

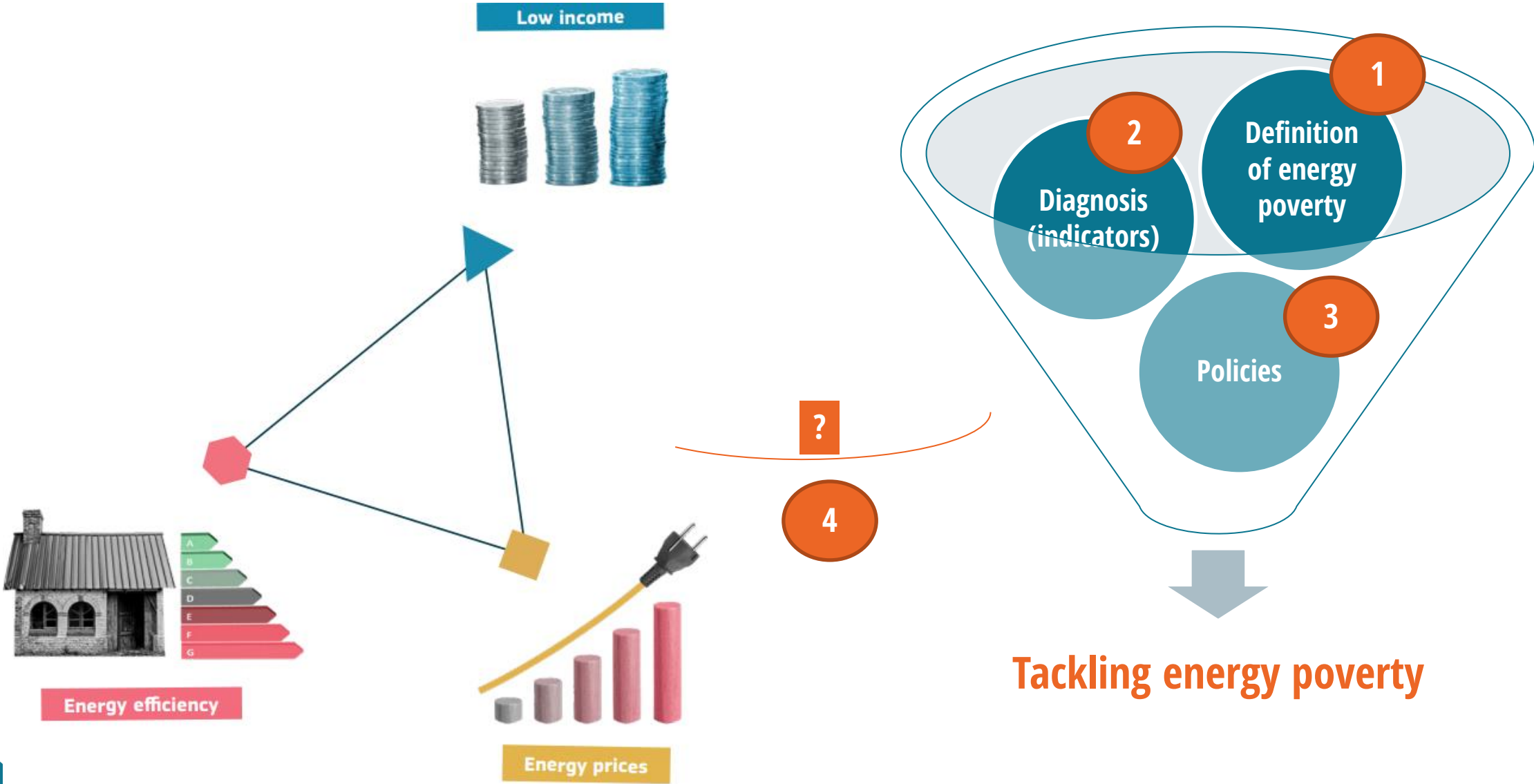


Monitoring and tackling energy poverty at national and EU levels

EUROPEAN SUSTAINABLE ENERGY WEEK

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Energy poverty : main causes and key elements to tackle the phenomenon



1

Definition : a prerequisite for policy implementation ? (1/2)

