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ODYSSEE-MURE

Third meeting of the project “*ODYSSEE-MURE,
Monitoring EU Energy Efficiency First Principle and Policy
Implementation*”

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EE1 and Energy Poverty

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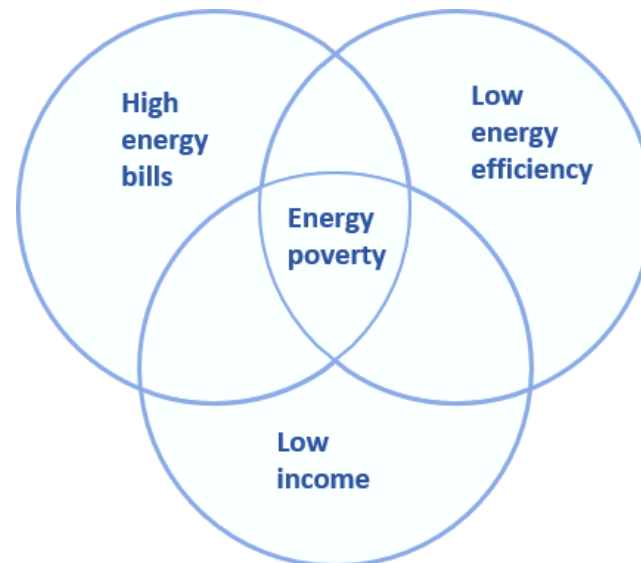


Introduction

- **Background: Energy poverty**
- **How does energy poverty affect the EU?**
- **How is energy poverty addressed in the EU?**
- **What more can be done about it?**

What is energy poverty?

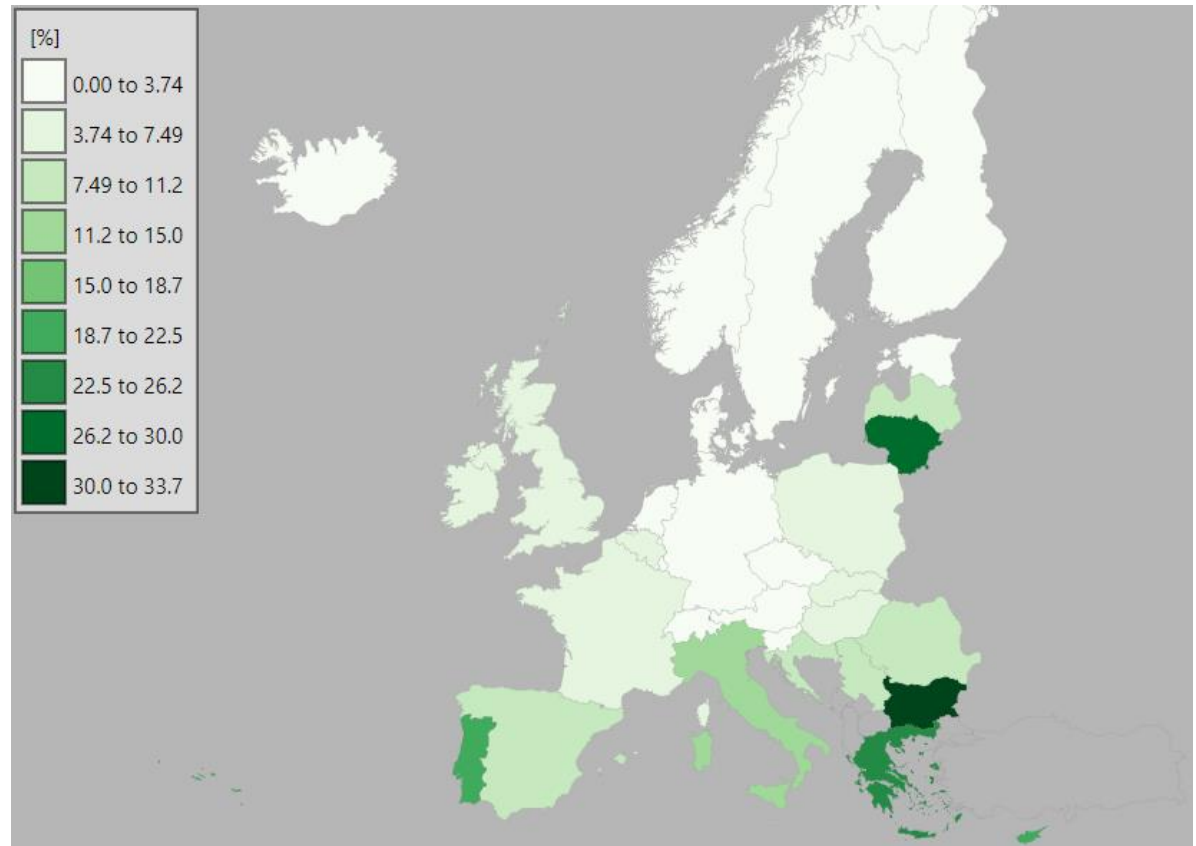
- **Definition:** The European Commission describes energy poverty as a situation in which households are unable to access essential energy services
- Although energy poverty is partly driven by low income, energy poverty does not completely overlap with economic poverty
- **Causes:** 3 key drivers of energy poverty:



How is the EU affected by energy poverty?

- In 2019, around **50 million households** in the EU lived in energy poverty
- **30 million of Europeans** suffered from the inability to keep their homes adequately warm, which equals 6.9% of the EU.
- The **Covid-19 pandemic** is likely to have aggravated the situation due financial constrains and increase in energy consumption (lockdown, home office etc.)

Share of the population unable to keep their home adequately warm



Assessment of energy poverty by the Member States

- An analysis of the National Energy and Climate Plans (NECPs) showed that in 2020 most Member States (MS) still lacked a clear definition and an approach on how to assess energy poverty

Definitions and indicator adopted by the Member States on energy poverty

	Definition	Quantified
Yes	AT, BE, IE, IT, LV, LU, MT, RO, ES	AT, BE, CY, NO, IE, IT, MT, RO
No	BG, HR, CY, CZ, DK, EE, FI, FR, DE, GR, HU, LT, PT, SK, SL, SE	BG, HR, CZ, DK, EE, FI, DE, HU, LV, LT, LU, NL, PL, SK, SL, ES, SE
Partial	NL, PL	FR, PT

What are the different approaches to energy poverty?

Palliative approach: Measures, which provide short-time relief to affected households.

- Addressed with social policies like income assistance or direct support via (partly) payments of energy bills.
- Form: Social policies
- **For instance France, Germany**

Preventitive approach: Measures, which target the root cause of energy poverty and help to solve the cycle in the long-term

- the measures predominantly aim to improve the poor performance of buildings and appliances.
- Form: General energy policies or targeted energy policies

Which countries apply preventative policies?

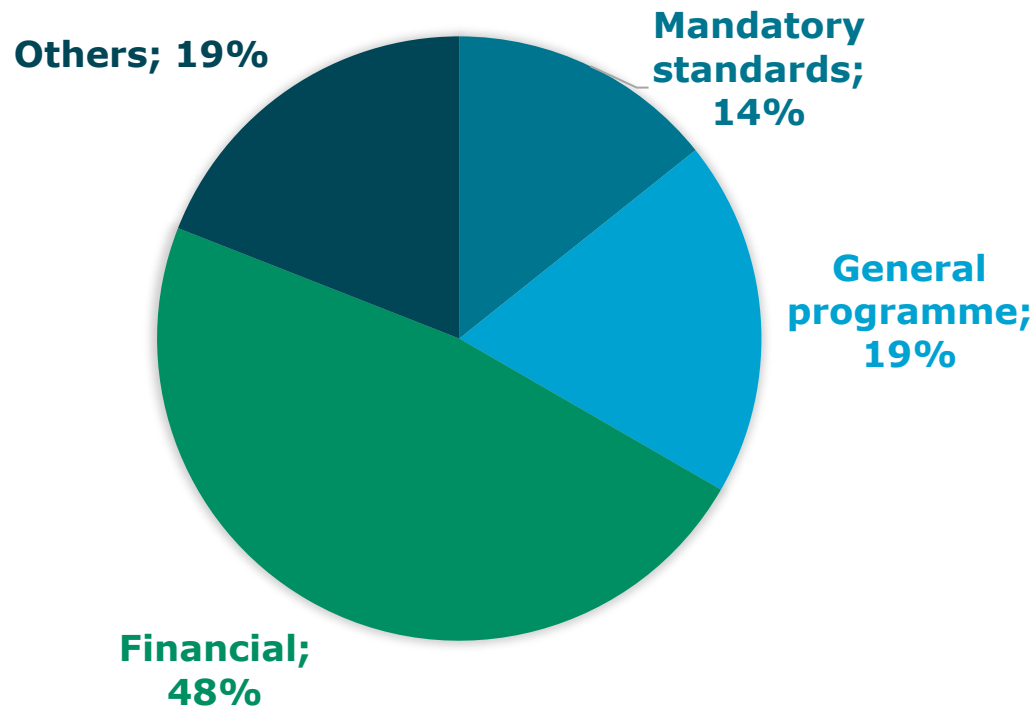
- The MURE database allows to filter energy efficiency policies regarding their impact on energy poverty
- Out of the 27 Member States, only 8 consider energy poverty in those policies (represented in MURE)

