

## **Call 2024/Reverse Osmosis – Grant on the Purchase of Water Purifying Equipment**

### **Guidelines for Applicants**

In order to reduce the use of plastic containers utilised for bottling water, the Regulator for Energy and Water Services has launched this grant on the purchase of equipment to purify water at home by reverse osmosis, reverse osmosis system with reject water return and water filtration system. The scheme is funded through National Funds.

## **GRANT SCHEME**

### **Introduction**

The application for a grant is made by the Applicant as defined in these guidelines and conditions and the contractual arrangements are between the Applicant and the scheme administrator (Regulator for Energy and Water Services).

Application for request for reimbursement should be completed by the Applicant after the purchase (including payment, installation and commissioning of the system). Applications are to be submitted online, by mail or by hand personally by the Applicant or by an adult member residing in the same household of the Applicant at REWS offices during the period established in the Notice in the Government Gazette.

Application will be processed and available funds shall be allocated and deposited to the applicant, in accordance with the Notice in the Government Gazette.

### **Steps in Applying for this RO Grant Scheme**

#### ***Step 1***

It is important for the Applicant to read all sections of these guidelines and the conditions attached to this scheme, in detail.

#### ***Step 2***

It is recommended that Applicants assess the drinking water demand of the household, to determine the appropriate type and size of the system required. It is recommended that the applicant should contact more than one potential supplier.

#### ***Step 3***

When the installation of the equipment has been completed, the Applicant should fill in the application of the grant scheme (request for reimbursement), including all the required documentation and submit to the Regulator for Energy and Water Services (REWS), online, by mail or personally by hand at REWS offices. Application must reach the REWS offices within six (6) months from the date of purchase indicated on the last fiscal receipt or by termination date of scheme as indicated on the Government Gazette, whichever comes first.

Please make sure that payments by the Applicant to the retailer are made by bank transfer or by cheque or similar traceable methods and made from accounts in the name of the applicant (solely or together with other members of the same household). Transfers from bank accounts which indicate usage for non-residential purposes (e.g. business) (in the name of the account or the account holder) are not eligible.

Note that at this stage, the application is not yet assessed, much less approved.

REWS officials or its agents may inspect the site of installation. The Regulator for Energy and Water Services issues an acknowledgement for the receipt of each application.

#### ***Step 4***

Following the receipt of the application (request for reimbursement), from the Applicant, the Regulator for Energy and Water Services will assess the request for reimbursement and the details of the installed system against eligibility criteria in these guidelines.

##### **In case of acceptance:**

If the scheme criteria are met and the application is successful, the grant will be paid to the Applicant by bank transfer. The REWS will use the bank details provided by the Applicant, on application. The Applicant is responsible to ensure that the details of the bank account are correct.

Details of successful applications may be published on the website.

##### **In case of rejection:**

A letter of rejection will be sent to non-compliant Applicants. The reason for rejection will be indicated on the letter. Any requests for review from rejected Applicants will be assessed by a Review Committee specifically appointed to hear objections from decisions made under this scheme. Applicants will be informed of the Review Committee decision.

#### ***Step 5***

Following payment, the applicant will still be required to participate in any audits that may be carried out during the durability period.

### **Grant Scheme Conditions**

#### **1. Interpretation**

In this Scheme, unless the context otherwise requires:

‘applicant’ means any person who makes an application for a rebate in terms of this Scheme, is a resident of Malta, is 18 years of age or more on the day of submission of the application and who is a holder in terms of article 2 of the Identity Card Act, Cap. 258;

‘application’ means an application for a grant made in such manner as required by the Regulator and in terms of this scheme;

‘date of purchase’ means the date on the last fiscal receipt relating to the full payment of the purchase price;

‘domestic use’ means the use made of a system at a residential property, which property is used by the applicant for residential or habitation purposes and does not include use by landlords or developers, or persons carrying out an economic activity at the place where the system is to be installed;

‘durability period’ means five years after the grant rebate has been deposited into the applicant’s account;

‘duration of the scheme’ means the period between, and including, the effective date and the termination date;

‘effective date’ means any date during which applications shall be accepted as indicated in the Notice in the Government Gazette;

‘fiscal receipt’ means a receipt as defined in the Thirteenth Schedule of Chapter 406 - the Value Added Tax Act, Act XXIII of 1998 as subsequently amended - and also includes any regulation made by the same Act;

‘Malta’ means the Maltese Islands;

‘Members of the same household’ of a person are those persons who ordinarily reside in the same residence - whether related or not to applicant or each other.