EU Provisory definition



“A household’s lack of access to essential energy services that underpin a decent standard of living and health, including adequate warmth, cooling, lighting, and energy to power appliances, in the relevant national context, existing social policy and other relevant policies “

Comission proposal for a recast of EED (legislative procedure ongoing) , art. 2(49)

+ the obligation to have an energy savings sub-target for priority groups, under Article 7, now Article 8

1

Is a definition of energy poverty a prerequisite for policy implementation ? (2/2)



Italy

"Difficulty of purchasing a minimum basket of energy goods and services or, alternatively, access to energy services that involves a distraction of resources, in terms of expenditure or income, exceeding a 'normal value'." *National Energy Strategy, 2017*



Bulgaria

"Vulnerable clients' are household clients, who receive target assistance for electric power, heat energy or natural gas under the Act on Social Assistance and the acts of secondary legislation on its implementation." *Energy Act, article 66c (new -SG, 54/2012, in force from 17.07.2012)*



UK*

"Fuel poverty is expressed in the form of a person [who] is a member of a household living on a lower income in a home which cannot be kept warm at reasonable cost." *Warm homes and energy conservation act.*



France*

« is in energy poverty [...] a person who has particular difficulties in getting the energy supply necessary to meet her/his basic needs in her/his dwelling because of inadequate conditions of revenues or housing. *Grenelle 2 law, 2010*

*Official definitions exist for each of the four constituent countries

** Official definition

Diagnosis : a need for appropriate indicators and a step forward in understanding the issue (1/2)

- **Eurostat** (EU-SILC, HBS) = common basis, but with limitations: does not capture national specificities
- 4 primary and 19 secondary indicators from **Energy Poverty Advisory Hub** (EPAH - former EPOV)
- EC recommendation: *"National indicators can help complement these and refine the identification of energy poverty"*
- **Specifications** of the national indicators depending on the country (and data availability): scope of income, estimated/metered energy expenses, threshold values, ...

Diagnosis : a need for appropriate indicators and a step forward in understanding the issue (2/2)

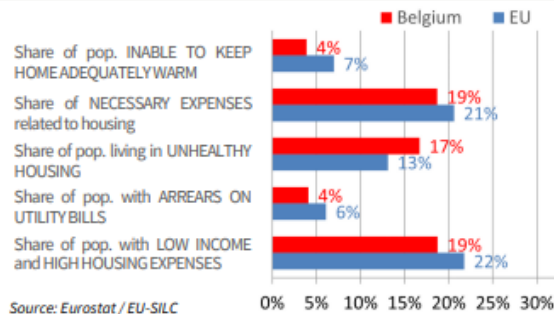
Official national indicators on energy poverty, found in 6 countries (Belgium, France, Greece, Italy, Spain, UK)

Type of indicator	Number of countries	Countries
Similar to LIHC (Low Income High Costs)	5	Belgium, France, Italy, Spain, UK (Scotland)
Restriction on the use of heating	4	Belgium, Greece, Italy, Spain
Feeling cold	3	Belgium, France, Spain
Threshold on ratio [energy expenses / disposable income]	2	Greece, UK (Wales, Northern Ireland)
LILEE (Low Income Low Energy Efficiency)	1	UK (England)
Energy poverty gap	1	UK (England, Scotland)
Bill arrears	1	Spain

Source : Bosseboeuf et al, 2021. Tackling energy poverty ; learning from the experience in 10 European countries. ECEEE summer study 2021.

Various types of indicators : the Odyssee database and current developments

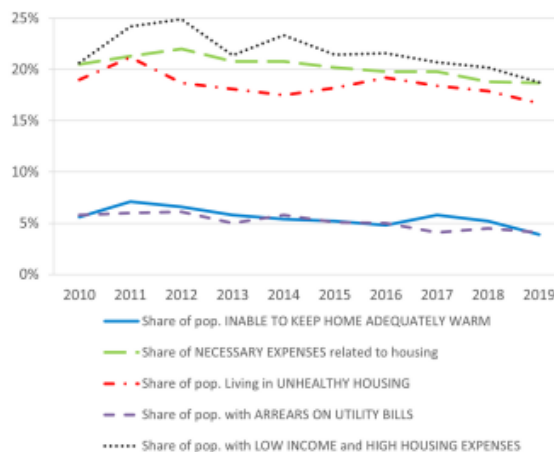
Some Eurostat / EU-SILC indicators will be included into the database



Most of the energy poverty indicators, whether related to housing or household expenditure, are **better in Belgium than the European average** (2 to 3 points). The country has introduced many measures, particularly in the form of financial assistance, to support the poorest households.

