

Minutes of national “ODYSSEE-MURE - Monitoring EU energy efficiency first principle and policy implementation” workshop

During the time foreseen for the discussions the participants considered energy sufficiency and energy poverty issues in Lithuania. They were interested if energy sufficiency concept is included in country's climate and energy policy and is it relevant? It was answered that there is a clear movement towards sustainable energy consumption but national policies only fragmentedly respond to energy sufficiency. This issue is relevant for the country due to consumerism approach significantly included in life of people. Moreover, Lithuania's climate and energy policy aims to ensure that the country by 2050 becomes an energy-sustainable and independent state in which energy from RES meets 90% of final needs. In the electricity and DH sectors, all energy is produced using only RES. In the country energy intensity was reduced by 2.4% and GHG emissions by 100%. Therefore, both existing and planned policy measures should be implemented. In addition, seeking to facilitate the implementation of the objectives and targets, new approach as energy sufficiency could find its place. In Lithuania's climate and energy policy, energy sufficiency is a new concept, but its content and structural parts are already included in the dimensions of the NECP2030 such as decarbonisation, reduction of energy consumption or horizontal measures. Mainly, the concept of energy sufficiency is linked to changing consumer behaviour in the transport sector by promoting eco-driving, inland waterway transport, public road transport or cycling, and the emergence of co-transport services, which would contribute to reducing GHG emissions. The plan also includes measures to reduce energy poverty, i.e., for the purpose to deal with energy insufficiency. In order to reduce energy consumption, agreements have been reached between energy suppliers to train and advise consumers, and a higher rate of excise duty is applied to fossil fuel users. As can be seen, the approach to energy sufficiency is only emerging, although fuel and energy consumption here tends to increase by 1.1% annually. Furthermore, participants were interested on researches performed in this direction. It was answered that LEI takes part in two projects related to energy sufficiency. These are: CACTUS (Consolidating Ambitious Climate Targets with End-Use Sufficiency) is a project on energy sufficiency and its integration into climate and energy strategies in Central and Eastern Europe and the project of the Joint Baltic-Nordic Energy Research Program “Integrating Energy Sufficiency into Sustainable Energy Scenario Modelling” aims to include energy sufficiency aspects into the models used for planning of energy development.

Participants asked about the level of governance at which this concept could be implemented. It was answered that sufficiency-oriented practices could be implemented at different level (for example, EU or region), but it was observed that sufficiency actions are usually taken at local and community levels and are supported by programs implemented by related ministry. Later, participants were interested in indicators used in the country to deal with energy sufficiency. It was answered that thus far energy sufficiency issues are analyzed in transport and household sectors as these are the largest energy consuming sectors in Lithuania. A list of indicators is analyzed. These are social, energy, housing, and travelling related quantitative indicators. In addition, it was asked on policy measures that could be helpful for Lithuania. At least several groups of policy measures helping to extract energy sufficiency potential in the country's household sector could be identified. These are policy measures addressing the issue of increasing floor area per capita, promoting co-living, increasing vacancy rates and specific energy consumption in dwelling. Participants argued that in the presentation the comparative analysis of countries in terms of definition of energy poverty and its assessment method was given. It is interesting to know how deep energy poverty is in Lithuania in comparison to other Baltic countries. It was answered that during 2005-2020, energy poverty was higher in Lithuania than in other Baltic States. The development of indicator of the share of people who cannot afford adequately warm their dwellings shows that for every fourth person (26.7% of people) in Lithuania this was a problem in 2020, in comparison to every third person (34.8% of people) in 2005. The Ministry of Energy is considering the idea of compensating households if their bills for electricity, gas, heating and possibly water exceed 15% of income. In Latvia, the share of people who cannot afford adequately warm their dwellings decreased from 29.8% (2005) to 8% (2020). Thus far energy poverty is the lowest in Estonia. Here, 2.7% of people could not afford adequately warm their dwellings in 2020, in comparison to 2.6% in 2005. In the presentation, the factors of energy poverty were mentioned. Participants argue that one of the measures to tackle high energy prices is the introduction of sustainable energy, the renovation of houses and technological progress. i.e., implementation of the so-called Green Deal package. Gas imports and CO₂ emissions should not be subsidized. Instead, energy consumers should be motivated to reduce consumption of natural gas and faster than up to now renovate of their buildings. In other words, energy inefficiency must be tackled through more efficient use of energy in buildings and installations and the phasing out of fossil fuels. However, such essential measures can only be implemented in the long term. It is proposed to reduce the level of energy poverty in Lithuania by improving the information of the population, changing the compensation system,

and at the same time it is recommended to consider waiving the VAT relief for heating in the long run, if the conditions are favourable. At the same time, there is a desire to improve ways of identifying the level of energy poverty.