‘owner’ includes ‘joint ownership’, ‘emphyteuta’ includes ‘joint-emphyteuta’ and ‘tenant’ includes ‘joint-tenant’, and ‘emphyteuta’ includes ‘sub-emphyteuta’ and ‘tenant’ includes ‘sub-tenant’;

‘property’ or ‘premises’ means the location where the system is installed;

‘Regulator’ and ‘REWS’ mean the Regulator for Energy & Water Services established through the Regulator for Energy and Water Services Act (Act XXV) of 2015;

‘Reverse Osmosis System’, ‘RO system’, ‘Water Filtration System,’ ‘system’, ‘systems’, ‘technology’ or ‘equipment’ mean eligible equipment as specified elsewhere in these guidelines;

‘termination date’ shall mean the date applications stop to be processed as indicated in the Notice in the Government Gazette;

‘termination of scheme’ means the date when project being implemented by REWS is closed as indicated in the Notice in the Government Gazette;

‘you’ or ‘your’ refers to the individual named as the Applicant in the application.

## **2. Area of applicability**

This scheme applies to eligible expenditure that is incurred once only on the purchase of an eligible purifying water equipment for domestic use by the applicant. The grant is only eligible for private individuals (natural persons) that purchase water purifying equipment for use on their residential property installed and fully operational in Malta, for which an application has been made on an effective date and which application was approved by REWS. Grants will **not** be payable in respect of technologies installed in caravans, boats, boathouses or parts of buildings not for residential use.

### 3. Eligible Applicant

To be eligible, an applicant must;

- be a resident of Malta and have an ID card as per the Identity Card Act or residence permit;
- install the equipment in a residential premises which is not used by the applicant to carry out an economic activity or as an undertaking;
- be the owner or an emphyteuta of the property or the owner of a long leasehold interest in the property (i.e. a leasehold term with more than the durability period remaining) with all necessary consents from the owner of the property. If the applicant is a joint owner of the property, the applicant is entitled to apply for a grant on behalf of the other joint owners provided they have agreed to the applicant doing so and will comply as necessary with all of these terms and conditions. The property must be used principally by the applicant or his/her family for his/her own private residential purposes. The applicant is not entitled to receive a grant if the property is used principally for business purposes, including the letting of the property on a commercial basis (even if the tenants' use of the property will be residential);
- not obtain other grants or subsidies for this system or the same technology from any other schemes that include national or public funds such as Government of Malta funds. This applies equally to the applicant or any member of the same household;
- not be applying on behalf of an enterprise and not be a landlord of the property where the system is installed;
- provide the REWS with a personal bank account (which has the applicant as an account holder) to enable transfer of the grant amount directly to the applicant's account;
- allow relevant organisations involved in the implementation and control of this scheme including: REWS and national Authorities and Auditors to inspect the system within the applicant's residence after due notice is given;
- accept that the applicant's data together with the eligible grant amount may appear on public documents or published on the REWS website.

In case there could be ambiguities about the address, applicants are advised, or may be requested, to provide a site map with a clear indication of the installation address. This is required to ensure that the system is installed in a local residence and to permit Regulator for Energy and Water Services (REWS) and other relevant organisations involved in the management and control of the funds, to perform on-site inspections.

The REWS reserves the right to refuse the grant and take legal action to recover the amount granted with interests and any other costs incurred, in case of:

- incorrect information being stated by the applicant in this application;
- some conditions of the scheme not being met;
- the grant having been already given;
- other reasons where the 'bona fide' intention of the applicant is manifestly missing.

### 4. Eligible expenditure

The equipment must be fully owned and paid in full by the applicant and cannot be encumbered or subject to any legal claims by third parties. The total expenditure to be reported in the invoice/fiscal receipts should include all costs required to have a fully operational system.

The expenditure to be claimed must be in respect of the purchase price as shown on the original fiscal receipt/s in terms of Article 51 of the VAT Act. This final price must correspond to the real expense incurred for such purchase and must reflect any discounts, credit notes, gifts or

any other form of payment or advantage, present or future in favour of the Applicant over and above the real purchase price of the equipment.

