

Energy Efficiency and Renewable Energy Malta (“EERE Malta”)

Date: 23 March 2022

Information notice regarding the Call for Expression of Interest

With reference to Annex III to the Open Call for Expression of Interest to select Financial Intermediaries under the Energy Efficiency and Renewable Energy for Malta “EERE” launched on 27 January 2020 with initial deadline on 30 April 2020 (“Call”) we inform that:

(i) Letter (a) of point 1 of Appendix A of Annex III of the Call (*Final Recipient Eligibility Criteria*) should be amended as follows:

“(a) the Final Recipient is either a private individual, an SME, a Mid-Cap, a Large Enterprise, or entities in the public/private sector which do not qualify as ‘undertakings’ within the meaning of State aid rules and, thus, fall out of their scope.

(ii) The following paragraph should be added as new letter (h) to point 1 of Appendix A of Annex III of the Call (*Final Recipient Eligibility Criteria*):

“(h) the entities in the public/private sector mentioned under letter (a) shall be:

- Regulatory authorities that are public authorities that carry out a regulatory function and which are established by law in Malta;
- Constituted bodies listed as core members of the Malta Council for Social Economic Development or included within the list under the Small Business Act Chapter 512 (<https://legislation.mt/eli/cap/512/eng/pdf>) at the articles 10c (Constituted bodies)¹ and the at Article 13b (College of Regulators)²

¹ Article 10 (c) lists the members of the Enterprise Consultative Council which are Constituted bodies being: (10) members nominated by representative from constituted bodies, namely the Malta Chamber of Commerce, Enterprise and Industry, the Malta Chamber of SMEs, the Malta Hotels and Restaurants Association, the Gozo Business Chamber, the Gozo Tourism Association, the Malta Employers’ Association, the National Council of Women, the Maltese Association of Women in Business, the Foundation for Women Entrepreneurs, and the Institute of Financial Services Practitioners;

² Article 13 (b) - is an Article which might be of help, which establishes the ‘College of Regulators’ - listed hereunder for ease of reference: the Final Recipient is either a private individual, an SME or a Mid-Cap (19) members nominated by Government, representing the government representatives on the constituted bodies, namely the Authority responsible for Financial Services, the Authority responsible for Competition and Consumer Affairs, the Customs Department, the Authority responsible for Gaming, the Regulator responsible for Energy and Water Services, the Authority responsible for Tourism, the Authority responsible for Communications, the Authority responsible for Occupational Health and Safety, the Authority responsible for Planning, the Authority responsible for the Environment and Resources, the Department responsible for Environmental Health, the Directorate responsible for Plant Health, the Directorate

- NGOs and other organizations duly listed and registered in Malta.
In all these three categories, the investment purposes shall not be related to economic activities.

(iii) The following paragraph should be added as new letter (d) in the Annex 1 of Appendix A of Annex III of the Call (*List of Standardised Measures*):

(d): *Electric Vehicle (EV), defined as a Category M1 or N1 vehicle fully powered by one or more electric motors using electrical energy stored in batteries which batteries are charged with an external electricity source.*

(iv) The paragraph “Interest Rate Subsidy” of point 3 of Annex III of the Call (*Indicative Terms and Conditions of the Interest rate Subsidy*) should be amended as follows:

“In the context of this Call, Financial Intermediaries shall be selected both for the Guarantee and for the Interest Rate Subsidy component, under which the Financial Intermediary shall transfer corresponding interest payment compensations to the Final Recipients.

The Interest Rate Subsidy shall subsidise an amount (the “Interest Rate Subsidy Amount”) corresponding to a reduction of [250]² basis points p.a. of the interest rate corresponding to Eligible Interest Amounts charged to Final Recipients in respect of Transactions, subject to the following main terms and conditions (to be further specified in the Guarantee Agreement):

(...)

(d) The Interest Rate Subsidy shall apply for the first period [10 years]³ of each Transaction to which it is applied, (i.e. Eligible Interest Amounts accrued within [10 years] starting from the day when amounts are first drawn under the relevant Transactions); and the duration of the IRS shall be equal for all Final Recipient Transactions to which it is applied, subject to available budgetary resources;

(...)

(v) The application of the extended eligibility criteria – as per paragraphs (i) to (iv) of this Information notice – is subject to the entry into force of the relevant amendment of the Funding Agreement between the EIF and the Republic of Malta of 19 December 2018, as subsequently amended and restated.

² These figures are indicative and shall be further defined during the selection process and the Guarantee Agreement. However, the IRS distributed by all the Financial Intermediaries selected by EIF shall bear the same features in terms of duration and reduction amount in respect of each Final Recipient Transaction to which it is applied.

³ Please refer to footnote 2.

For any other financial institution interested in submitting an Expression of Interest to the Call, please visit:

https://www.eif.org/what_we_do/resources/esif-eerem/index.htm