Overview of the Member States with energy efficiency policies on energy poverty

Country	Mainly or exclusively aimed at energy poverty	Includes components addressing energy poverty
BG	0	5
EE	0	1
FI	0	3
DE	1	1
GR	1	1
PT	1	1
ES	0	4
RO	1	0

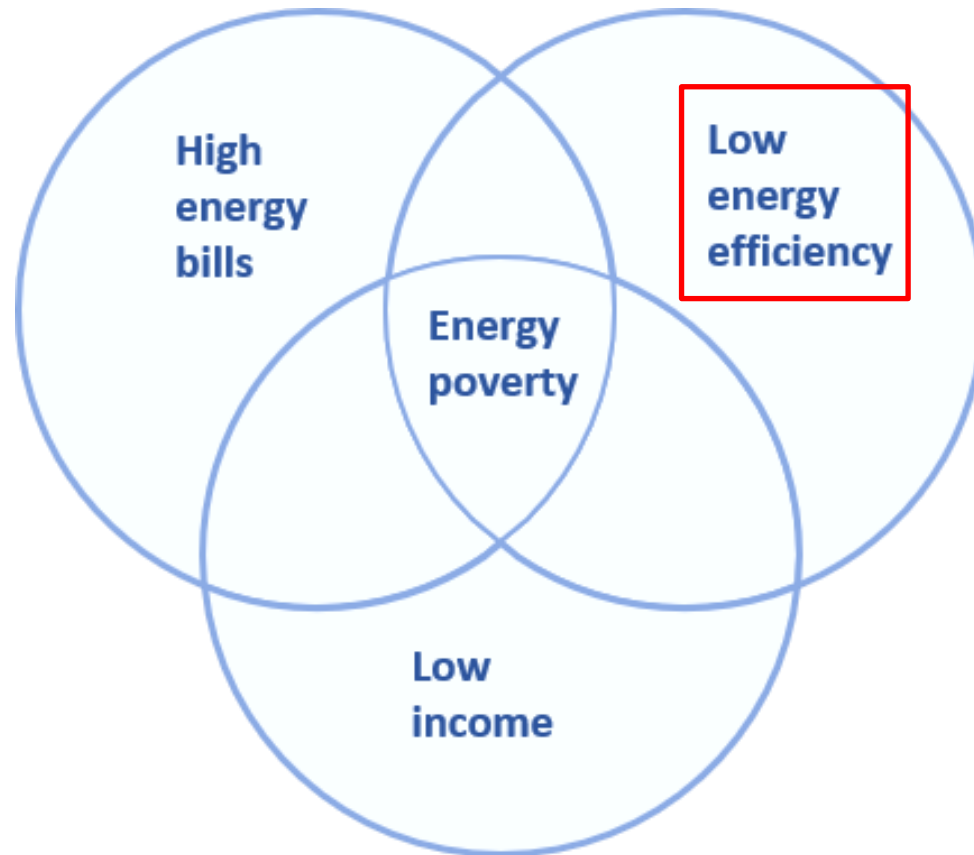
What types of policies are implemented?

Types of energy policies addressing energy poverty in the EU27



Why does energy poverty matter in context of energy efficiency first? (1)

Energy efficiency and the EE1 principle

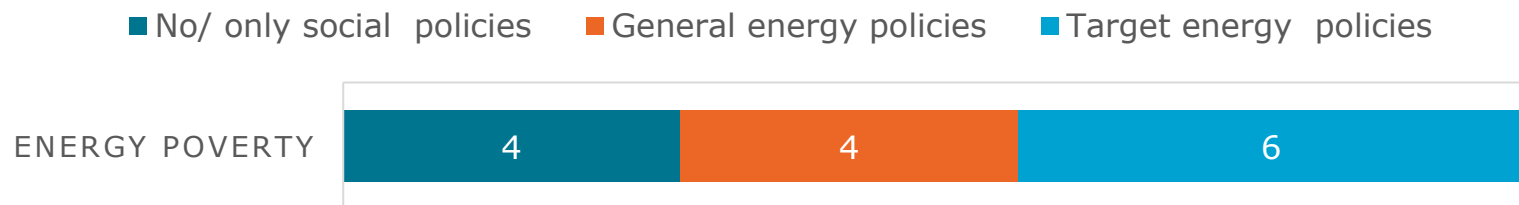


Why does energy poverty matter in context of energy efficiency first? (1)

