

Grant Schemes to Improve the Energy Consumption of Light Vehicles

Charles Buttigieg
Sandro Lauri



Background Information: MT

Demography

- Population: Circa 420 thousand
- High Population Density: 1,322 inhabitants/km²

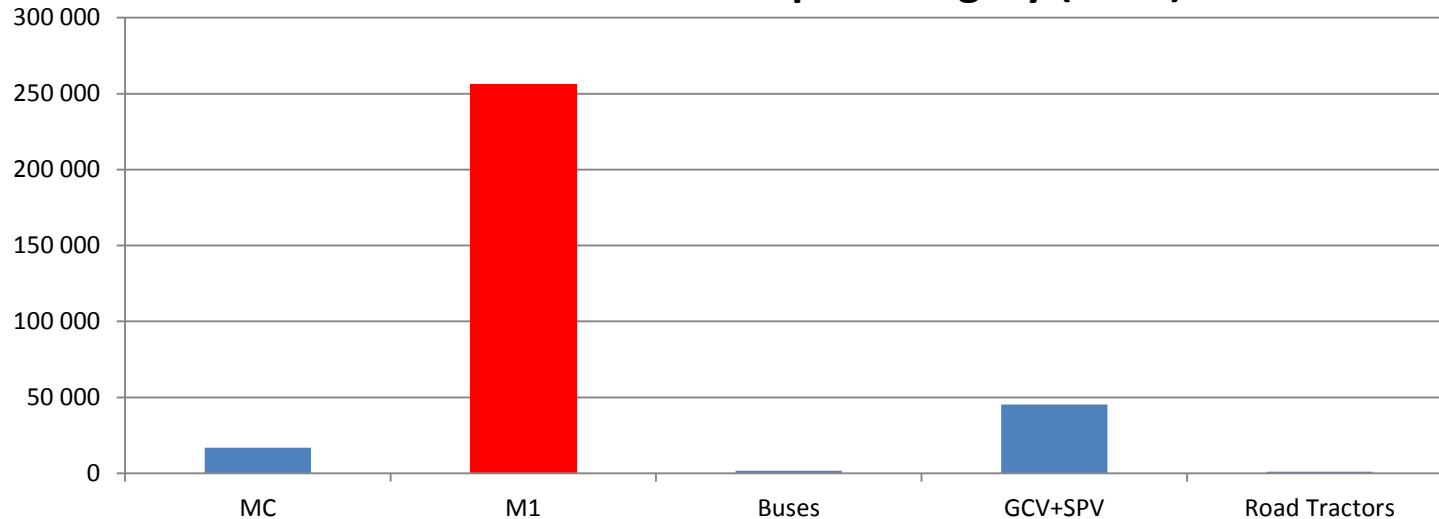
Transport

- No Rail or tram
- No Underground system
- Public Transport Reform still ongoing
- Number of licensed motor vehicles 329,053 (Q2,2014)
... 1,375 vehicles per 1000 driving license holders !!

