Energy poverty alleviation

- Fit-for-55
- Article 7 EED
- EU funds

Defining and tackling energy poverty

- The Social Climate Fund contains first efforts for an EU wide definition of energy poverty, but it is still difficult to obtain national definitions in all Member States.
- Easier for the public sector to define energy poverty measures at large they are easier to finance and can be a low hanging fruit for others.
- The design ETS2 is not gradual enough to provide climate justice and energy poverty alleviation.

The link between energy efficiency and energy poverty

- Extensive policy developments are not always reflected at national and local scales.
- Challenges remain in defining and measuring energy poverty,
- Urgent need to ringfence funding for energy poor households.
- Energy savings can be complicated to measure when energy poor households already under-consume energy.

“Article 7 has been a key instrument for energy poverty alleviation and a rare example of social energy provision integrated at EU level.”

- Stefan Bouzarovski

“It is also essential to push for the inclusion of energy communities to accelerate energy democracy, equity and climate justice.”

- Petros Kokkalis

Event Wrap Up

“Energy Poverty and the future costs under the Energy Efficiency Directive (EED) - What is the role of Article 7 policies?”

April 12, 2022

Speakers from the event discussed the role of the Fit-for-55 package, Art7 EED policies as well as EU funds and their impacts on low-income groups. They also discussed how the multiple indicators that capture the dimensions of energy poverty are a result of these policies.

SPEAKERS

- Stefan Bouzarovski (University of Manchester)
- Petros Kokkalis (European Parliament, MEP - GUE/NGL)
- Anne Katherine Weidenbach (European Commission, DG ENER)
- Samuel Thomas (RAP)
- Karina Knaus (Austrian Energy Agency)
- Vlasis Oikonomou (IEECP)

Speakers from the event discussed the role of the Fit-for-55 package, Art7 EED policies as well as EU funds and their impacts on low-income groups. They also discussed how the multiple indicators that capture the dimensions of energy poverty are a result of these policies.
Specific measures from the Energy Efficiency Directive show that energy efficiency is the most effective solution to alleviate energy poverty and overcome pricing measures.

Core requirements from the Commission are that Member States must achieve key numbers of energy savings.

High importance of ringfencing for the alleviation of energy poverty and to make use of public funds such as the Social Climate Fund, ETS2, etc.

“It is important to highlight that the Article 8 on savings obligation aims at helping energy poor households and should not be seen as conflicting with social policies but should be complimentary to those social actions already put in place by Member States. Member States should implement energy savings measures under Article 8 as a priority among vulnerable customers, and social housing when applicable.”

- Anne Katherine Weidenbach

“Partnerships are key to reaching households and delivering schemes, just as effective support often combines different measures working together and combining national or local funding with utility support can work for higher costs measures.”

- Samuel Thomas

The ENSMOV gap analysis recognised that energy poverty is an area for greater attention.

Out of 16 energy efficiency obligation schemes (EEOS), only 7 make provisions for energy poverty alleviation:

- 3 are currently ringfences of savings that must be delivered to low-income households;
- 5 others use administrative uplifts of the value of savings made in low-income households to promote delivery.

- Fit-for-55
- Article 7 EED
- EU funds

ENSMOV project AND the outcome of ART7 EED
The lack of PRS energy support measures and of policies not sufficiently directed at low income tenants only highlights the tenant/landlord dilemma and how difficult it is to access funding and information.

- Karina Knaus

Allocations are not enough to cover the increase of costs from Article 3 policies. Even if energy prices drop, funding streams will still not be enough to protect and support low-income households.

- Vlasis Oikonomou

Fit-for-55 measures and EU funds

- E1st principle is key to structural solutions.
- Instead of introducing renewable solutions, there needs to be a shift in bill support towards phasing out fossil boilers.
- Price signals are not enough and must be combined with financed MEPs and policies must trigger the reduction of thermal comfort loss with energy efficiency upgrades.
- Need to earmark maximum funding rates for low-income households and revise funding stream issues with timing.

The Private Rented Sector (PRS) has increased in many traditionally home-owning societies and more people are renting for longer / living conditions can be very poor.

- A real landlord/tenant dilemma in the PRS that is not tackled enough.
- Split incentives are a real barrier between tenant and landlords
- Bringing key stakeholders together to discuss policies and interventions integrating tenants and landlords into a single participatory process.

ENPOR, energy poverty in the Private Rented Sector

ENPOR, energy poverty in the Private Rented Sector

The projects mentioned in this briefing have received funding from the European Union’s Horizon 2020 Research and innovation programme under grant agreements No 889385 (ENPOR) and 840034 (ensmov).