be followed in public buildings, gardens and open spaces⁽²⁾.
- Malta is continuing the implementation of several measures that aim in the **increase of energy efficiency** in all sectors, e.g., the electrification of public and private vehicles, the promotion of energy audits by industry and services and the uptake of the audit's recommendations, and the improvement of the energy performance of public and private buildings, lighting and devices included.

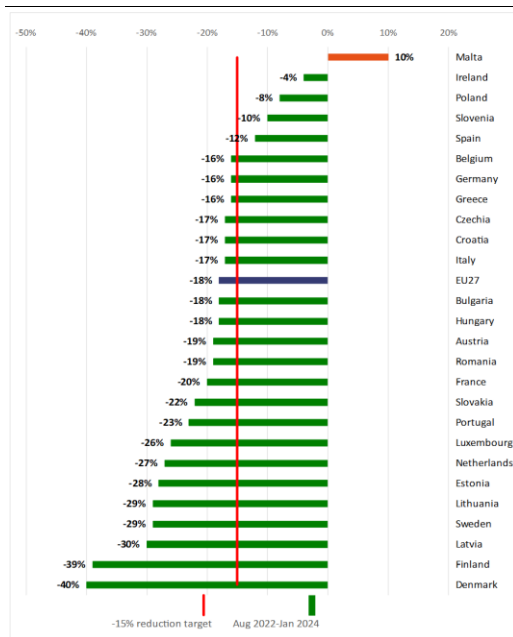
⁽¹⁾ Link to the Programme, funded under RRP, with the aim to renovate up to 40.605 private buildings by 2025.

⁽²⁾ For example, regarding the management of appliances, cooling and heating systems including temperature and time setpoints, lighting and water use.

2. GAS DEMAND REDUCTION

Malta has increased its gas consumption by **10%** in the period **August 2022 – January 2024**, while the EU achieved a decrease of 18%, while the voluntary gas demand reduction was agreed at the EU level of 15% ⁽³⁾.

Graph 3: **Natural gas demand reduction (August 2022 – January 2024)**



(1) Cyprus does not use natural gas

Source: Eurostat, DG ENER calculations

Diversify energy supplies

1. KEY ACTIONS

Malta is a geographically isolated island with high import dependency due to the lack of domestic conventional energy sources and relatively limited onshore renewable energy resource potential. Natural gas in Malta is used solely for the generation of electricity and currently constitutes the largest share of Malta’s electricity generation mix at approximately 70%. ⁽⁴⁾

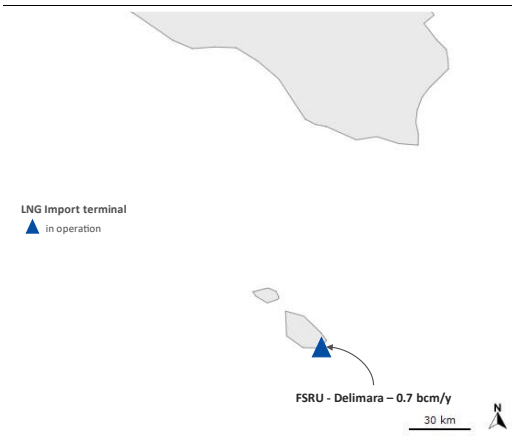
⁽³⁾ Council Regulation (EU) 2023/706 of 30 March 2023, amending Regulation (EU) 2022/1369.

⁽⁴⁾ Eurostat.

2. GAS INFRASTRUCTURE DEVELOPMENTS

Malta was not directly affected by the disruption of Russian gas supplies as it has a long-term supply agreement which provides LNG mostly originating from South America to its LNG terminal (floating regassification unit). Malta is not connected to the trans-European gas network and is not dependent on gas imports from Russia.

Map 1: **Cross-border gas infrastructure**



Source: European Commission map recreation (based on ENTSO- G)

3. GAS STORAGE

Malta does not operate any underground gas storage facility and is exempted from the regulation on gas storage ⁽⁵⁾.

Energy platform

- In the **four EU tenders** for joint gas purchase organised **under AggregateEU in 2023**, 113 companies across the EU expressed gas demand of over 54 bcm. 48 suppliers replied with bids of more than 61 bcm, resulting in **over 42 bcm of demand matched**.
- In the **first mid-term tender of 2024**, 19 companies expressed 34 bcm of gas demand for the next 5 years, with **97.4 bcm offered by suppliers**.
- According to the indicative data obtained through AggregateEU, companies from **Malta** aggregated gas demand of **0.00 bcm** in 2023 under the EU Energy Platform.

⁽⁵⁾ Regulation (EU) 2022/1032 of the European Parliament and of the Council of 29 June 2022 amending Regulations (EU) 2017/1938 and (EC) No 715/2009 with regard to gas storage.

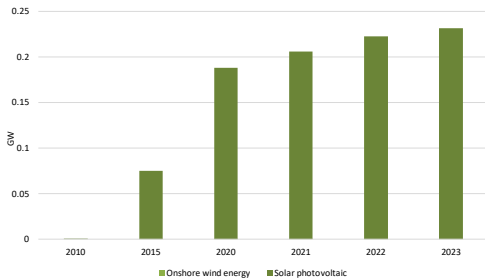
Produce clean energy

1. INSTALLED RENEWABLE ELECTRICITY CAPACITY, IN WIND AND SOLAR

In **2023**, Malta installed 9 MW of renewable electricity capacity, bringing the total to **234 MW** (vs. 210 MW in 2021).

In **2023**, the annual growth rate of installed renewables power capacity stood at **4%** compared to 9% in 2021⁽⁶⁾.

