

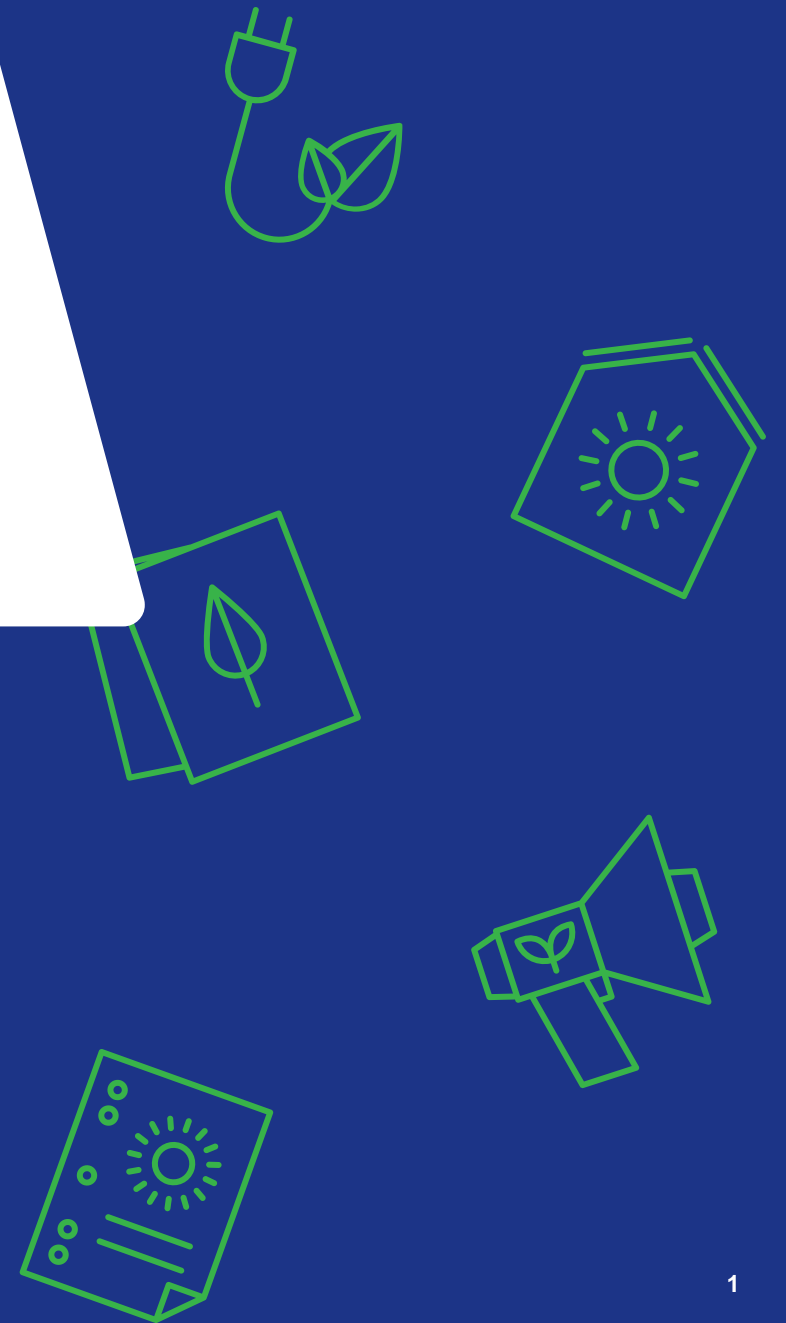
Energy Efficiency in SMEs

LEAP4SME Training and Observatory

23rd June 2022, The Xara Lodge



This project has received funding from the EU
H2020 research and innovation programme
under grant agreement No 893924



Present Issues

- SMEs may not realise energy and non-energy benefits brought by the undertaking of energy audits and the implementation of energy efficiency measures.
- SMEs lack resources, particularly in terms of time, expertise and finance.



Where do we want to be?