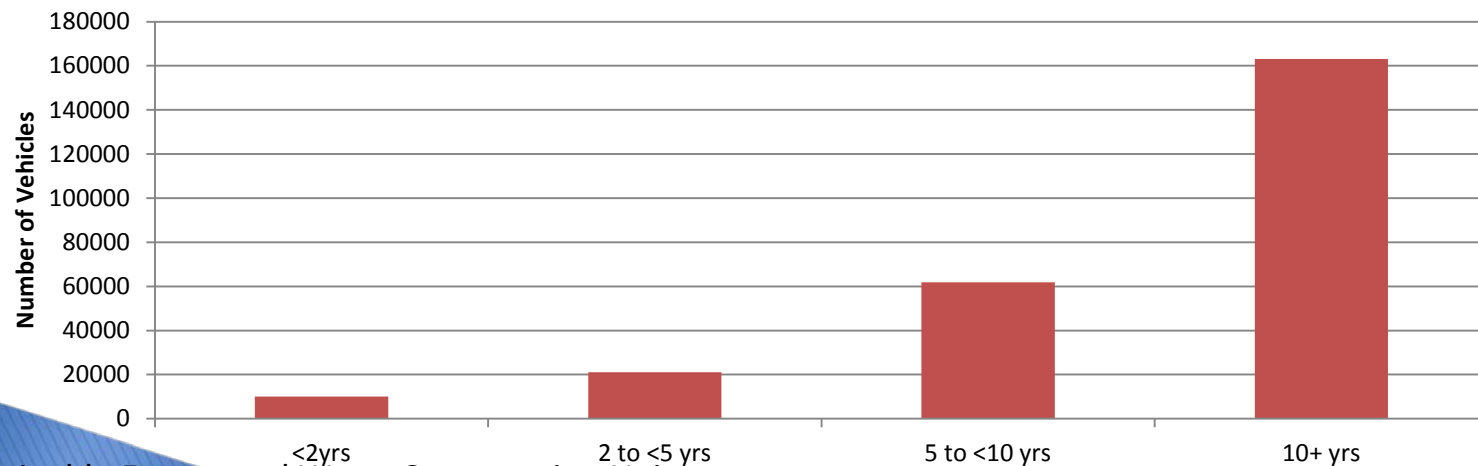


Fleet Statistics

Number of Licensed Vehicles per Category (2013)



Age distribution of M1 Vehicles (2013)



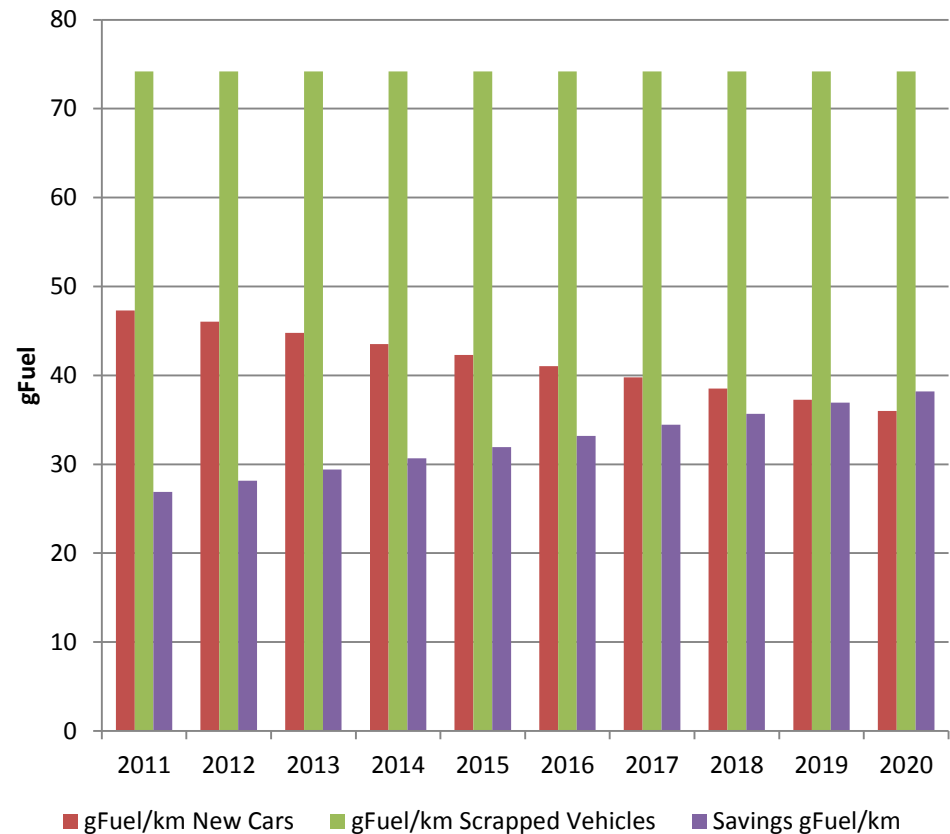
Average Consumption of M1 Vehicles scrapped during 2011

74.2gFuel/km (235gCO₂/km) - *estimate*

(Based on fuel sales statistics, Model used for GHG Inventory and vehicle year of manufacture)

EU fleet average target for 2020: 95gCO₂/km equivalent to 30gFuel/km

Malta can only benefit from vehicle efficiency improvement if fleet is significantly rejuvenated.



