

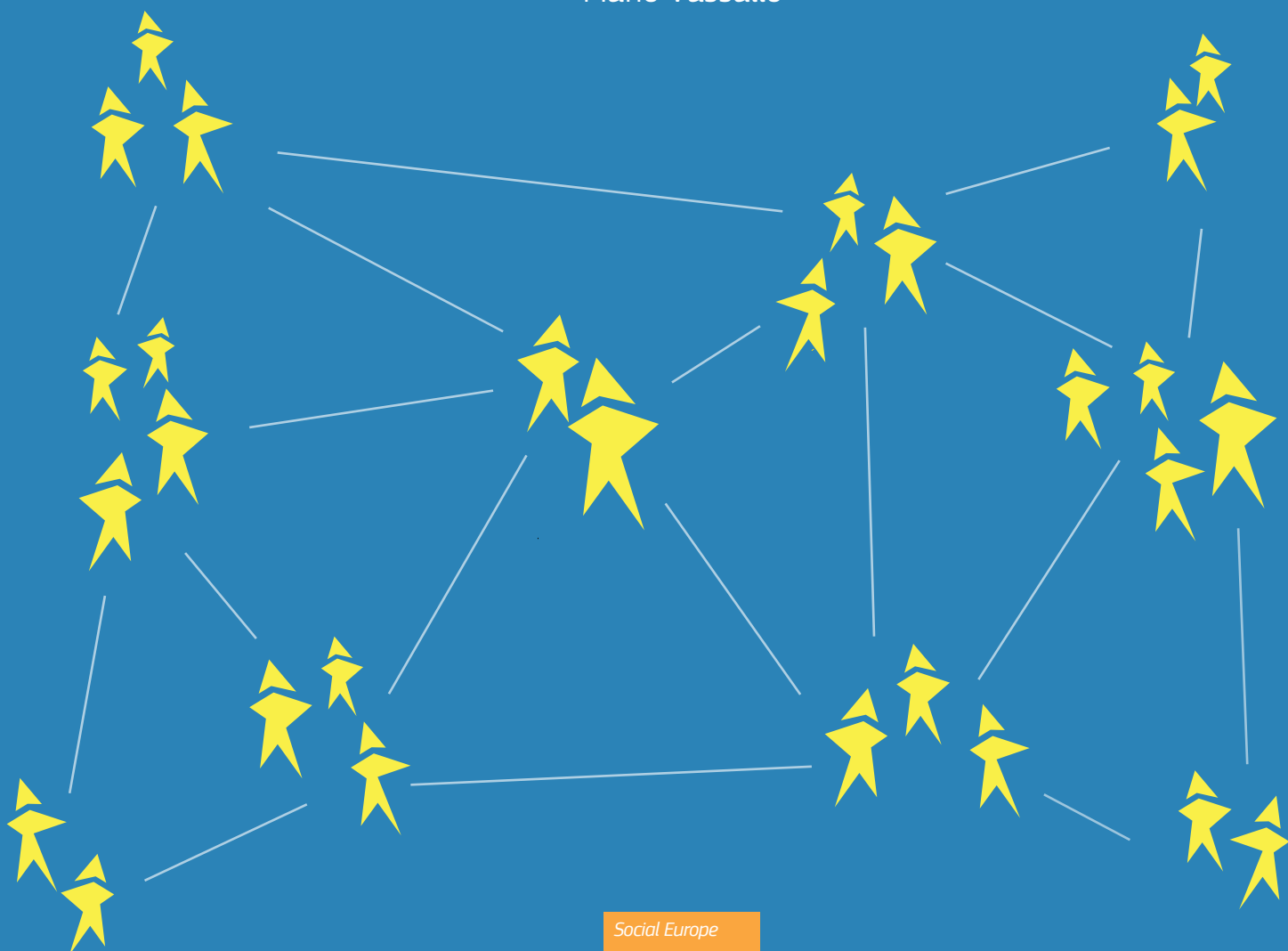


EUROPEAN SOCIAL POLICY NETWORK (ESPN)

Access to essential services for low-income people

Malta

Mario Vassallo



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European Social Policy Network (ESPN)

**ESPN Thematic Report on
Access to essential services for
low-income people**

Malta

2020

Mario Vassallo

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Summary

Malta does not have specific definitions of either “essential services” or “low-income people” that are used in a social policy context. The definition of the first term is linked in Maltese legislation to national security issues; policies aimed at “low-income groups” are generally, but only informally, linked to the EU “at-risk-of-poverty” and “at-risk-of-poverty-or-social-exclusion” indicators.

Physical access to water, sanitation, energy, public transport, digital public services and basic financial services is not problematic in Malta. Sanitation is free, every household is connected to a fresh water supply and to the energy grid, financial services are fully compliant with the requirement to offer a basic bank account to all members of the population, digital connectivity is very widespread and public transport (limited in Malta to a bus network and ferry services that link the two islands of Malta and Gozo) is not very expensive.

What has often been an issue is the cost of water and energy supplies. Since Malta does not have any fossil resources of its own, it has to use imported resources to produce electricity both for its energy requirements, and to produce fresh water from the sea through reverse osmosis plants. As a measure to mitigate the high cost of energy, an Energy Benefit scheme has been implemented. However, from available figures, it does not appear that this important measure covers all those at risk of poverty, and more research on better-disaggregated data is required to ensure that this sub-group is fully covered.

Other services are available, but access to a number of services requires connectivity to an internet service. At the local level, local councils run free services for all, and a multitude of hotspots mitigates the access costs for those who cannot afford them. But once access exists, a number of government services are free to use.