- Energy audits that lead to the implementation of energy efficiency projects



LEAP 4 ENERGY AUDIT POLICIES SME TO DRIVE ENERGY EFFICIENCY



Project Partners

9 Energy Agencies

1 Communication Partner

Supported by:

2 cross-country associations of Energy Agencies

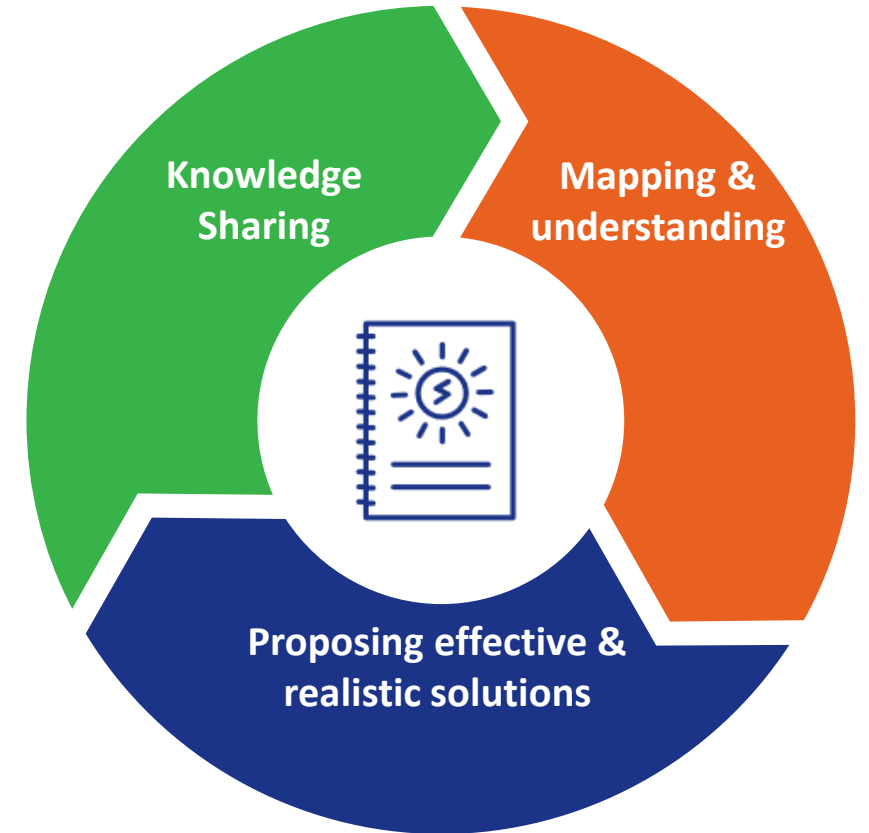
3 Chambers of Commerce and University Departments

10 National SMEs associations



Main Goals

- **Mapping and understanding**
the context of national support to SMEs
- **Proposing effective and realistic solutions**
to policy makers in terms of policy schemes, cross-cutting policy solutions embracing both energy and non-energy benefits and policy recommendations
- **Knowledge sharing**
(successes, barriers and failures) on national policies