Nevertheless, the share of the population declaring to live in **substandard housing is slightly higher than the EU average**: 17% against 14%. Indeed, the **share of dwellings built before 1946 is higher** in the Belgian housing stock (37%) than at the European level (22%) (Eurostat).

TRENDS OVER 2010-2019



The **at-risk-of-poverty** rate and the number of people living below the poverty line in Belgium is **fairly stable**: almost 1.7 million people in 2019.

There is an **improving trend over 2010-2019 in other indicators related to energy poverty**. The share of housing-related expenditure of Belgian households has decreased by almost 2 points since 2010, partly due to the downward trend in the price of gas and heating oil, which are the main energy sources consumed in the residential sector (41% and 30% respectively in 2019). The price of electricity for households (20% of the residential consumption mix) has, on the contrary, continued to rise (+5%/year on average since 2010) (Enerdata).

Energy poverty affects tenants (35%) more than owners (14%) ([Barometer, 2020](#)), due to lower average incomes of tenants, and the constant rise in rents especially in small, low-cost housing ([EPOV, 2020](#)).

New Odyssee indicators to come (2023):

- energy expenditures of households
- unintentional energy savings made by the households of the lower quartile of revenue
- ...
- **And all indicators which will be used by Member States to calculate their "priority groups" sub-target for Article 8**

They will be displayed in the key indicators tool :

