

## Incentive Guidelines

# Energy Audit Voucher Scheme

(This support measure falls under the Business Advisory Services)



MALTA ENTERPRISE

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<http://support.maltaenterprise.com>

Malta Enterprise provides interested applicants with support to facilitate the understanding of the objectives and the details relevant to this incentive. Support is also available to address any problems encountered when completing applications. Applicants may contact Business First by calling 144 or by email on [info@businessfirst.com.mt](mailto:info@businessfirst.com.mt).

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# 1. Introduction

The Business Advisory Services provide business undertakings operating in Malta with advisory services that suit their specific requirements.

Through Energy Audit Vouchers small undertakings that have high energy consumption may engage an engineer certified in the field of carrying out energy audits to carry out a high level energy review of the activity. Through the energy review, the business would identify actions and investments that may be carried out to reduce energy consumption.

## 1.1 Duration of the Incentive

This measure shall be available until 30<sup>th</sup> June 2017.

Malta Enterprise may periodically update and amend these Incentive Guidelines. In any case, the applicable Incentive Guidelines shall be those published when the request for assistance is received.

## 1.2 Legal Basis

Malta Enterprise Corporation may issue and publish updates to the official Incentive Guidelines covering this aid scheme in terms of Article 8 (3)(a) of the Malta Enterprise Act, Chapter 463 of the Laws of Malta.

The Enterprise Support Incentive Regulations SL 463.04 (Malta Enterprise Act, Chapter 463 of the Laws of Malta) provides the legal basis of the incentive.

## 1.3 Designated Authority

This incentive is administered by Malta Enterprise Corporation (hereinafter referred to as 'the Corporation').

## 1.4 Budget

This measure has a budget of EUR 100,000.

## 2. Definitions

### 2.1 Incentive Entitlement Certificate (IEC)

An *Incentive Entitlement Certificate* (IEC) means a certificate issued in terms of Part VI of the Malta Enterprise Act, outlining the support granted and including any relative terms and conditions.

### 2.2 Energy Audit Vouchers

An *Energy Audit Voucher* is a document issued by the Corporation which may be used by the beneficiary to engage a certified energy auditor to carry out a review of the business operation of the beneficiary in order to identify actions and investments that may be carried out to reduce energy consumption.

### 2.3 Certified Energy Auditor

A *Certified Energy Auditor* is a person holding a certification issued by E&WA or REWS confirming that the auditor is able to carry out energy audits. The list of eligible certified energy auditors can be found on the Corporation's website.

### 2.4 Single Undertaking

For the purpose of these Incentive Guidelines, the term 'single undertaking' shall be defined as follows:

As per Commission Regulation EU No 1407/2013 of 18 December 2013 on the application of the Treaty on the Functioning of the European Union to *de minimis* aid, a 'single undertaking' includes all undertakings having at least one (1) of the following relationships with each other:

- i. one undertaking has a majority of the shareholders' or members' voting rights in another undertaking;
- ii. one undertaking has the right to appoint or remove a majority of the members of the administrative, management or supervisory body of another undertaking;
- iii. one undertaking has the right to exercise a dominant influence over another undertaking pursuant to a contract entered into with that undertaking or to a provision in its memorandum or articles of association;
- iv. one undertaking, which is a shareholder in or member of another undertaking, controls alone, pursuant to an agreement with other shareholders in or members of that undertaking, a majority of shareholders' or members' voting rights in that undertaking.

Undertakings having any of the relationships referred to in points (i) to (iv) of the first subparagraph through one or more other undertakings shall also be considered to be a single undertaking.<sup>1</sup>

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<sup>1</sup> Commission Regulation (EU) No 1407/2013 of 18th December 2013:

The same regulation states that a group of linked undertakings is considered as one single undertaking for the application of the *de minimis* rule, but those undertakings which have no relationship with each other except for the fact that each of them has a direct link to the same public body or bodies are not treated as being linked to each other. The specific situation of undertakings controlled by the same public body or bodies, which may have an independent power of decision, is therefore taken into account.<sup>2</sup>

## 3. Eligibility

This incentive is available to all undertakings which are not excluded by State Aid Regulations (Section 6) and which satisfy all of the following criteria.

### 3.1 Electric Energy Consumption

This measure is available to single undertakings with electricity consumption between 10 000kWhr and 75 000kWhr.

### 3.2 Fiscal and Social Security Obligation

Applicants must not be defaulting on VAT, Income Tax, and Social Security.

### 3.3 State Aid

The applicant must adhere to the applicable State Aid regulation (vide Section 6).

## 4. The Incentive

Beneficiaries will receive an Energy Audit Voucher which can be used to pay for a certified energy auditor to carry out a review of the business operation of the beneficiary in order to identify actions and investments that may be carried out to reduce energy consumption.

Once the review is complete, the certified energy auditor will in turn submit the voucher and the report of the energy audit to Energy and Water Agency (E&WA) within the Office of the Prime Minister. If the E&WA deem that the report reaches the minimum required standard the certified energy auditor will receive the amount indicated on the voucher from the Corporation.

### 4.1 Type of Audit

The Energy Audit is to be done in line with ISO 50002 Level 1.

### 4.2 Form of Aid

The aid shall be granted in the form of voucher.

### 4.3 Maximum Aid

The value of this voucher shall be capped according to the Annual Electricity Consumption. Assistance shall be capped as follows:

Annual Electricity Consumption	€ (inclusive of VAT)
10 000kWhr and 25 000kWhr	250
25 001kWhr and 75 000kWhr	380

A single undertaking may benefit once from this measure and in relation to one (1) site.

If the beneficiary requests further services from the Certified Energy Auditor that are not covered by this value, these services have to be paid by the beneficiary.