Methodology

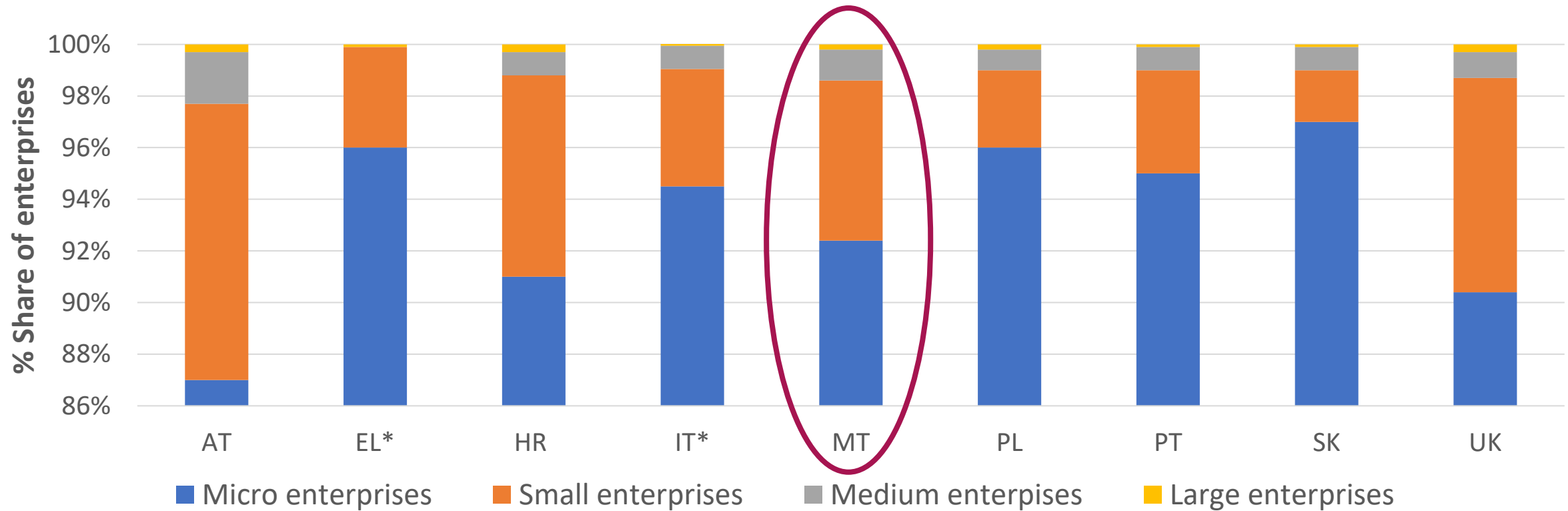


Results

Economic

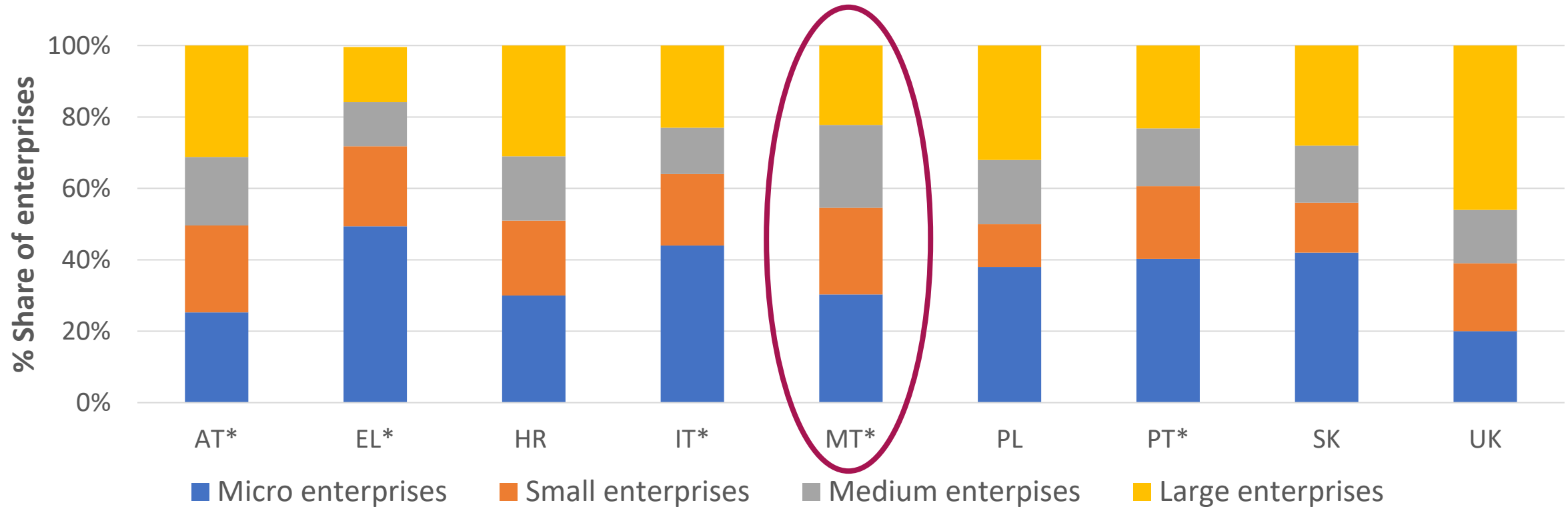


Number of enterprises and shares in project partner countries



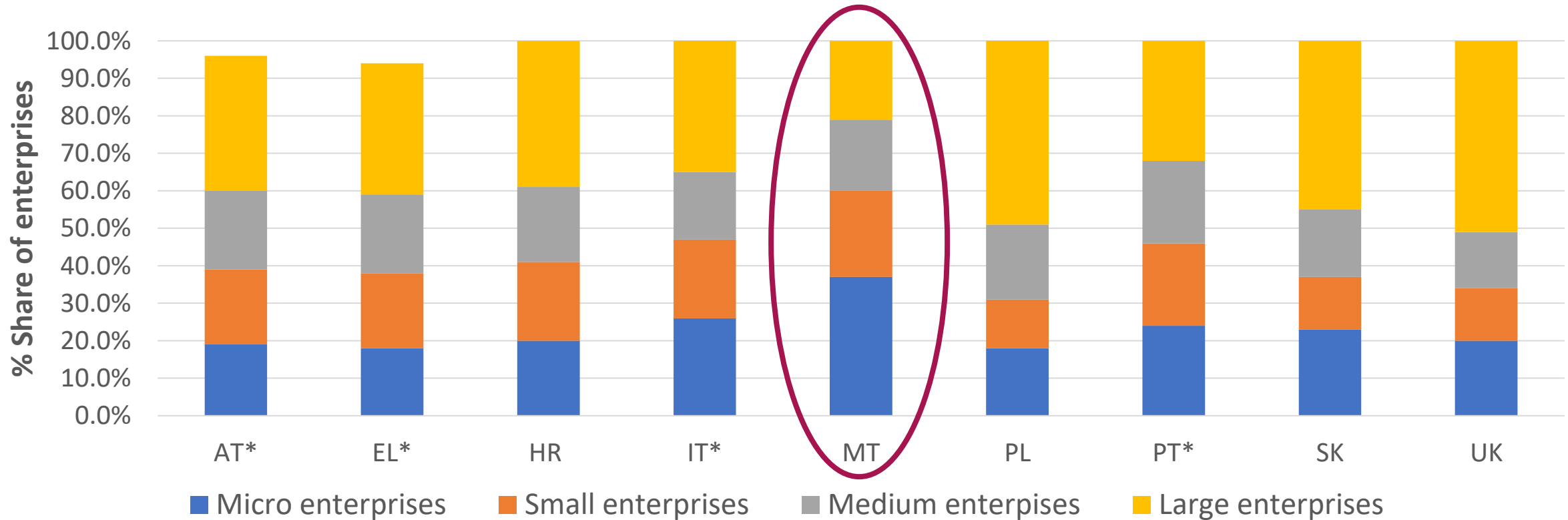
- Source Eurostat – Structural Business Statistics 2017; * contains confidential data

Number of persons employed by enterprises and shares in project partner countries



- Source Eurostat – Structural Business Statistics 2017; * contains confidential data; sum of shares might not add up to 100%

Total value added by enterprises and shares in project partner countries



- Source Eurostat – Structural Business Statistics 2017; * contains confidential data; sum of shares might not add up to 100%

Results

Energy



Comparison between partner countries

- In Malta, estimated SME energy consumption share of gross inland consumption was approximately 16%.
- Italy had the highest SME energy consumption share (approx. 29%) while Poland had the lowest share (approx. 9%).