Public transport is not very expensive, but in order to encourage greater uptake, special concessions are available to young persons and to persons over 61. Persons over 75 now have full free access to the bus network. Everyone over 61 travels free on the ferry that links Malta to Gozo, while Gozo residents enjoy concessionary tariffs. But these concessions are not specifically directed at low-income groups, although many in these groups actually do use them.

In view of the size of Malta, there are no sub-national policy frameworks. It is to be noted that the concessionary tariffs for Gozo residents referred to above apply to all Gozo residents, whatever their economic status. All other policies apply nationwide.

There are no immediate plans for expansion of any of the six essential services covered in this report targeted at low-income groups. A review of the Energy Benefit, however, would be useful, if undertaken to assist specific sub-groups in their quest to move out of poverty.

1 Overview of national/subnational measures aimed at supporting low-income people in accessing essential services

According to Principle 20 of the European Pillar of Social Rights (EPSR), everyone should have “the right to access essential services of good quality, including water, sanitation, energy, transport, financial services and digital communications”. Moreover, support for accessing such services should be available for those in need.¹ The importance of ensuring access to essential services is also well established globally in the framework of the United Nations 2030 Agenda for Sustainable Development and its 17 related Sustainable Development Goals (SDGs) which was endorsed in 2015 by all UN countries including all EU countries.² This report investigates the extent to which Principle 20 of the EPSR has already been implemented in the six services under scrutiny in Malta. The group of “those in need” is restricted in the report to people on a low income and low-income households.

1.1 Definition of “essential services”

There is no definition of “essential services” in Malta in the context used in this report. The term is defined in Maltese legislation, but in a completely different context. In Chapter 117 of the Laws of Malta, “essential services” are defined as “services or work appearing to the Minister responsible for trade to be essential in the public interest or to be essential to the life of the community”.³ In Chapter 452 of the Laws of Malta, the Employment and Industrial Relations Act, reference to essential services occurs again in the context of what personnel are considered necessary for the security of the state of Malta to be maintained:

*(f) such number of persons as may be required to maintain the continued and uninterrupted services listed in the Schedule to this Act and required to be manned at all times for the continued provision by the Government of essential services to the community.*⁴

In the same Act, a Schedule linked to Article 64(6) of the Act provides a detailed list of the incumbents of these various posts in the public service covered by this Act.

1.2 Definition of “low-income people” used in the context of access to services

Equally, there is no formal definition of “low-income people” in Malta. Generally, policies are *implicitly* linked to the EU indicators for those “at risk of poverty” or “at risk of poverty or social exclusion”. These two indicators are referred to during policy debates, but there are no measures specifically linked to either of them.

In effect, it is no coincidence that categories such as children and the elderly are among the main beneficiaries of a number of concessions provided, for example, on the use of public transport in Malta. This is because, for both children (21.4% in 2018) and the

¹ The EPSR was jointly proclaimed by the European Parliament, the European Council and the European Commission on 17 November 2017. For more information on the EPSR, see:

https://ec.europa.eu/commission/priorities/deeper-and-fairer-economic-and-monetary-union/european-pillar-social-rights/european-pillar-social-rights-20-principles_en.

² The SDGs and their targets seek to realise the human rights of all, by promoting an integrated notion of sustainable development aimed at creating synergies between economic, environmental and social policies and objectives. For more information on the SDGs, see: <https://www.un.org/sustainabledevelopment/sustainable-development-goals/>.

³ See: Malta Government. Laws of Malta: Chapter 117: Supplies and Services Act, <http://www.justiceservices.gov.mt/DownloadDocument.aspx?app=lom&itemid=8653>

⁴ See: Malta Government. Laws of Malta: Chapter 452: The Employment and Industrial Relations Act, <http://www.justiceservices.gov.mt/DownloadDocument.aspx?app=lom&itemid=8918>

elderly (25.4%), the at-risk-of-poverty rate is higher than the national average (16.8%).⁵

In subsequent sections, the specific characteristics of the population segments to which individual measures are linked will be given.

In respect of information and training, there is no service that specifically targets low-income groups. The one-stop services which are in place to provide information (and which are referred to in the tables in the Annex) are available to all the population, without exception, irrespective of their economic status.

1.3 Measures for facilitating access for low-income people to services

1.3.1 Access to water

Low-income families in Malta are entitled to “Energy Benefit”, which covers water, electricity and gas. The major impact of this benefit is on the cost of electricity, and therefore the details of the scheme are included under section 1.3.3 below, where eligibility criteria and details of the benefits are described. Water and electricity supplies are billed jointly by ARMS,⁶ and a bill for these two utilities is issued every two months. Bills cover both a meter rent and consumption as separate items.

Persons who qualify for Energy Benefit receive a subsidy of not more than €59 per year in respect of the water meter rent.

1.3.2 Access to sanitation

Access to sanitation in Malta is free for all persons living in Malta or Gozo. There are no tariffs and all costs are covered by the state. This applies to both the management of sewerage systems that take dirty water from households and to all other kinds of waste products collected from households to protect people’s health.

As such, the issue of whether there are any reduced tariffs, cash benefits, other in-kind benefits or any advice/training/information services for any group or sub-group in the population does not arise.

1.3.3 Access to energy

Malta introduced what is known as “Energy Benefit”, which is aimed at mitigating the cost of water and electricity for low-income families. A person/family qualifies for the benefit either as a) a social case or b) through the standard income means test. The benefit is managed at the national level. There are two ways in which a person/family can qualify for Energy Benefit:

- a) **Social cases:** Someone automatically qualifies as a social case if he/she is in receipt of:
- Social Assistance,⁷

⁵ See: NSO News Release, 7 August 2019. EU-SILC 2018: Salient Indicators, Page 5, Table 4, https://nso.gov.mt/en/News_Releases/View_by_Unit/Unit_C1/Living_Conditions_and_Culture_Statistics/Documents/2019/News2019_128.pdf

⁶ ARMS Ltd is a private limited liability company, set up as a joint venture between the Enemalta Corporation (EMC) and the Water Services Corporation (WSC).