### 4.4 Validity

The voucher will have a validity of nine (9) months and is only valid if it is signed by the beneficiary. The Voucher can be used to pay a Certified Energy Auditor listed down on the list of Approved Energy Auditors on the Corporation's website.



## 5. Application

An application form shall be downloadable from the Corporation's website. Applicants should submit the completed application to the Corporation before 30<sup>th</sup> June 2017. Each application will be required to contain the following information/documentation:

### 5.1 Application Process

Applications should be submitted on the appropriate form to the email address [energyaudit@maltaenterprise.com](mailto:energyaudit@maltaenterprise.com). Applications will be processed on a first-come basis.

The applicant will be required to submit:

- a. Energy bills of the commercial energy meter at the site from which the business operates, covering the actual electricity consumption of a full twelve (12) month period.
- b. Documentation issued for the VAT Department, the Inland Revenue Department and Social Security confirming that the applicant has no dues with these departments.

Incomplete applications will be rejected.

## 6. State Aid Rules and Obligations

### 6.1 Applicable State Aid

These Incentive Guidelines are in line with the *Commission Regulation (EU) No. 1407/2013 of 18 December 2013 on the application of Articles 107 and 108 of the Treaty on the Functioning of the European Union to de minimis aid (the de minimis Regulation)*<sup>2</sup>.

The total amount of *de minimis* aid granted to a single undertaking shall not exceed the amount of €200,000 over any period of three consecutive fiscal years.

This aggregate maximum threshold applies in principle to all economic sectors with the exception of the road transport, agriculture and fisheries sectors for which different thresholds and criteria apply. The term ‘undertaking’ includes also all companies in a group (which fall under the direct or indirect ownership or control of the same ultimate parent company) and relevant partner and linked enterprises as defined in Annex I of Commission Regulation (EC No 800/2008). This period covers the fiscal year concerned as well as the previous two fiscal years. ‘Fiscal year’ means the fiscal year as used for tax purposes by the undertaking concerned.

This maximum threshold would include all State aid granted under this aid scheme and any other State aid measure granted under the *de minimis* rule including that received from any entity other than Malta Enterprise. Any *de minimis* aid received in excess of the established threshold will have to be recovered, with interest, from the undertaking receiving the aid.

The *de minimis* declaration form must be filled in and submitted together with the application form.

### 6.2 Applicability of the Aid

Assistance approved under this aid scheme is NOT:

- a. Aid granted to undertakings active in the fishery and aquaculture sector, as covered by Council Regulation (EC) No. 104/2000<sup>3</sup>;
- b. Aid granted to undertakings active in the primary production of agricultural products;
- c. Aid granted to undertakings active in the sector of processing and marketing of agricultural products, in the following cases:
  - i. Where the amount of the aid is fixed on the basis of the price or quantity of such products purchased from primary producers or put on the market by the undertakings concerned;
  - ii. Where the aid is conditional on being partly or entirely passed on to primary producers;
- d. Aid to export-related activities towards third countries or Member States, namely aid directly linked to the quantities exported, to the establishment and operation of a distribution network or to other current expenditure linked to the export activity;
- e. Aid contingent upon the use of domestic over imported goods;
- f. Aid for the acquisition of road freight transport vehicles granted to undertakings performing road freight transport for hire or reward.
- g. Intended for Voluntary Organisations

Where an undertaking is active in the sectors referred to in points (a), (b) and (c) above as well as in other sectors falling within the scope of the *de minimis* Regulation, the Corporation will ensure a separation of the activities or distinction of costs. Only those sectors eligible for assistance under the *de minimis* Regulation

<sup>2</sup> [[http://eur-lex.europa.eu/LexUriServ/site/en/oj/2006/l\\_379/l\\_37920061228en00050010.pdf](http://eur-lex.europa.eu/LexUriServ/site/en/oj/2006/l_379/l_37920061228en00050010.pdf)]

<sup>3</sup> Council Regulation (EC) No 104/2000 of 17 December 1999 on the common organisation of the markets in fishery and aquaculture products (OJ L 17, 21.1.2000, p. 22).

will be assisted. Activities in the sectors excluded from the scope of the *de minimis* Regulation will not benefit from assistance under this aid scheme.

### 6.3 Cumulation

In terms of Article 5 of the *de minimis* Regulation, *de minimis* aid granted under this incentive may be cumulated with *de minimis* aid granted in accordance with Commission Regulation (EU) No 360/2012<sup>4</sup> up to the ceiling laid down in that Regulation. It may be cumulated with *de minimis* aid granted in accordance with other *de minimis* regulations up to the relevant ceiling fixed in terms of these Incentive Guidelines.

*De minimis* aid approved under the **Energy Audit Vouchers Scheme** shall not be cumulated with State aid in relation to the same eligible costs or with State aid for the same risk finance measure, if such cumulation would exceed the highest relevant aid intensity or aid amount fixed in the specific circumstances of each case by a block exemption regulation or a decision adopted by the European Commission. *De minimis* aid which is not granted for or attributable to specific eligible costs may be cumulated with other State aid granted under a block exemption regulation or a decision adopted by the Commission.

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<sup>4</sup> Commission Regulation (EU) No 360/2012 of 25 April 2012 on the application of Articles 107 and 108 of the Treaty on the Functioning of the European Union to *de minimis* aid granted to undertakings providing services of general economic interest (OJ L 114, 26.4.2012, p. 8).

## 9. Contact Details

Further information on the scheme, as well as guidance on the filling in of the application form may be obtained by contacting Business First during office hours.

Postal Address: Business First  
Gwardamangia Hill,  
Pieta`, MEC 0001  
Malta.

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