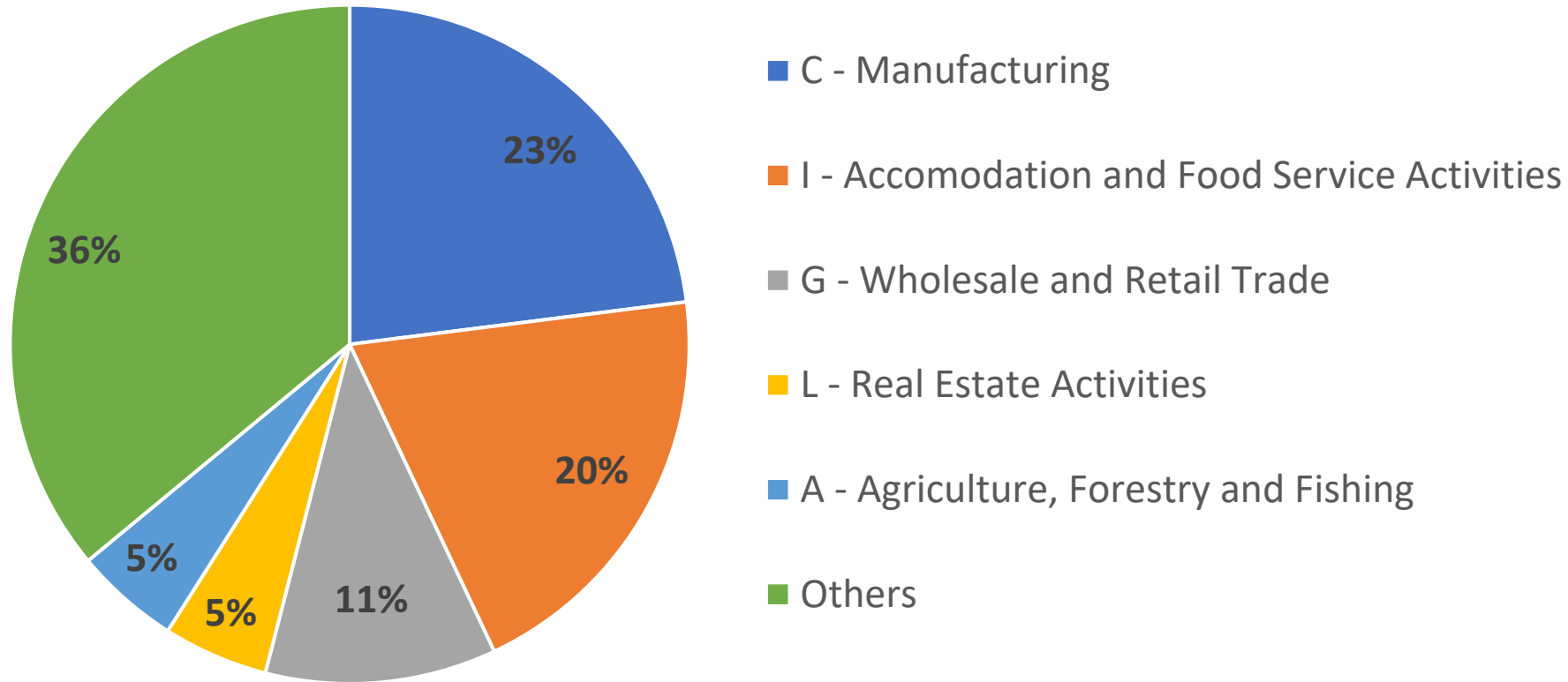


Comparison between partner countries

- Estimated SME energy intensity in Malta was the lowest among all partners – around 300 MWh/ Mn€ Total Value Added.
- Greece had the highest SME energy intensity among project partners – around 1550 MWh/ Mn€ Total Value Added.



Malta – SME Energy distribution by NACE code



Energy Auditing





Energy audit?

What does it involve?

What's in it for my company?

How can it be done?



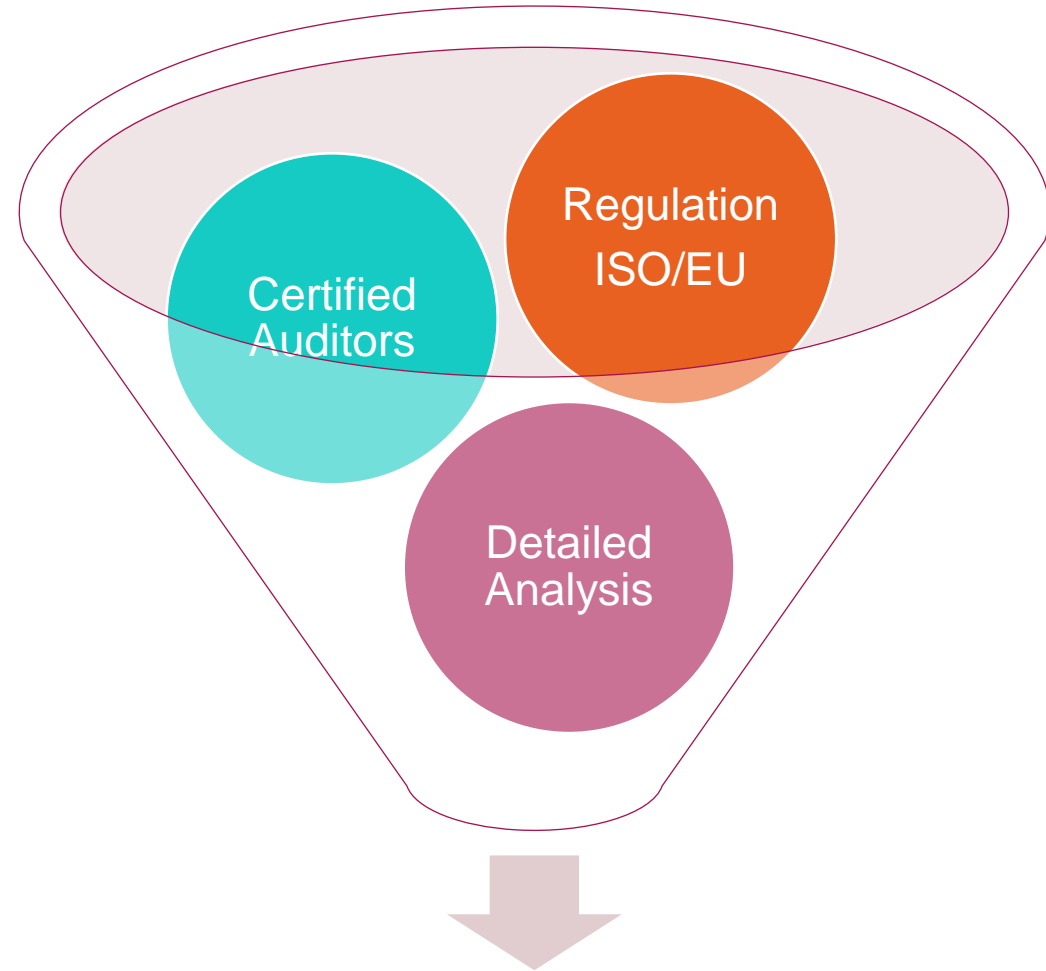
a systematic procedure with the purpose of obtaining adequate knowledge of the existing energy consumption profile of a building or group of buildings, an industrial or commercial operation or installation or a private or public service, identifying and quantifying cost-effective energy savings opportunities, and reporting the findings



What does it involve?