▶ Energy efficiency

▶ Macro

▶ Industry

▶ Transport

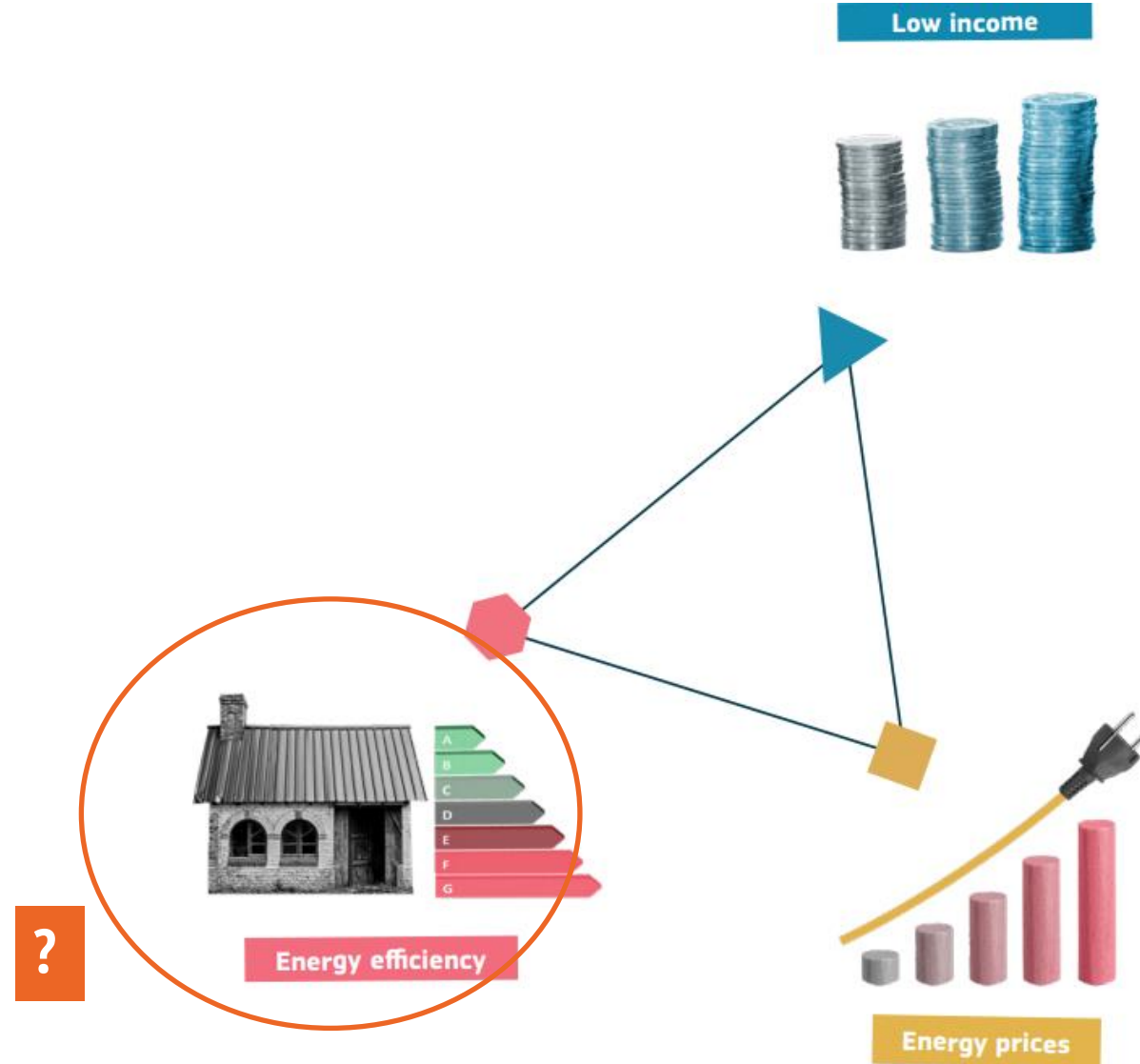
▶ Households

▶ Services


▶ Energy poverty

▶ Energy sufficiency

Policies and measures : how far do they adress the renovation issue?



Mure : Example of policies targeting fuel poverty



MURE DATABASE

Sector :

Countries :

Measure type :

Targeted end-use :

Measure Characterisation

Impacts

Relation to EU Policy Frame

Energy poverty & sufficiency

- Energy poverty
- aiming mainly or exclusively at energy poverty
- including an important component addressing energy poverty
- Sufficiency

more detail

8 measures found

Country	Sector	Title	EU	Type
France	Household	EU-related: Eco-design requirements for energy-related products (Directive 2009/125/EC) - Minimum energy performances of boilers	Yes	Mandatory standards
France	Household	EU-related: Energy Performance of Buildings (Directive 2002/91/EC) - Energy performance diagnosis (Diagnostic de performance énergétique, DPE)	Yes	Mandatory information
France	Household	EU-related: Energy Performance of Buildings EPBD Recast (Directive 2018/844/EU) - Boiler maintenance and periodic control	Yes	Mandatory information, Mar
France	Household	EU-related: Energy Performance of Buildings EPBD Recast (Directive 2010/31/EU) - Building code of 2012 (RT 2012)	Yes	Mandatory standards
France	Household	National observatory of fuel poverty (ONPE) - Energy efficiency measures to tackle fuel poverty	No	Financial, Information/traini
France	Household	Energy bill payment assistance for low-income households (Energy poverty related measure: Chèque énergie)	No	Financial
France	Household	Generalisation of smart meters for gas and electricity	No	Information/training
France	Household	Building code of 2020 (RE 2020)	Yes	Mandatory standards

- **Centralised information** on policy measures, especially on fuel poverty measures, are **still rare** (especially about outputs and results, on going in MURE)
- **Targeting = key issue** (even more important in recovery plans → risk of increasing inequities)
- **Few measures found about appliances**
- **Low-cost actions** often included in local schemes

Policies and measures : National energy efficiency measures are mostly focused on dwelling renovation, some of them have a “social dimension”

Type of « social dimension » in the energy efficiency measures

	Germany	Belgium	Bulgaria	Sapin	France	Greece	Italy	Poland	Romania	UK
Measures without specific criterion but ensuring access for all			1				2	1	1	2
Measures including social criteria (e.g., different grant rates)	1	2		2	1	2		1		
Measures dedicated to tackling energy poverty	1	1			2	1		1		3

- Example of measures with social criteria: levels of aid depending on income level
- Example of dedicated measures: eligibility criteria with an income threshold, or measures targeted at social assistance recipients

BUT renovation policies are often beyond the reach of the most vulnerable households

Conclusion and outlooks

INDICATORS AND OBSERVATORIES

- **Increasing knowledge** and data about energy poverty, but still **data gaps** on measures and results
- Energy poverty = complex issue → best practice = **combining different approaches / measures** to address energy poverty in a **comprehensive way**
- **Added value of national observatories** in gathering data and experience, not only about indicators, also about policies & measures + good practices from local level
- It will be interesting to see what the Member States include in their updated PNECs (see mandatory reporting, EED-Art 8.) , the drafts of which should probably be available in the autumn.

