



**SUSTAINABLE
PLACES 2021**

Sep. 28 - Oct. 1, 2021 | Rome, Italy



ComAct

Community
Tailored Actions
for Energy Poverty
Mitigation





Introduction

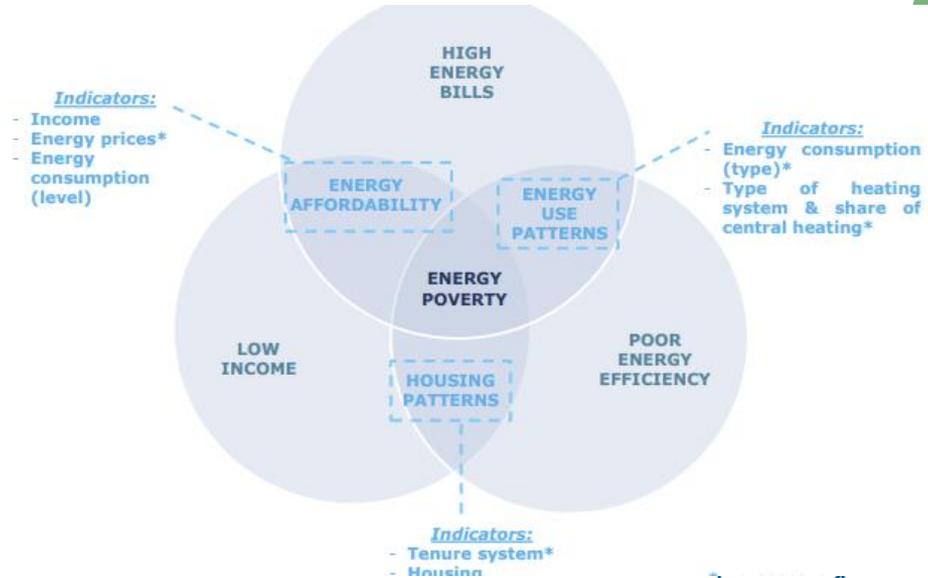
1. Generic energy poverty concept
2. Energy poverty concept in five pilot countries
 - Ukraine, Bulgaria, Lithuania, North Macedonia, Hungary
3. European legislation
4. Good practice examples/ Innovative instruments

Conclusions





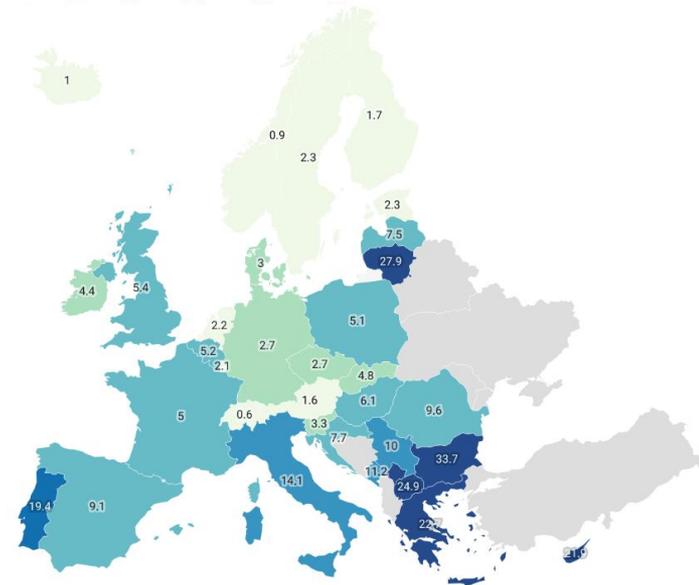
- Quality and affordability aspects
- Different energy sources available (e.g. firewood is not included in the utility costs)
- Difficulties of defining 'adequate needs'
- The complexity of the underlying causes of energy poverty
- Different strategies of energy-poor households (e.g. underheating the dwelling vs. disproportionate energy costs)
- Differences in the local context (e.g. energy market, tenure structure, building stock).