Collaboration



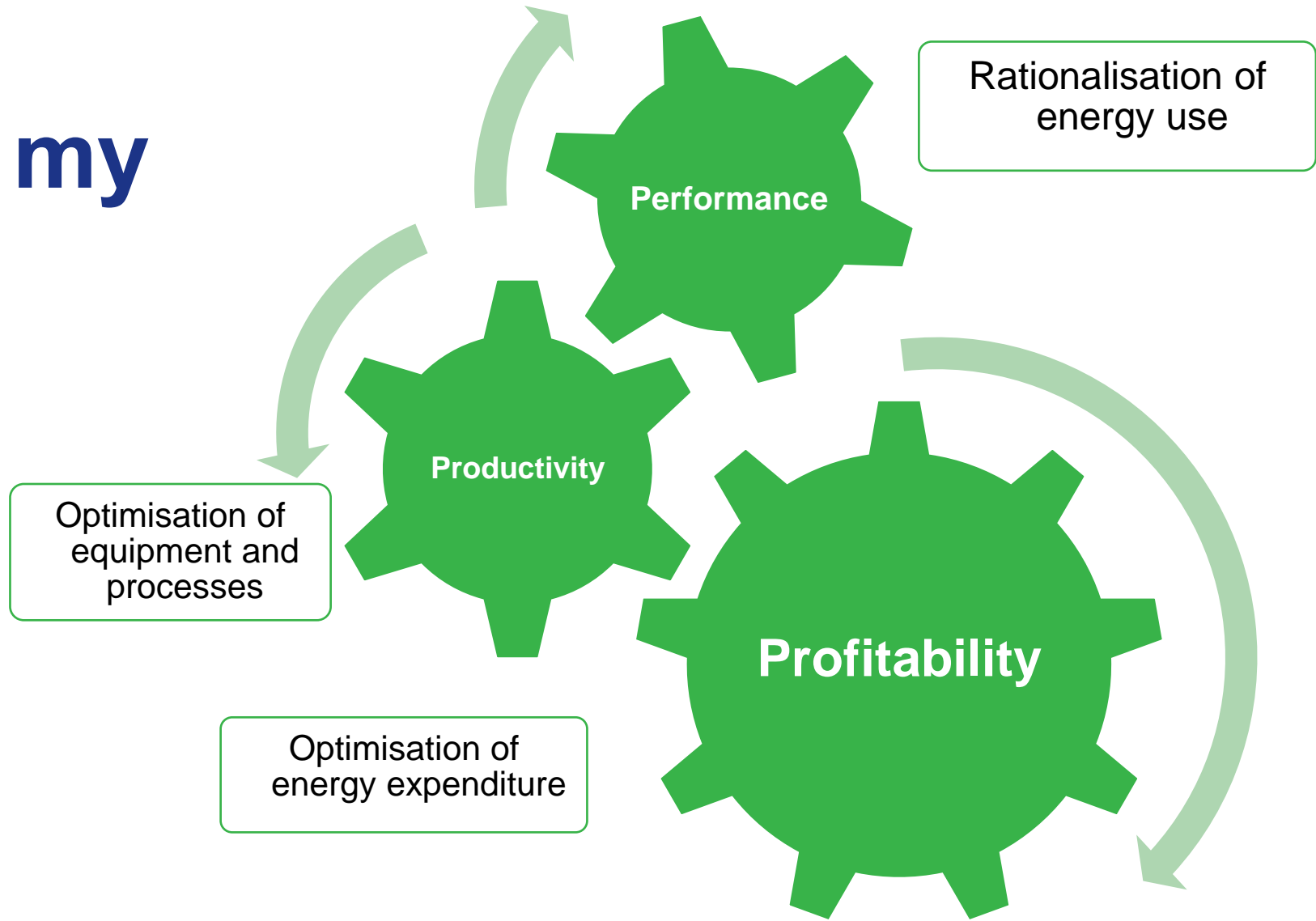
Energy Audit Report

What does it Involve?

The audit must be an exercise between the company and the auditor if a successful outcome is to be achieved...



What's in it for my Company?