POLICIES AND MEASURES

- Many measures are **'in the making'** (revised in line with experience and political priorities)
- Adaptations/developments very likely to **face the social and economic crisis** due to COVID-19 + recent **surge of energy prices**
- **First** policies implemented most often about incomes or direct aids to **help cover energy expenses**
- Implementing **Energy Efficiency First** → considering a broader analysis (multiple benefits + long term)
- Key challenge about EE vs. energy poverty: **renovation policies often beyond the reach** of the most vulnerable households
- **Targeting** of renovation programs less developed than the targeting of the aids for energy

Thank you for your attention

Contacts :

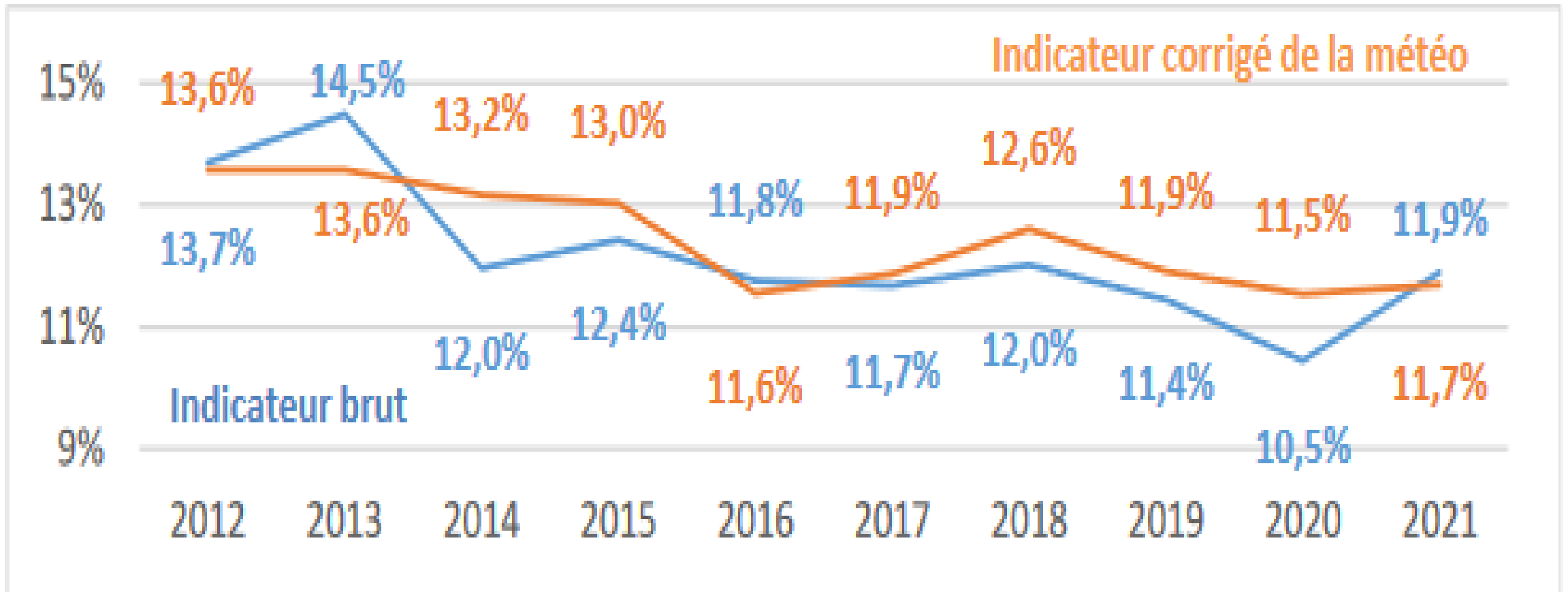
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1) Why is targeting a key issue ?