⁷ “Social Assistance” is not considered to be a “minimum income scheme” in Malta, even though in practice it often serves virtually the same purpose. Social Assistance may be awarded to a head of household who satisfies the following eligibility conditions: a) is incapable of working due to medical reasons; or b) is incapable of engaging in employment due to having care and custody of children (the person has to be legally or de facto separated); or c) is married, in a civil union or cohabiting and caring for a critically ill spouse (in this case, the application is subject to approval by a medical board, appointed in accordance with the Social Security Act

- Assistance for Carers,
- Increased Assistance for Carers,
- Single Unmarried Parent Assistance
- Unemployment Assistance
- Special Unemployment Benefit
- An Age Pension

b) **Persons who qualify on the basis of a means test**⁸ and who are in receipt of one of the following social security allowances:

- Children's Allowance;
- Supplementary Allowance.

A person who qualifies for Energy Benefit either automatically or on the basis of the income means test is entitled to:

- An amount sufficient to offset 30% of the electric consumption prior to the eco-reduction⁹, up to a maximum assistance of €75 per year per person in the household.
- If the claimant or spouse is the account holder, they are entitled to a subsidy of not more than €65 per year for rent of the electricity meter.

Persons who qualify for Energy Benefit and who are also aged 60 and over are further entitled to €40 annually as a Gas Rebate for the household. Someone who is under 60 years of age and is in receipt of Energy Benefit may be awarded €30 annually as a Gas Rebate for the household.

In June 2019 29,073 households received Energy Benefit; of these, 530 were classified as "humanitarian cases".¹⁰

1.3.4 Access to public transport

In Malta, public transport is synonymous with the bus system, which is popularly referred to as *TalLinja*. There are no trains, trams, underground or any other forms of public transport in operation. A ferry service links the main island of Malta to the sister island of Gozo. The bus system and the ferry system are run by two separate private companies with a public service contract with the government.

There are no measures that specifically target low-income groups so far as public transport is concerned. There are, however, a number of measures that focus on specific groups, among whom low-income persons tend to predominate; consequently these benefits are enjoyed by persons on low income, but not exclusively by them:

(Cap. 318)); or d) satisfies the capital means test (capital resources must not exceed €23,300 for a couple or €14,000 for a single person; any income deriving from rents, bank interest from capital/stocks/shares, alimony/child maintenance and any other income derived must not exceed the maximum Social Assistance rate as per household).

See: https://servizz.gov.mt/en/Pages/Inclusion_-_Equality-and-Social-Welfare/Social-Solidarity/Benefits-and-Services/WEB649/default.aspx for further information.

⁸ The income means test is based on income that does not exceed €9,701 per annum (year of assessment 2018) and ownership of capital that does not exceed €14,000 in the case of a single person or €23,300 in the case of a married couple.

⁹ The ECO reduction is computed as follows: one person that does not consume more than 2000 annual electricity units, benefits from 25 per cent on consumption. In case of more than one person, where each person does not consume more than 1750 electricity units, the benefit is 25 per cent on the first 1000 annual electricity units and 15 per cent on the remaining 750 annual electricity units. See:

¹⁰ Personal Communication, Director of Social Security, Malta, dated 20 December 2019. In this context, "humanitarian" means that the person suffers from a medical condition requiring excessive use of water and electricity. See: <https://www.independent.com.mt/articles/2018-10-14/newspaper-letters/Eco-reduction-on-electricity-tariffs-explained-6736197719>

- a) *The Tallinja Concession Card* is a personalised bus card that is available to *Kartanzjan* holders (i.e. persons who have reached the aged of 60), and to holders of special ID cards issued by the Commission for the Rights of Persons with Disability (CRPD). Those entitled to this card are charged a reduced fare (25 cents) for each journey, while the maximum amount payable is capped for each day (50 cents) and for each week (€2).
- b) *Tallinja (Student) Card*. Holders of this bus card, introduced for a year in 2019, but now extended to cover the whole of 2020, allows young persons aged 14–20 to travel free on the normal *Tallinja* card. Students over 20 are required to register for the special student card in order to continue to benefit from free transport.
- c) *Kartanzjan* holders also travel free as foot passengers on the Malta–Gozo ferry.
- d) All residents of Gozo, irrespective of age, enjoy special tariffs on the Malta–Gozo ferry.

1.3.5 Access to digital public services

In Malta, access to digital eGovernment services provided through the *Malta Information Technology Agency* (MITA) as part of the government's information and communication technology (ICT) policy is free to the whole population. It needs to be emphasised that while access is free, the service itself may require a payment (e.g. to renew a driving licence). Twelve services are freely accessible:¹¹

1. income tax: declaration, notification of assessment
2. the job search services of labour offices
3. social security benefits
4. personal documents: passport and driver's licence
5. car registration (new, used, imported cars)
6. application for building permission
7. declaration to the police (e.g. in case of theft)
8. public libraries (availability of catalogues, search tools)
9. certificates (birth and marriage): request and delivery
10. enrolment in higher education/university
11. announcement of moving (change of address)
12. health-related services (interactive advice on the availability of services in different hospitals; hospital appointments).

Only access is free: a user must first acquire an internet service from one of the three providers. There are no provisions for low-income groups in this sector. However, internet services are provided free in all local council offices, and anybody can visit those public areas to access the internet. In addition, there are many hotspots throughout the islands that provide free Wi-Fi access.

As has already been indicated, these services do not target low-income groups, but low-income groups do benefit from them.