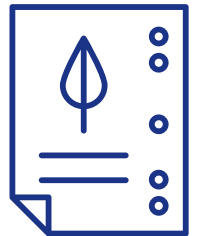
What's in it for my Company?

- Lower energy bills
- Increased comfort of those in the facility
- Increased life span of the equipment in your facility
- Discovery of any unaccounted consumption that may exist at the facility
- Elimination of waste
- Reduced environmental damage and pollution
- Support Malta in reaching its Energy Efficiency targets

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How can it be done?



Promotion of Energy Audits for SMEs SCHEME A AND B

Enterprises which have not received grants which exceeded or will exceed the aggregate of €200,000 over a rolling three fiscal year period (2020 – 2022) in terms of the de minimis Regulation should apply under **Scheme A**.

Otherwise, they must apply under **Scheme B**.

State Aid Received between 2020 - 2022	Energy Audits Scheme Applicable
Less than €200,000	Scheme A
More than €200,000	Scheme B

Promotion of Energy Audits for SMEs SCHEME A AND B

Grant Capping of Categories:

	Categories from 2022	Grant
Category 1	Medium Sized Enterprises in the NACE Code C and I	€ 5,000
Category 2	Medium Sized Enterprises in all other NACE Codes	€ 3,000
Category 3	Small Sized Enterprises in the NACE Code C and NACE Code I subgroup 55	€ 3,000
Category 4	Small Sized Enterprises in all other NACE Codes and NACE Code subgroups	€ 1,000

Promotion of Energy Audits for SMEs SCHEME A AND B

Application

Submit **Application Form Scheme A or B**, to carry out an energy audit to the level and detail as described in the **Schedule** to the Government Notice.

Grant Offer

After **reviewing** the Application, the Agency informs the enterprise whether it can **proceed** with the Audit.

Audit Submission

Enterprise engages a **Certified Energy Auditor**, chosen from the official list of energy auditors published on the website of the **Regulator for Energy and Water Resources** (REWS). The Energy Audit identifying improvement opportunities and investments for the enterprise is to be submitted to the Agency within the **stipulated timeframe**.

Payment

The Agency will **review the report and/or the optional template** to ensure it meets the minimum requirements as detailed in the **Schedule**. The Enterprise will then receive **payment** for the Energy Audit exercise according to the **fiscal receipts signed** by the energy auditor capped as per previous table.

Promotion of Energy Audits for SMEs SCHEME A AND B

Optional Additional Refund

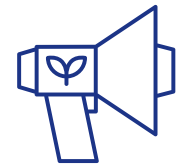
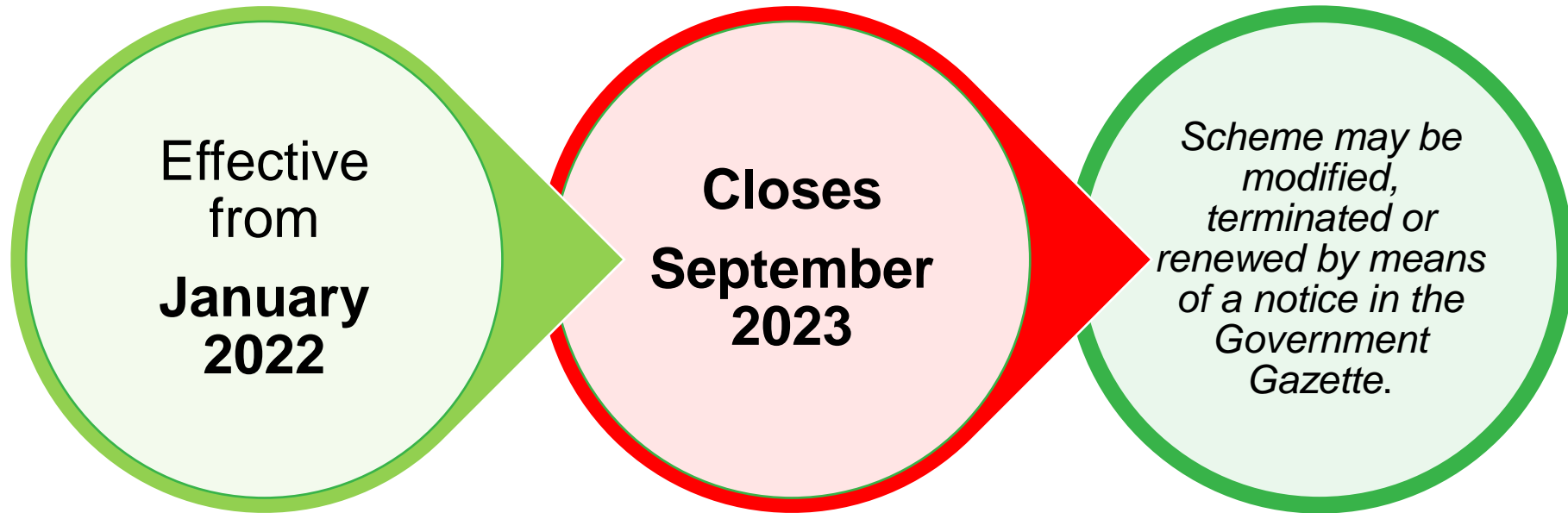
The enterprise may claim an **additional €500** against the presentation of **one of the improvement opportunities identified in the audit report** in one of the **templates available on the Energy and Water Agency website**.