In 2021, 11.9 % of French households (3.4 million households) were considered to be in fuel poverty

Energy Effort rate (TEE_3D) (Source ONPE)



National quantitative Indicators on fuel poverty : The case of France

The indicator of coldness (Source ONPE)

22% of French people suffered from the cold for at least 24 hours during the winter of 2022 (+2pts compared to 2021)

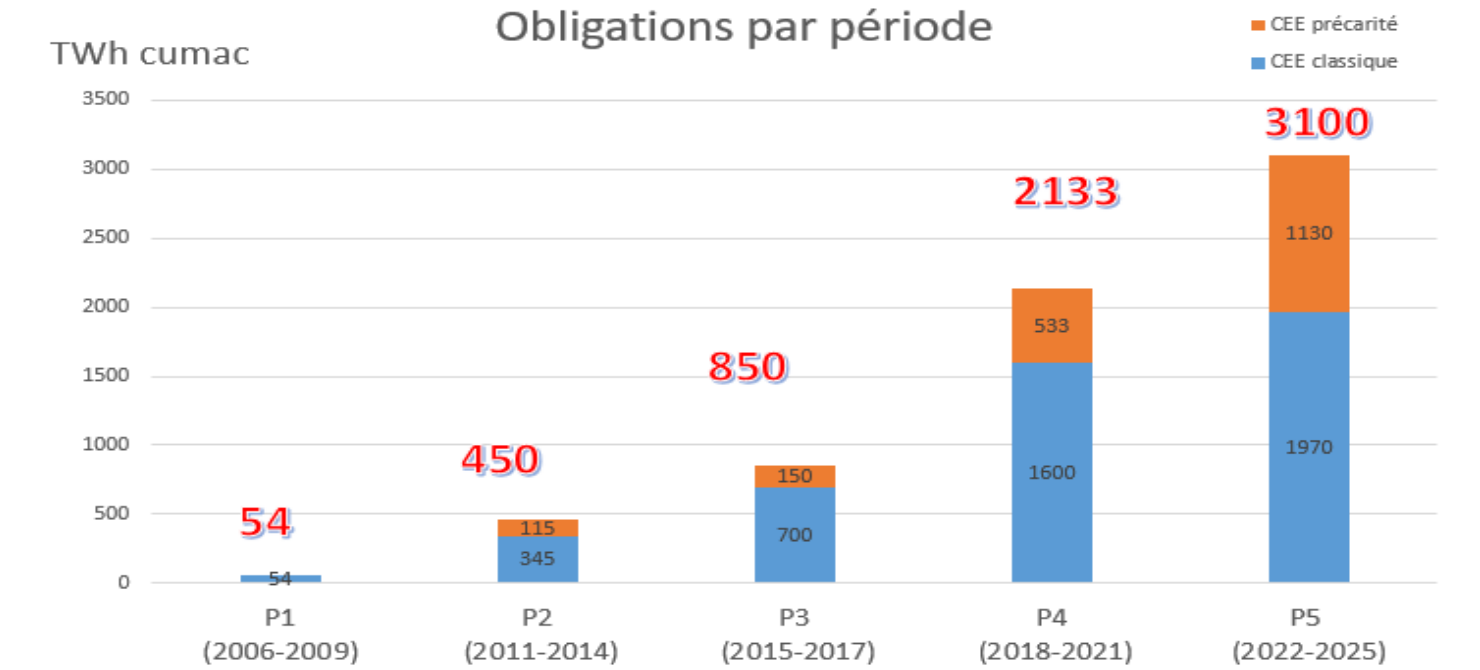
- **37%** for financial reasons (+1pt compared to 2021)
- **35%** because of poor insulation (5pts compared to 2021)
- **28%** because of a rigorous winter (2pts compared to 2021)



2) To what extent can the private sector be involved in the fight against fuel poverty?

An exemple of a good practice on fuel poverty policy: The french EEOs (CEE) Scheme

- France has a long lasting tradition to incorporate EEOs towards fuel poors.
- Currently (2022-2025), more than 1/3 of the EE certificates produced by the obliged parties concerned poor households .
- In the past, this target has been exceeded.



Source : ADEME, from the Ministry