Graph 4: **Installed solar and wind power capacity (in GW)**



- (1) The renewable power capacity data reflects the capacity installed and connected at the end of the calendar year.
- (2) In 2012, 0.1 MW of onshore wind capacity was installed. No new wind power plants have been deployed to date.
- (3) In 2023, Malta installed 9 MW of solar photovoltaic capacity (vs. 18 MW in 2021).

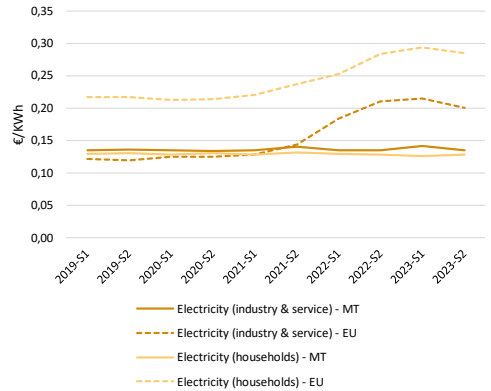
Source: IRENA, Renewable capacity statistics, 2024

2. ELECTRICITY INFRASTRUCTURE DEPLOYMENT

To further strengthen the security of electricity supply in the country, a decision was taken to invest, with the support of Cohesion funds, in a second 200 MW electricity sub-sea link with Italy (Sicily) by 2026. This second cable link with Italy would contribute to long-term security of supply as well as allow for the integration of a higher share of renewable energy sources.

Energy price developments

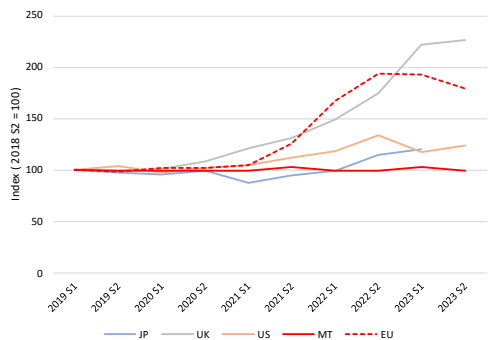
Graph 5: **Malta's energy retail prices for households and industry & service**



- (1) For industry, consumption bands are I3 for gas and IC for electricity, which refer to medium-sized consumers and provide an insight into affordability
- (2) For households, the consumption bands are D2 for gas and DC for electricity
- (3) Industry prices are shown without VAT and other recoverable taxes/levies/fees as non-household consumers are usually able to recover VAT and some other taxes

Source: Eurostat

Graph 6: **Trends in electricity prices for non-household consumers (EU and foreign partners)**



- (1) For Eurostat data (EU and MT), the band consumption is ID referring to large-sized consumers with an annual consumption of between 2 000 MWh and 20 000 MWh, such as in electricity intensive manufacturing sectors, and gives an insight into international competitiveness
- (2) JP = Japan

Source: Eurostat, IEA

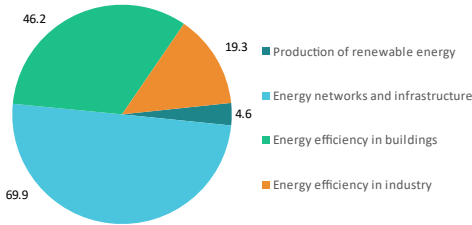
⁽⁶⁾ International Renewable Energy Agency (2024). Renewable capacity statistics 2024

Smartly combine investments and reforms in the RRP

Amended Recovery and Resilience Plan (RRP), including a REPowerEU chapter:

- Approved by Council on 14 July 2023
- Total amount: EUR 328 million
- Amount allocated for energy: EUR 0.14 billion
- Climate tagging: RRP: 68.8 %; REPowerEU chapter: 100 %

Graph 7: **Energy-related investments in the RRP (in EUR million)**



Source: European Commission

Tangible results: reforms & investments

- **Renewables and infrastructure:** deployment of diverse grid infrastructure investments in order to accommodate new renewables, amounting to EUR 19 million total investment.
- **Energy efficiency:** renovation works to increase energy efficiency in buildings, with 40.000+ m2 of private sector buildings renovated, as well as the Mount Carmel hospital, and two public schools.

Highlights of the National Energy and Climate Plan

- The **draft updated NECP** was submitted to the European Commission in October 2023.
- Member States are due to submit their **final updated NECP by 30 June 2024**, taking into account the Commission recommendations.
- For more information see the dedicated [webpage of the European Commission on the NECPs](#).

(7) <https://cohesiondata.ec.europa.eu/d/hgyj-qyin>

Strengthening competitiveness with the Net Zero Industry Act

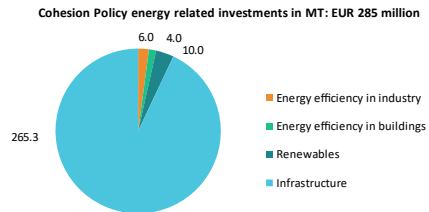
Malta does not have a manufacturing capacity for clean technologies and remains dependent on imports for renewable energy deployment. However, Malta's National Strategy for R&I in Energy and Water 2021–2030, as well as its first NECP, endeavour to support R&I initiatives related to renewable solutions for islands, integration of renewable electricity, and energy efficient solutions.

Other EU initiatives

Cohesion Policy provides significant support to REPowerEU in all EU MS, with a total of EUR 89 billion worth of investments focusing on regions most in need in the energy transition.

Most resources concentrate on energy efficiency in the buildings sector (i.e. 720 000 dwellings across the EU will be renovated and public buildings will decrease their energy consumption by 6000 GWh/year) and on energy infrastructure (i.e. 4.9 GWh of additional electricity storage deployed), followed by renewables (e.g. 9.5 GW of additional renewable energy capacities installed).

Graph 8: **2021-2027 energy-related investments in the Cohesion Funds supporting REPowerEU**



Source: Cohesion Open Data (7)