The eligible expenditure is the sum of costs (including VAT) of:

1. Reverse Osmosis system or Water Filtration System less the value of discounts or offers, financial or in kind<sup>1</sup>, relating to this equipment or system.

The ineligible expenditure includes costs (including VAT) of:

1. any extended warranty beyond the standard warranty (2 years) that installers are required to provide free of charge;
2. any other materials, works or other costs such as, but not limited to, any cost of wiring and installation;
3. certification;
4. for overseas purchases, the duty charges for local importation. The price is to be shown on the receipt/s.

#### **4.1 Purchases from the Local Market**

Local Payments by the Applicant to the retailer would have to be made by bank transfer or by cheque or a similar traceable method. Payments should only be made from accounts in the name of the applicant (solely or together with other members of the same household). Transfers from bank accounts which indicate usage for non-residential purposes (business accounts) (in the name of the account or the account holder) are not eligible. The respective proof of payment would be the fiscal receipt issued according to law. The fiscal receipt is to be submitted with the application form. The applicant also needs to submit an invoice with an itemisation of the total price shown on the receipt.

#### **4.2 Purchases from the Foreign Market**

In case of overseas purchases, the expenditure to be claimed should be in respect of the purchase price shown on the receipt. The expenditure to be claimed should be based on the conversion rate featuring on the bank transfer and excluding any bank charges. Expenditure must also be supported by the original bank transfer issued by a financial institution. In cases of payments made by electronic means, an official bank document such as a Statement of Account must be presented.

Note: It is the responsibility of the applicant in such cases, to ensure that the equipment remains in operation for the durability period and to ensure that the necessary guarantees and/or insurance cover are obtained from the supplier.

### **5. Eligible Technology**

Eligible technologies under this scheme;

1. Water Guard: Water Filtration System referring to an ultra-filtration or microfiltration system, where the filtration equipment itself results in zero water wastage during the filtration process. This excludes jug filters.
2. Reverse Osmosis System referring to a reverse osmosis system where the reject water generated by the system during the filtration process is not diverted back to the residential water storage for re-use.

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<sup>1</sup> Examples: any good or service such as gifts, white goods, other goods / appliances, equipment, services, vouchers, etc.

3. Reverse Osmosis System with reject water return means a reverse osmosis system where the reject water generated by the system during the filtration process is diverted back to the residential water storage for re-use.

## **6. Manner of application and supporting documents**

- (i) Applications under this Scheme shall be made by the Applicant in the form, set out in the Schedule to this Scheme and shall contain all the information, details and documents as required in the said form and in terms of this Scheme. Applications as submitted will be the basis for acceptance or otherwise and cannot be changed.
- (ii) Only those applications that are found to conform to all the provisions of this Scheme shall be eligible for payment of the grant. An application shall not be deemed to have been submitted unless it is full and complete and unless it contains all the information and is accompanied by all the documentation requested therein.
- (iii) The REWS requires full details (entered into the relevant form or attached as required) to assess applications and reserves the right to suspend processing of incomplete applications until all necessary details have been provided. The REWS will advise any Applicant so affected of the necessary details required to complete an application. The REWS may contact other Government Departments to verify that the information submitted in the applications is correct.

## **7. Grant Claim Deadline**

The application form (request for reimbursement) should be submitted by not later than **six (6) months** from the date of purchase indicated on the last fiscal receipt or by termination date of scheme as indicated on the Government Gazette, whichever comes first.

## **8. Grant payable under this Scheme**

The applicable rate and grant are stipulated in the Notice in the Government Gazette announcing this call.

## **9. Payment of Grant**

Once all criteria are met and application has been approved, the application will be passed for payment and a bank transfer representing the relevant grant amount will be issued. The grant will be paid **ONLY** to the applicant through a bank transfer.

## **10. Validity of application**

An application shall not be deemed to have been submitted unless it is full and complete and unless it contains all the information and is accompanied by all the documentation requested therein.

## **11. Duration of the Scheme**

Applications for this call may be validly received as from the date of publication of the Government Notice until the date stipulated in the Government Gazette. The scheme may be

modified or terminated before that date by means of a notice in the Gazette. This scheme may be renewed as may be deemed necessary by the REWS also by means of a notice in the Gazette.

