



Recovery and Resilience Plan

Malta

Budget

Malta will benefit from €316.4 million in grants under the RRF. Malta will not use loans.

As for the structure, The Maltese plan covers six areas, including sustainable transport, **circular economy, clean energy and energy-efficiency in buildings**, digital transformation of the public administration and the legal system, projects targeting the health and education sectors, as well as institutional reforms.

Relevant parts

Component 1: Addressing climate neutrality through enhanced energy efficiency, clean energy and a circular economy (€ 78 million)

The component includes investments in the **renovation of a number of public buildings, public schools and hospitals, and support the renovation of private buildings (€ 30 million)**. Each renovation is expected to reduce direct and indirect GHG emissions by at least 30%.

Investments under Component 1 also cover the **promotion of renewable energy generation and use in buildings, roads and public spaces**. These initiatives address the challenges outlined in CSR3 of 2019 and 2020 relating to the green transition.

Reforms include:

- **The development of a long-term renovation strategy** as a key action of Malta's efforts for Clean Energy and to achieve the decarbonisation of the building stock by 2050;
- **The launch of a training and certification programme** to ensure a sufficient and diversified pool of staff with appropriate expertise;¹
- **The fostering of effective waste management** through a robust waste governance framework including reforming the waste collection system and actions envisaged in the forthcoming Construction and Demolition Waste Strategy, such as
 - the completion of a study and legislation to extend producer responsibility to additional waste streams and

¹ Page 55, Assessment of the European Commission

https://ec.europa.eu/info/sites/default/files/com_2021_584_swd_en.pdf

- the reform of the waste collection system by regions, including packaging waste.²

The reforms and investments are complemented by schemes and financial instruments supported by other EU funds.

Consistency with the NECP

The plan supports Malta's energy transition objectives, as set out in its 2030 NECP. Two of the six components in the plan include expenditure that contributes to climate objectives, accounting for 53.8% of the plan's total allocation. These mainly reflect sustainable transport investments and **energy efficiency interventions in buildings**. To a lesser extent, the plan also includes **renewable energy investments**. Waste management reforms aim to strengthen the circular economy. The plan contains no measures with biodiversity as their objective, although reductions in pollution emissions resulting from building renovations.³

The European Commission estimates in its assessment⁴ of Malta's 2030 NECP that **existing policies will not be sufficient to achieve a 19% reduction** from 2005 levels in GHG emissions not covered by the EU emissions trading system by 2030.

The European Commission underlines that **progress is still needed to create an energy-efficient building stock and tap into the large energy savings potential**. This includes renovating residential, services and public sector buildings such as public schools and hospitals. Although residential buildings account for 84% of Malta's building stock, only around 0.6% are renovated each year. Malta has also one of the lowest shares of renewables in energy consumption in the EU.

Progress is hampered, among other things, **by skills shortages, low enforcement of minimum requirements and use of efficient materials and technologies and by competences being split between ministries and public bodies with responsibility for the building sector**.

Additional efforts/public funding are needed to target energy efficiency renovations and promote renewable energy in residential buildings, which use the largest share of energy including with measures to alleviate the cost for low-income households. In order to reach the targeted savings, **the renovation rate will have to increase by 2.5 % up to 2050**.⁵

² Page 39, Assessment of the European Commission

https://ec.europa.eu/info/sites/default/files/com_2021_584_swd_en.pdf

³ Page 5, Assessment of the European Commission

https://ec.europa.eu/info/sites/default/files/com_2021_584_swd_en.pdf

⁴ Economidou, M., Ringel, M., Valentova, M., Zancanella, P., Tsemekidi Tzeiranak, S., Zangheri, P., Paci, D., Ribeiro Serrenho, T., Palermo, V. and Bertoldi, P., National Energy and Climate Plans for 2021-2030 under the EU Energy Union, EUR 30487 EN, Publications Office of the European Union, Luxembourg, 2020, ISBN 978-92-76-27013-3, doi:10.2760/678371, JRC122862.

⁵ Page 14-15, Assessment of the European Commission

https://ec.europa.eu/info/sites/default/files/com_2021_584_swd_en.pdf

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