Points to note:

- Filling of template is optional and does not affect grant allocated for the audit report;
- If opted for, the template must be handed in with the audit report, i.e. within the same deadline;
- The template can be downloaded for the Energy and Water Agency website;
- The template has to be filled in only for one of the improvement opportunities identified in the report;
- The improvement opportunity chosen is at the discretion of the company;
- The required supporting documentation must be provided with the filled in template.

How can it be done?

Promotion of Energy Audits for SMEs SCHEME A AND B



Thank you for your attention!

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Malta Enterprise's Schemes towards Energy Efficiency



SMART AND SUSTAINABLE INVESTMENT GRANT



ELIGIBLE SUPPORT

- Investment project of minimum **€10,000** and maximum **€100,000**
- 1 FTE registered with Jobsplus (including Self-Employed FTE)
- 50% of investment costs up to a maximum of €50,000 per project, and
- Top up of as Tax Credit for startups, investments in Gozo, and projects supported by an assessment justifying a significant reduction in carbon footprint.

ELIGIBLE INVESTMENTS

- **Waste Minimisation**

The introduction of new industrial solutions or strategic modifications to existing plant. Reduction in materials per production unit and reduction in packaging and increase of lifespan products.

- **Sustainable Materials**

Investments in the change of materials in production process and products which ensure better recovery of material at product's end of life. These will include sustainable and/or ecologically- friendly material and reduction / elimination of toxic material. Investment can include pilot projects and changes to the value chain

ELIGIBLE INVESTMENTS

- **Energy Efficiency**

Reducing Energy Use per Production Unit.

Investments in solutions to reduce power requirement in relation to machinery and lighting, improving insulation of buildings, investments in co generation of heat and power and geo-thermal installations.

- **Sustainable Materials**

Reducing Water Use per Production Unit.

Investments in solutions to improve water usages such as investments in closed-cycle water systems and investment to store run-off rain water.

INVESTMENT AID FOR ENERGY EFFICIENCY PROJECTS



ELIGIBLE PROJECTS

- Investment in substitution or upgrading of equipment and installations to reduce energy consumption
- Renovation or upgrading of equipment of existing installation for heating or cooling systems
- The improvement of energy efficiency of existing illumination systems

An energy audit carried out by a certified energy auditor or a specific proposal prepared by a warranted engineer is required.

*The project must entail an investment of at least **€10,000** that is directly related to achieving at least **10%** energy savings.*

ELIGIBLE COSTS

- Only costs directly linked to the achievement of a higher level of energy efficiency shall be considered eligible
- The eligible costs shall be the extra investment costs necessary to achieve the higher level of energy efficiency

AID INTENSITY

Support = Eligible Cost x Aid Intensity

<u>SMALL ENTERPRISES</u>	50%
<u>MEDIUM ENTERPRISES</u>	40%
<u>LARGE ENTERPRISES</u>	30%

CASE STUDIES



CASE STUDY

Applicant: Medium Sized Company

Investment: Add equipment to existing air handing installation which will (solely) increase the efficiency of the system.

Project Value: €150,000 excluding Vat

Scheme: Investment Aid for Energy Efficiency Projects

Aid Intensity: 40%

Eligible Assistance: €60,000



CASE STUDY

Applicant: Large Company

Investment: Replacement of manufacturing equipment requiring high power input to a more energy efficient plant.

Project Value:

- Costs of maintaining current setup is around €600,000
- New energy efficiency plant would be \approx €1million
- Eligible costs would be €400,000

Scheme: Investment Aid for Energy Efficiency Projects

Aid Intensity: 30%

Eligible Assistance: €120,000



Official Incentive guidelines can be downloaded from:

<http://support.maltaenterprise.com>

For support and guidance contact Business 1st



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