¹¹ See: European Commission. 2015. eGovernment in Malta, https://joinup.ec.europa.eu/sites/default/files/document/2015-05/egov_in_malta_-_january_2015_-_v.17.0_final_0.pdf

1.4 Access to financial services (Directive 2014/92/EU)

Anybody legally resident in Malta (or another EU Member State) has the right to a bank account with basic features.¹² Such an account provides access to a set of banking services that are considered essential either free of charge or at reasonable cost. While this right of access is not officially linked to the concept of low income, the list of persons applying for such a basic bank account shows the chances are that applicants will tend to be persons at the lower end of the income pyramid.

Even the following groups are entitled to apply for such a bank account:

- persons with no fixed address;
- persons with no permanent identification documents (refugees, stateless persons, asylum seekers and persons who have not been granted a residence permit, but whose repatriation is not possible for legal or other reasons);
- persons who have been resident in a correctional facility and/or a rehabilitation centre, and who may require stricter due diligence to be carried out by the bank, can still apply to open this account, subject to the bank's due diligence procedures.

Such a payment account with basic features allows the account holder to:

- open, operate and close the account;
- deposit funds in the account;
- withdraw cash at the counters of the credit institution or at ATMs within Malta and other EU Member States;
- make payments through the use of a payment card, including online payments;
- make credit transfers, including standing orders at terminals and counters and via any online facilities provided by the credit institution;
- execute direct debits within the European Union.

All credit institutions with five or more branches in Malta are obliged to offer the payment account with basic features. Credit institutions with four branches or fewer may provide such an account, but are not obliged to do so.

A bank can refuse to open a payment account with basic features, if:

- to do so the bank will be in breach of any rules or regulations designed to combat money laundering and the funding of terrorism;
- the applicant does not provide the documents required by the bank for it to carry out the necessary due diligence checks;
- the bank finds that the applicant already has another bank account in Malta with at least the same features. If, after a payment account with basic features is opened, the bank finds that the client has another bank account, it may immediately close the basic account and even require the client to pay any fees related to the services or products provided.

There are no issues with implementation of Directive 2014/92/EU, and the five banks that satisfy the provisions of Legal Notice 411 of 2016¹³ are fully compliant.

¹² See: Malta Government. Subsidiary Legislation 371.18: Credit Institutions and Financial Institutions (Payment Accounts) Regulations, <http://www.justiceservices.gov.mt/DownloadDocument.aspx?app=lom&itemid=12609&l=1>

¹³ See: Malta Government. Subsidiary Legislation 371.18: Credit Institutions and Financial Institutions (Payment Accounts) Regulations, <http://www.justiceservices.gov.mt/DownloadDocument.aspx?app=lom&itemid=12609&l=1>

2 National/subnational policy frameworks and reforms

2.1 National/subnational policy frameworks

Malta has adopted a National Strategy for Poverty Reduction and Social Inclusion.¹⁴ The country's size militates against subnational policy planning and/or implementation (even though the sister island of Gozo actually suffers from "double insularity"). Accordingly, all the services described above (except the special ferry fares for Gozo residents) apply to all members of the population.

The *National Strategy for Poverty Reduction and Social Inclusion* does not specifically address the six segments that are the subject of this study, but its actions and objectives do indirectly impinge on them. The fundamental assumption on which the Maltese strategy is based is that, for a person to move out of poverty, the most important first step must be for that person to be gainfully employed. In the meantime, and in those cases where employment is not possible, the welfare net must provide adequate financial resources for a person to be able to live decently. The strategy's actions are grouped as follows:

- income and social benefits;
- employment;
- education;
- health and environment;
- social welfare services;
- housing; and
- culture.

In each of these actions, the underlying objectives are to assist persons on low income and thereby remove them from poverty. But there is no specific reference to the six essential services covered in this report. Malta's size militates against partial implementation. This effectively means that there are no subnational policy frameworks regarding (a) access to water; (b) access to sanitation; (c) access to energy; (d) access to public transport; (e) access to digital public services; or (f) access to financial services.

2.2 Ongoing or announced reforms

There are no specific plans to introduce new types of services as such; instead, there is a move to improve the technologies currently used.

In this context, it should be noted that access to some services requires an e-ID. Current campaigns seek to encourage more individuals to apply for such IDs, which would give them access to specialised services (such as their income tax accounts and personal health records). But there are no plans to reform any of the measures listed in section 1 above, except that in the budget for 2020 it was announced that persons over 75 will have completely free access to the bus network. Once again, it should be noted that this measure is universal: it is not available exclusively to those of that age group who can (by one measure or another) be classified as "low income".

¹⁴ See: National Policy for Poverty Reduction and Social Inclusion, <https://family.gov.mt/en/Documents/Poverty%20Strategy%2014%20English%20Version.pdf>

2.2.1 Access to water

There are no new measures currently being implemented or announced.

2.2.2 Access to sanitation

There are no new measures currently being implemented or announced.

2.2.3 Access to energy

There are no new measures currently being implemented or announced.

2.2.4 Access to public transport

The most recently announced measure is to make **all** persons aged 75+ eligible for free use of Malta's public bus service.

2.2.5 Access to digital public services

There are no new measures currently being implemented or announced.

2.2.6 Access to financial services

There are no new measures currently being implemented or announced.

3 A focus on access to energy

3.1 Introduction

Energy distribution in Malta is completely state run: it takes place through a public corporation, Enemalta. Established in 1977, this corporation is the leading energy services provider in the Maltese islands, and is entrusted with the generation and distribution of electricity, and with development of the national electricity distribution network.

Enemalta runs the Delimara Power Station complex, which includes four electricity generation plants with a combined nominal installed capacity of 537.8 MW. It also includes several grid-connected renewable energy sources, as well as a 200 MW interconnector that links the Maltese and the European grids through a submarine cable to Sicily. The interconnector, running over 98 km of submarine cable and around 20 km of land cables, provides for a bidirectional flow capacity of 200 MW of electricity at 230 kV.