Energy efficiency and the EE1 principle

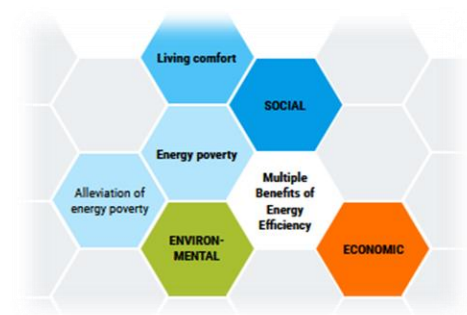
- Energy poor households face the barrier to energy efficiency investment to a greater extent
- To ensure that energy efficiency comes first across the whole society, the circumstances of vulnerable households need be considered in the design of policies and measures.

Assessment of the energy poverty in the NECPs (14 MS)

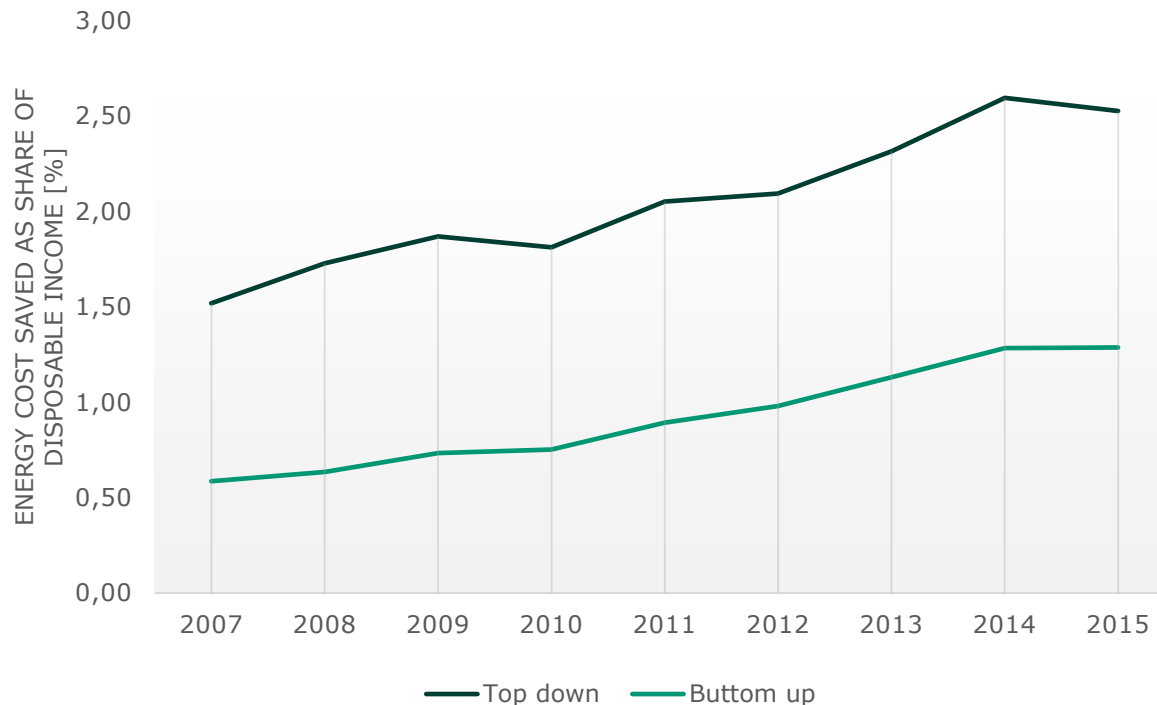


Why does energy poverty matter in context of energy efficiency? (2)

- **Poverty alleviation** as a social benefits of energy efficiency: Disposable household incomes can be increased through lower energy consumption and thus, reduced costs.



- Average savings between 1.5%-2.6% (TD) and 0.6%-1.3% (BU) **in Germany** between 2007 and 2015



Conclusion: What more can be done about energy poverty?

- Establishment **of national definitions** on energy poverty.
- **Development of measurements**, which capture the multidimensional aspects of energy poverty.
- Implementation **of targeted** energy efficiency policies.
- Increase **political awareness** on energy poverty in all Member States

Thank you!