- Definition and indicators vary across countries – create different target groups
- Definitions use the household as a unit. Building-level energy poverty definitions would be useful to identify energy-poor buildings
- Income and an energy aspect of energy poverty
- CEE/CIS: underheating widespread due to low income, solid fuels used for heating, vast majority privately owned with insufficient financial subsidies available for building renovatio
- Cooling is gaining importance, not considered in energy poverty
- Price subsidies and regulations help energy poor but don't support energy efficiency interventions

Inability to keep home adequately warm (2018)

■ < 3
 ■ 3–5
 ■ 5–10
 ■ 10–15
 ■ 15–20
 ■ ≥ 20



Source: Eurostat SILC • Created with Datawrapper





Energy Poverty Recommendation

Part of Renovation Wave



- Liberalisation of energy markets, sharing the benefits with all parts of society
- Integrated policy solutions
- Assess the distributional effects of the energy transition
- Address barriers to energy-efficiency investment and dwellings in most need of renovation
- Meaningful and accountable public participation and broad stakeholder engagement
- Close cooperation between all levels of administration and civil society and the private sector
- Take full advantage of EU funding programmes
- Target low-income households through public funds
- Explore energy service companies (ESCOs) and energy performance contracts





Affordable Housing Initiative

Part of Renovation Wave – to kick off 2021



- 1 Ensure affordable living costs: rent, energy and charges
- 2 100 lighthouse renovation districts
- 3 Inclusion of vulnerable communities & neighbourhoods with social problems
- 4 Produce measurable reductions in GHG emissions of at least 100 districts through renovation of social and private homes, switching heating to renewables & circularity
- 5 Act as laboratory for improvement of skills around digitalisation, use of modular renovation tool-kits, advanced co-decision making with residents, collaboration with local authorities, performance-based procurement, sustainable financing and better regulation



- No money earmarked for energy poverty
- National Recovery Plans not available yet

RECOVERY AND RESILIENCE FACILITY

Flagship areas for investments and reforms

POWER UP

CLEAN TECHNOLOGIES AND RENEWABLES

RENOVATE

ENERGY EFFICIENCY OF BUILDINGS

RECHARGE AND REFUEL

SUSTAINABLE TRANSPORT AND CHARGING STATIONS

CONNECT

ROLL-OUT OF RAPID BROADBAND SERVICES

MODERNISE

DIGITALISATION OF PUBLIC ADMINISTRATION

SCALE-UP

DATA CLOUD CAPACITIES AND SUSTAINABLE PROCESSORS

RESKILL AND UPSKILL

EDUCATION AND TRAINING TO SUPPORT DIGITAL SKILLS



Comparing instruments

Addressing energy poverty



- Focussing on Central and Eastern Europe (CEE) and the Commonwealth of Independent States (CIS – former soviet states)

In our target counties

- Relatively lower GDP and higher poverty ratio compared to Western Europe
- Relatively large share of multi-family apartment buildings in urban areas
- High shares of private ownership (>90%) with rich and poor living in the same building
- Relatively high share of people that can't adequately heat their homes (+/- 25%)



Comparing instruments

Addressing energy poverty



How to tackle energy poverty? Existing instruments tend to focus on:

- Financing structural renovation of the building (facades, roofs, heating installations)
- Improve data with energy audits
- Financial support for the energy bills / social tariffs
- Legal disconnection protection
- Information and awareness measures



Comparing instruments

Addressing energy poverty



	Total budget	Focus on MFABs	Accessibility for energy-poor	Share of deep renovations triggered (>60%)
KredEx – Estonia	€222 million	Yes	Medium	Medium
Multi-family modernisation fund – Lithuania	€600 million	Yes	Medium	High
LABEEF – Latvia	€25 million	Yes	Low	Medium
Better Energy Warmer Homes Scheme – Ireland	€375 million	No	High	Medium
Energy auditing support – Barcelona	€400,000 / year	No	High	Low
Heating subsidy and social electricity tariff – Bulgaria	€63 million / year	No	High	Low
Disconnection prohibition – Hungary	n/a	No	High	Low
Slime Programme – France	€17 million	No	High	Low

High	High
Medium	Medium
Low	Low





- **Structural improvement through renovation**
 - Might require investments from building owners or increase the monthly costs
 - Broader scope: target energy independent and energy poor households simultaneously
 - 100% grant programs not considered sustainable, limited budgets
- Risk averseness among energy poor household - rather no additional long term financial commitments
- Instruments tailored to energy poor specifically
 - Low budgets which do not trigger deep renovation
 - Treating the symptoms rather than the cause of energy poverty
 - Do not focus on MFAB



Energy Poverty and European legislation

What needs to be considered?



- Worst performing buildings = lowest income groups?
- Access to financing through...?
- Gentrification is...
- Including voices from CEE in the European Debate
- Good practice and lighthouse projects from energy poor communities in CEE?
- Curtail property prices and rents
- Multiple benefits should reach energy poor households!
- Are MEPS the solution?





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