Over the last few years, Enemalta has also begun to source some of its energy requirements from a private company, Electrogas (EGM), owned by a consortium of local and international partners. The EGM plant provides a new source of safe and reliable gas-powered electricity to the Maltese islands. It has enhanced Malta's efficiency in electricity generation by approximately 53%, and has also reduced emissions by 50% and particulate matter by 90%.

Enemalta has furthermore been entrusted with the development, maintenance and operation of the national grid – the system that distributes electricity from different sources of power to all customers on the Maltese islands.

As was indicated above, revenue collection is administered by ARMS Ltd. All customer-facing services – from applications through to billing for both electricity and water – are run by ARMS.

3.2 Access to energy supplies

Every household in Malta is connected to Enemalta's grid. Tariffs are set by the corporation, but are regulated by the *Regulator for Energy and Water Services*.¹⁵ Electricity tariffs include an annual service fee, as well as a charge per unit of electricity consumed. The tariffs vary depending on the type of service (residential, domestic or non-residential) and the amount of electricity consumed. Although tariffs are based on annual cumulative consumption, meters are not read annually: the tariffs are applied on a pro-rata basis, depending on the number of days covered by each bill. Where applicable, this procedure applies to eco-reduction as well.

Energy tariffs have been a constant topic in political discourse in Malta, especially during the latest international recession, when the price of oil pushed up tariffs. Many Maltese consider the electricity tariffs high, and successive administrations have sought to introduce downward revisions. It is often suggested that the changes of government in 1998 and 2013 were effectively brought about by proposals for energy reform.

The Energy Benefit scheme¹⁶ is one measure that has sought to alleviate the energy burden for Maltese struggling to pay.

¹⁵ Regulator for Energy and Water Services. See: <https://www.rews.org.mt/#/en/home>

¹⁶ The Energy Benefit is a long-standing benefit in Malta. It was introduced prior to 2003, when electricity rates were increased. None of the budget speeches on line refers to the exact date when it was introduced. But in 2013, there were already 3,897 beneficiaries. See <https://www.independent.com.mt/articles/2013-04-26/local-news/More-than-3,000-beneficiaries-to-receive-full-energy-benefit-146777025>

3.3 Effectiveness of the Energy Benefit scheme

The estimated population of Malta and Gozo at the end of 2018 was 493,559, up 3.8% compared to 2017.¹⁷ In June 2019, there were 29,073 households that benefited from the Energy Benefit scheme; of these, 530 were considered to be humanitarian cases. Given that the average household size in Malta is 2.5,¹⁸ this effectively means that an estimated 72,683 persons benefited from the scheme.

In 2018, EU-SILC indicated that 89,000 people in Malta were at risk of poverty or social exclusion. Table 1 shows that the number of people at risk of poverty in Malta has fluctuated over the past few years, but has never fallen below 87,000. Thus, the Energy Benefit scheme is not at present reaching all those who are at risk of poverty.

Table 1: People at risk of poverty or social exclusion, 2009-2018

(Base = All population)

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Total population at risk (in %)	20.3	21.2	22.2	23.2	24.6	23.9	23.0	20.3	19.3	19.0
Total population at risk (in thousands)	82	86	90	94	102	101	99	90	87	89
Males (in thousands)	38	41	42	45	49	49	48	45	42	41
Females (in thousands)	44	45	47	50	53	52	51	45	45	47

Source: EU-SILC ilc_peps01.

Unfortunately, data on the beneficiaries of Energy Benefit are not disaggregated, and it is thus extremely difficult, given what is available, to identify with certainty the specific groups of persons who could benefit from it, over and above those who are already covered.

But analysis of EU-SILC data does allow us to get some idea of the specific groups that would benefit if they were **all** to be covered by Energy Benefit. Tables 2–7 compare EU-SILC estimates for people at risk of poverty or social exclusion by income quintile for the whole population (Table 2) and by household type: single-person households (Table 3), single-person households with dependent children (Table 4), households consisting of three or more adults with dependent children (Table 5); households consisting solely of a single adult aged 65+ (Table 6); and households consisting of two adults, with at least one aged 65+ (Table 7). Although this might appear tautological, it is clear that persons in the first quintile, irrespective of the various sub-groups analysed in this set of tables, register strikingly high levels in respect of the indicator for those at risk of poverty or social exclusion. The tables clearly show that the five categories of persons analysed in this set of tables carry a higher risk, and would benefit greatly if the Energy Benefit scheme were expanded to cover them.

¹⁷ See: NSO News Release, 10 July 2019. World Population Day: 2019, https://nso.gov.mt/en/News_Releases/View_by_Unit/Unit_C5/Population_and_Migration_Statistics/Documents/2019/News2019_108.pdf

¹⁸ EU-SILC ilc_lvph01.

Table 2: People at risk of poverty or social exclusion, by income quintile and household type*(in %, Base = All population)*

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Total	20.3	21.2	22.2	23.2	24.6	23.9	23.0	20.3	19.3	19.0
First quintile	80.5	83.2	81.4	80.0	84.0	84.6	86.1	85.8	85.6	86.4
Second quintile	13.7	12.5	13.4	18.1	18.2	18.7	15.1	8.9	6.9	5.2
Third quintile	4.8	6.5	8.0	11.6	13.6	11.2	8.5	3.6	2.8	1.4
Fourth quintile	1.6	2.7	5.3	4.1	5.3	3.0	3.6	1.7	0.9	1.6
Fifth quintile	1.2	1.2	2.2	1.7	2.1	1.1	1.6	1.4	0.6	0.5

Source: EU-SILC, ilc_peps03.