## **12. Amendments to the Scheme**

The Regulator for Energy and Water Services shall have the right to make any amendments to this Scheme by a notification in the Government Gazette or to publish clarifications to the Scheme by the publication of such clarifications on its website [www.rews.org.mt](http://www.rews.org.mt)

## **13. Period of operation**

The Regulator is required to ensure that the funds it administers provide a certain amount of environmental benefits. For this reason, one of the conditions of the grant is that the product will remain installed and in use, and will not be modified in such a way as to degrade its performance for a period of at least five years after installation. It is the responsibility of the applicant to ensure that this condition is met. The retailer shall therefore include a warranty of 2 years on the system. The REWS and other national authorities may perform on site inspections throughout this five year period to ensure that the equipment is still in place.

## **14. Audit and Control**

The REWS and other national authorities have to be able to verify, if need be, that any grants paid by the REWS were used for the purposes intended by the grant scheme. For this reason, you must ensure that you comply with the record keeping and inspection requirements set out in the following paragraphs.

- (a) You must keep a record of all relevant documentation that you obtain in relation to the technology and its installation, including in particular any invoices and receipts from the relevant installer or any other contractors involved in the installation work. You must keep these records for at least 5 years following payment of the grant and if the REWS asks you to do so at any time (and as long as it gives you reasonable prior notice) you must allow authorised representatives of REWS and/or its agents and/or any national audit bodies to inspect and take copies of these records.
- (b) If the REWS asks you to do so at any time (and as long as it gives you reasonable prior notice) you must permit REWS and its authorised inspectors or other representatives to have access to the property for the purposes of inspecting the system and/or verifying whether the energy efficiency measures required by these terms and conditions have been put in place.
- (c) If the REWS asks you to do so at any time, you must provide additional information and co-operation as REWS may request for the purposes of the REWS monitoring energy use of the property and/or the performance of the technology. The REWS will be entitled to use this information, amongst other things, for the purposes of publishing reports in relation to the relevant products.

## **15. Publicity**

Applicants should note that the grant element of this scheme is being financed by the National Funds. The names, addresses and other data, and the corresponding grant given may appear in public official documents for the purpose of management verifications and the controls of the public contribution to the applicant.

## **16. Data Protection**

Personal information provided is protected and used in accordance with the Data Protection Act. The information shown on the application form will be used and shared by/with the REWS and its agents, the Ministry for Finance, the VAT department and other Government entities involved in administering and supervising the scheme. The REWS may also use this information to demonstrate market transformation trends.

The REWS may check information given by the applicant with relevant authorities and / or Government entities in Malta.

## **17. Compliance with legislation**

Applicants are responsible to ensure that in carrying out any activities in connection with the installation and use of the technology complies with all applicable laws and regulations. This grant is subject to compliance with relevant national and EU legislation. The grant is also made to the applicant personally and may not be transferred. The grant does not confer any rights. The REWS will not lose any right that it has under these terms and conditions if it does not exercise that right or delays in exercising it.

## **18. Recovery of Grant**

The Regulator reserves the right to refuse the grant and, or take legal action to recover the amount granted with interests and any other costs incurred, in case of:

- incorrect information being stated by the Applicant in the application; and, or
- the applicant or the technology are ineligible at the time of application, or become ineligible during the durability period; and, or
- the installation is not compliant with legislation or regulatory requirement; and, or
- the installation does not remain installed and operational as designed during the durability period; and, or
- the applicant does not retain records or fails to permit access for audits during the durability period; and, or
- any condition of the scheme not being met; and, or
- other reasons where the 'bona fide' intention of the Applicant is manifestly missing.

## **19. Liability**

The REWS cannot and does not guarantee or underwrite the performance of any equipment and you should ensure that the retailer and installer you contract provides you with all necessary information in relation to the warranty cover they will be providing.

In cases where the supplier does not conform to any provisions set out in the scheme, the supplier/installer shall be obliged to either change the equipment to bring the installation/s within the provisions of the scheme or pay the grant to the end consumer. This does not exclude the possibility that the end consumer may take legal action against the retailer to provide him with equipment as originally requested.