Barriers

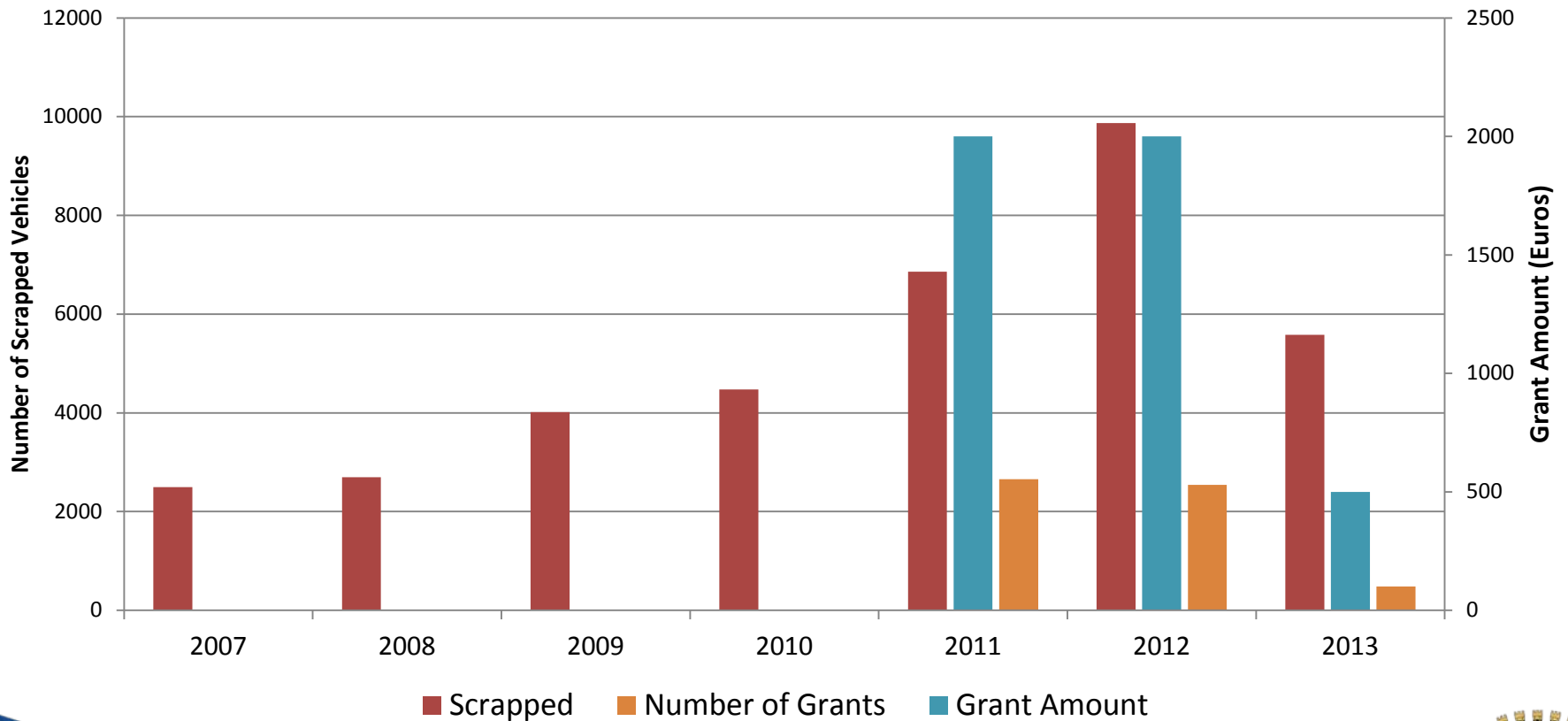
- Low annual mileage
- Typically low maintenance costs
- Differing circulation tax schemes
- Second hand car market
- Capital outlay to replace car



Scrappage Scheme

Similar schemes launched during 2010-2013
serve to gain experience

Performance of Past Schemes



Present Scheme

- Launched January 2014
- Euro 500 – 900 depending on CO₂ emission of new car
- Initial Budget Allocated €300,000 – taken up within 2 months. Additional Budget of €200,000.
- Target Budget for 2015: 2 Million Euros



The Scheme

- Managed by Transport Malta
- Paperwork handled by Car reseller
- Scrapped Vehicle to be older than 10 years and scrapped at authorised facility
- New car $\text{CO}_2 \leq 150\text{g/km}$ and Length $\leq 4.46\text{m}$
- Payment received directly by customer
- Does not apply to purchase of second hand cars (separate scheme for EV).



Target Savings & Financing

- Scheme to run over the period 2014-2020 is expected to yield 220GWh of savings from lower fuel consumption.
- Scheme shall be supported through other soft measures to incentivize the removal of older vehicles from circulation.
- 3000 scrapped vehicles per year would save Malta an estimated €12 million euros in fuel imports.
- Scheme may be considered revenue neutral as a significant number of beneficiaries would have opted for an imported second hand car on which no VAT is paid.



Thank You

sandro.lauri@gov.mt

charles.buttigieg@gov.mt

Questions ??