Table 3: People at risk of poverty or social exclusion, by income quintile and household type*(in %, Base = Single persons)*

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Total	33.7	31.4	31.7	30.3	30.9	30.6	31.5	28.6	29.4	29.0
First quintile	82.9	81.5	81.1	80.6	85.6	83.5	85.7	83.4	83.5	80.5
Second quintile	13.8	15.9	13.7	19.7	18.8	16.7	14.8	7.7	8.5	3.3
Third quintile	8.0	6.3	9.1	8.7	8.7	8.1	3.8	2.5	1.7	1.0
Fourth quintile	3.6	5.6	6.7	1.1	2.6	4.2	1.1	4.9	0.0	4.7
Fifth quintile	2.8	0.8	2.7	1.6	4.5	0.8	1.2	0.0	0.0	0.0

Source: EU-SILC, ilc_peps03.

Table 4: People at risk of poverty or social exclusion, by income quintile and household type*(in %, Base = Single persons with dependent children)*

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Total	74.1	74.8	65.8	65.8	58.9	65.6	56.6	49.5	47.7	51.0
First quintile	100.0	97.2	96.1	94.8	91.5	90.6	96.8	96.1	93.7	97.5
Second quintile	64.9	43.8	65.9	59.5	47.1	54.7	32.9	28.8	12.3	10.4
Third quintile	10.3	32.8	2.7	1.7	9.2	17.0	10.1	2.6	0.0	0.0
Fourth quintile	0.0	37.3	18.2	7.2	6.8	8.8	2.8	0.0	0.0	0.0
Fifth quintile	:	:	:	:	:	:	:	:	:	:

Source: EU-SILC, ilc_peps03.

Table 5: People at risk of poverty or social exclusion, by income quintile and household type*(in %, Base = Three or more adults with dependent children)*

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Total	17.4	22.5	21.0	26.9	28.1	26.0	23.5	15.7	17.8	16.1
First quintile	79.5	88.0	89.4	77.1	79.6	86.6	82.3	87.5	92.6	94.5
Second quintile	12.0	13.8	12.7	24.1	30.0	31.1	20.2	9.4	2.7	1.2
Third quintile	3.8	3.9	7.3	18.5	24.3	15.9	19.4	4.3	1.3	0.3
Fourth quintile	3.1	2.1	0.5	1.1	6.4	5.9	1.9	4.1	0.4	3.3
Fifth quintile	0.0	1.0	5.1	2.6	0.8	1.4	1.0	0.6	1.9	0.0

Source: EU-SILC, ilc_peps03.

Table 6: People at risk of poverty or social exclusion, by income quintile and household type*(in %, Base = Single adults aged 65+)*

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Total	25.0	22.5	21.1	25.2	23.7	24.0	25.3	27.9	28.9	30.2
First quintile	73.6	70.9	67.6	72.4	71.0	75.1	76.8	75.2	79.7	74.0
Second quintile	5.1	7.6	6.9	12.2	17.1	11.1	7.8	4.9	1.9	3.7
Third quintile	1.2	2.9	0.0	3.5	3.3	5.1	1.9	0.0	0.0	0.6
Fourth quintile	5.3	2.8	0.0	3.8	1.1	2.4	0.0	0.0	0.0	0.0
Fifth quintile	:	:	:	:	0.0	0.0	0.0	0.0	0.0	:

Source: EU-SILC, ilc_peps03.

Table 7: People at risk of poverty or social exclusion, by income quintile and household type*(in %, Base = Two adults, at least one aged 65 years or over)*

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Total	27.1	27.5	26.1	28.0	25.0	28.1	28.1	30.2	29.8	28.2
First quintile	77.8	76.5	74.7	76.7	77.9	73.7	78.5	82.0	78.9	79.0
Second quintile	7.9	9.5	8.7	12.1	9.4	12.4	7.4	8.6	8.0	6.7
Third quintile	4.7	9.8	5.4	4.9	9.0	5.5	3.9	6.2	3.7	1.6
Fourth quintile	4.2	1.5	6.5	3.3	2.6	6.5	3.3	1.2	1.5	0.0
Fifth quintile	0.0	0.9	0.0	4.3	1.7	3.1	3.1	2.5	3.5	1.6

Source: EU-SILC, ilc_peps03.

Table 8 reproduces further EU-SILC data on the extent to which these specific five groups of persons are unable to meet the deadlines for paying their bills. The relatively high percentage of people who are in arrears confirms that they require special attention to enable them to have much easier access to energy. This is especially true for single persons with children and for the category of adults with dependent children.

Table 8: Percentage of categories of persons who have payment arrears (mortgage or rent, utility bills or hire purchase), 2009–2018

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Total	8.3	7.8	9.6	11.1	12.5	15.5	10.9	10.4	6.5	8.1
Single persons	6.5	6.8	8.1	7.9	10.0	10.8	9.7	9.5	5.4	5.5
Single persons with dependent children	23.4	28.6	22.8	28.3	22.1	40.0	23.2	28.5	27.7	26.3
Three or more adults with dependent children	11.0	15.1	17.1	17.4	21.7	23.3	20.8	15.5	8.2	11.4
One adult 65 years or over	2.7	3.6	2.0	2.8	6.5	6.4	6.3	6.7	3.3	3.3
Two adults, at least one aged 65 years or over	3.0	2.0	1.9	3.8	4.8	7.8	5.4	5.0	1.9	4.1

Source: EU-SILC, *ilc_mdcs05*.

3.4 Conclusion

From the foregoing analysis of EU-SILC data (which is the only kind of data available to indirectly analyse the effectiveness of the Energy Benefit scheme, and therefore the ease of access to energy among the Maltese population), it is quite evident that there is a problem. Access to energy, though physically not barred to any person living in Malta, is actually problematic for those who cannot make ends meet. This is even more important, given that the reality of the situation is that late payment, or lack of prompt payment of arrears, could well lead to disconnection. This issue was raised as far back as 2011, in a parliamentary question in the European Parliament.¹⁹ Disconnection is not uncommon: there were 11,700 cases in 2016, falling to 3,000 in 2017.²⁰ Reconnection is only possible once all the arrears have been settled and the reconnection charges paid.

The above data can only provide a rough indication of the barriers faced by low-income persons in accessing energy in Malta. But problems do exist, and further focused research is required to establish the exact nature and extent of the barriers. This would also help policy makers re-examine the nature and the exact scope of the Energy Benefit scheme, to ensure that access is equitable for all persons who are entering or exiting poverty. Expansion of the scheme would mean that these population sub-groups are not denied their basic energy requirements.

¹⁹ In its reply of 17 May 2010 to parliamentary Question E-2465/2010 on electricity prices in Malta, the Commission stated that it would “seek information from the Maltese authorities” on the disconnection of electricity for thousands of Maltese households, many of which fall into the vulnerable group category. In 2010, a further 1,286 households had their electricity supply suspended, with 251 household disconnections in the first five months of 2011. See: <http://www.europarl.europa.eu/sides/getDoc.do?pubRef=-//EP//TEXT+WQ+E-2011-008654+0+DOC+XML+V0//EN&language=EN>

²⁰ J. Debono, 3,000 people had electricity disconnected in 2017, *Malta Today*, 28 November 2019, https://www.maltatoday.com.mt/environment/energy/91211/3000_people_had_electricity_disconnected_in_2017#.XgXxlkdKq2w

Annex

Table A1: Essential service - Water

1) Definition of “low income” used in the context of the delivery of the service in the country:²¹

No formal definition exists. Policies tend to be linked to the EU definitions of “at risk of poverty” (AROP) or “at risk of poverty or social exclusion” (AROPE), but not formally. “Energy Benefit” is linked to a means test.

2) Measures aimed at facilitating access for low-income people to water (for hygiene purposes, to cook...) in the country:

	National (*)	Subnational	
		Regional (only if <i>no</i> for national) (**)	Local (only if <i>no</i> for national) (**)
Reduced tariffs	Yes		
Cash benefits	No	No	No
In-kind benefits	No	No	No
Advice/training or information services	Yes(***)		
Provision of a basic/uninterrupted supply	Yes		

(*) For each measure: Does the measure exist in the country at national level (“Yes”/“No”)?

(**) **Only** if the measure does not exist at national level **and** if the service is organised at subnational level: Does the measure exist at regional level (Yes in all regions; Yes in most regions; Yes but only in a few regions; No)? And at local level (Yes in all local entities; Yes in most local entities; Yes but only in a few local entities; No)? Important: if a measure exists as a **general social support measure**, not specifically aimed at facilitating access for low-income people, the answer is “No”.

(***) A one-stop customer information service provides information on the service (but no specific training) to all members of the public.

²¹ **National definition** used in this context (most frequently used definition if there is more than one definition). **Only if** there is no national definition **and if** the service is organised at subnational level, most common definition used in this context at regional (if any) or local (if any) level.

Table A2: Essential service – Sanitation

1) Definition of “low income” used in the context of the delivery of the service in the country:²²

No formal definition.

2) Measures aimed at facilitating access for low-income people to sanitation (i.e. systems for taking dirty water and other waste products away from dwellings in order to protect people’s health) in the country:

	National (*)	Subnational	
		Regional (only if <i>no</i> for national) (**)	Local (only if <i>no</i> for national) (**)
Reduced tariffs	No	No	No
Cash benefits	No	No	No
In-kind benefits (***)	Yes		
Advice/training or information services (***)	Yes(****)		

(*) For each measure: Does the measure exist in the country at national level (“Yes”/“No”)?

(**) **Only** if the measure does not exist at national level **and** if the service is organised at subnational level: Does the measure exist at regional level (Yes in all regions; Yes in most regions; Yes but only in a few regions; No)? And at local level (Yes in all local entities; Yes in most local entities; Yes but only in a few local entities; No)? Important: if a measure exists as a **general social support measure**, not specifically aimed at facilitating access for low-income people, the answer is “No”.

(***) The service is completely free of charge to everybody, hence the “yes” for both in-kind benefits and advice.

(****) A one-stop customer information service provides information on the service (but no specific training) to all members of the public.

²² **National definition** used in this context (most frequently used definition if there is more than one definition). **Only if** there is no national definition **and if** the service is organised at subnational level, most common definition used in this context at regional (if any) or local (if any) level.

Table A3: Essential service – Energy

1) Definition of “low income” used in the context of the delivery of the service in the country:²³

No formal definition exists. Policies tend to be linked to AROP and AROPE, but not formally. “Energy Benefit” is linked to the standard income means test.

Existing benefits do not specifically target low-income groups, but low-income groups (single-parent families, families with children and the elderly) do benefit from them.

2) Measures aimed at facilitating access for low-income people to energy (to light dwellings, heat or cool dwellings, use home appliances) in the country:²⁴

The Energy Benefit appears on the bill. Therefore, it is not strictly cash, but a reduced tariff.

	National (*)	Subnational	
		Regional (only if <i>no</i> for national) (**)	Local (only if <i>no</i> for national) (**)
Reduced tariffs	Yes		
Cash benefits	No	No	No
In-kind benefits	No	No	No
Advice/training or information services	Yes(***)		
Provision of a basic/uninterrupted basic supply	Yes		

(*) For each measure: Does the measure exist in the country at national level (“Yes”/“No”)?

(**) **Only** if the measure does not exist at national level **and** if the service is organised at subnational level: Does the measure exist at regional level (Yes in all regions; Yes in most regions; Yes but only in a few regions; No)? And at local level (Yes in all local entities; Yes in most local entities; Yes but only in a few local entities; No)? Important: if a measure exists as a **general social support measure**, not specifically aimed at facilitating access for low-income people, the answer is “No”.

(***) A one-stop customer information service provides information on the service (but no specific training) to all members of the public.

²³ **National definition** used in this context (most frequently used definition if there is more than one definition). **Only** if there is no national definition **and** if the service is organised at subnational level, most common definition used in this context at regional (if any) or local (if any) level.

²⁴ For each measure, please mention whether or not it exists in your country at the national level (“yes”/“No”). **Only** if a measure is not available at national level **and** if the service is organised at subnational rather than national level: does this measure exist at the regional level (“Yes-all”; “Yes-most”; “Yes-few”; “No”) ? And at the local level (“Yes-all”; “Yes-most”; “Yes-few”; “No”) ? If a measure exists as a general social support measure, not specifically aimed at facilitating access for low-income people, the answer should be “No”.

Table A4: Essential service – Public transport

1) Definition of “low income” used in the context of the delivery of the service in the country:²⁵

No formal definition exists. Policies tend to be linked to AROP and AROPE, but not formally.

2) Measures aimed at facilitating access for low-income people to public transport in the country:

Existing benefits do not specifically target low-income groups, but low-income groups (children, young persons and the elderly) do benefit from them. Reduced bus tariffs for elderly, young persons and students. Free ferry for all aged 60+. Reduced tariffs for **all** Gozo residents.

	National (*)	Subnational	
		Regional (only if <i>no</i> for national) (**)	Local (only if <i>no</i> for national) (**)
Reduced tariffs	No	No	No
Cash benefits	No	No	No
In-kind benefits	No	No	No
Advice/training or information services	Yes(***)		

(*) For each measure: Does the measure exist in the country at national level (“Yes”/“No”)?

(**) **Only** if the measure does not exist at national level **and** if the service is organised at subnational level: Does the measure exist at regional level (Yes in all regions; Yes in most regions; Yes but only in a few regions; No)? And at local level (Yes in all local entities; Yes in most local entities; Yes but only in a few local entities; No)? Important: if a measure exists as a **general social support measure**, not specifically aimed at facilitating access for low-income people, the answer is “No”.

(***) A one-stop customer information service provides information on the service (but no specific training) to all members of the public.

²⁵ **National definition** used in this context (most frequently used definition if there is more than one definition). **Only if** there is no national definition **and if** the service is organised at subnational level, most common definition used in this context at regional (if any) or local (if any) level.

Table A5: Essential service – Digital public services

1) Definition of “low income” used in the context of the delivery of the service in the country:²⁶

No formal definition exists.

2) Measures aimed at facilitating access for low-income people to digital public services (e.g. digital post, digital fiscal services, digital social security services, digital health care appointments...) in the country:

Access is not free, except in local council offices and hotspots. eGovernment services are free for all, except when fees (e.g. driving licence) are involved.

	National (*)	Subnational	
		Regional (only if <i>no</i> for national) (**)	Local (only if <i>no</i> for national) (**)
Reduced tariffs	No	No	No
Cash benefits	No	No	No
In-kind benefits	No	No	No
Advice/training or information services	Yes(***)		
Provision of a basic/uninterrupted supply	No	No	No

(*) For each measure: Does the measure exist in the country at national level (“Yes”/“No”)?

(**) **Only** if the measure does not exist at national level **and** if the service is organised at subnational level: Does the measure exist at regional level (Yes in all regions; Yes in most regions; Yes but only in a few regions; No)? And at local level (Yes in all local entities; Yes in most local entities; Yes but only in a few local entities; No)? Important: if a measure exists as a **general social support measure**, not specifically aimed at facilitating access for low-income people, the answer is “No”.

(***) A one-stop customer information service provides information on the service (but no specific training) to all members of the public.

²⁶ **National definition** used in this context (most frequently used definition if there is more than one definition). **Only if** there is no national definition **and if** the service is organised at subnational level, most common definition used in this context at regional (if any) or local (if any) level.

Table B1: Essential services – Summary table

- 1) Measures aimed at facilitating access for low-income people to the different services that exist at national, regional and/or local level in the country
- 2) Broader policy framework under which all or some of these measures are organised in the country.
- 3) Ongoing or announced reforms of the measures and/or related frameworks aimed at (further) enhancing effective access to the service for low-income people in the country

	1. Measures (NAT, SUBNAT, BOTH, NONE) (*)	2. Policy framework (**)		3. Ongoing or planned reforms (Yes/No)
		National (Yes/No)	Subnational (Yes/No)	
Access to water	NAT	Yes	No	No
Access to sanitation	NAT	No	No	No
Access to energy	NAT	Yes	No	No
Access to public transports	NONE	No	No	No
Access to digital public services	NONE	No	No	No
Access to basic financial services (***)	Not applicable	Yes	Na	No

(*) This column summarises the response provided in Tables A1-A5 above. "NAT" means that all the measures that exist in favour of low-income people are national measures; "SUBNAT" means that there are no national measures but some of/all the measures that exist are subnational measures; BOTH means a mix of NAT and SUBNAT; "NONE" means that there are no measures, be it at national or subnational level.

(**) Is there a broader national policy framework under which all or some of these measures are organised in the country for some of/all the services under scrutiny ("Yes"/"No")? **Only if** there is no such national framework for one service **and if** the service is organised at subnational level: Is there a broader subnational policy framework under which all or some of these measures are organised for this service ("Yes"/"No")?

(***) Open and use payment accounts with basic features (Directive 2014/92/EU).

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