

HOW TO BEST USE ART 7 EED TO TACKLE ENERGY POVERTY

MEMBER STATES EXPERIENCES AND PLANS FOR THE FUTURE

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ENERGY POVERTY IN THE INITIAL EED (ADOPTED IN 2012)

- ✓ Reducing or preventing energy poverty: part of the general objectives of the Directive, but **not on top of the list** (recitals 49, 52, 53)
- ✓ **Possibility** (could/may) to Include “social objectives” or “**social aim**” among other objectives, as part of financial facilities or EEOS
→ “ensure that **vulnerable customers** have **access** to the benefits of higher energy efficiency”
- ✓ Art.7(7): “Within the energy efficiency obligation scheme, Member States **may**: (a) include requirements with a **social aim** in the saving obligations they impose, including by requiring a share of energy efficiency measures to be implemented as a priority in **households affected by energy poverty** or in **social housing**”

ENERGY POVERTY IN THE AMENDED EED (ADOPTED IN DECEMBER 2018)

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- ✓ Energy poverty = one of the key objectives of the Energy Union, so **now on top of the list** (recital 1 + three dedicated recitals 23 to 25)
 - ✓ **Strong recommendation** (“should”) or **obligation** (“shall”) + provisions extended to alternative measures
 - ✓ Keeping “**full flexibility**” about the criteria (definition/scope) and approach (policy instruments)
 - ✓ Ensuring “**accessibility to energy efficiency measures**” and “*that energy efficiency measures reduce energy poverty for tenants sustainably*” (+ obligation for MS to report outcomes in NECPs)
 - ✓ Not only housing & appliances, but also **transport** (see recital 25)

ENERGY POVERTY IN THE AMENDED EED (ADOPTED IN DECEMBER 2018))

Art.7(7) replaced with Art.7(11): “**may**” replaced with “**shall**”

“In designing policy measures to fulfil their obligations to achieve energy savings, Member States **shall** take into account the **need to alleviate energy poverty** in accordance with **criteria established by them**, taking into consideration their available practices in the field, **by requiring, to the extent appropriate, a share of energy efficiency measures** under their national energy efficiency obligation schemes, alternative policy measures, or programmes or measures financed under an Energy Efficiency National Fund, **to be implemented as a priority among vulnerable households, including those affected by energy poverty and, where appropriate, in social housing.**

Member States **shall** include **information about the outcome** of measures to alleviate energy poverty in the context of this Directive in the integrated national energy and climate progress reports in accordance with Regulation (EU) 2018/1999.”

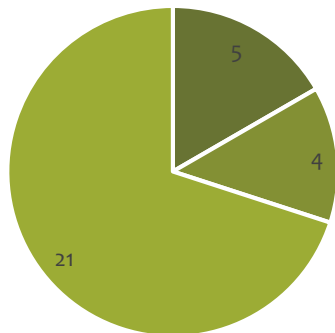
CAN RES ACTIONS BE ELIGIBLE TO EEOS?

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- ✓ Eligibility of action types to EEOS = **national rules**
 - ✓ Possible for MS to count actions for its national objectives, that will not be reported for EED article 7
 - RES actions can help to meet RES target and EED art.3 target
 - RES actions for own use can reduce bill arrears and protect against increases in energy prices
 - RES actions can contribute to the “sector coupling” approach
 - ✓ RES actions for own-use can also be a way to increase energy awareness / empowerment, thereby leading to energy savings (which then needs to be demonstrated)
- Article 7 in line with “Energy Efficiency First”: RES actions not fully excluded, but priority on final energy savings
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WHAT HAVE THE NATIONAL ENERGY AND CLIMATE PLANS SHOWED THUS FAR?

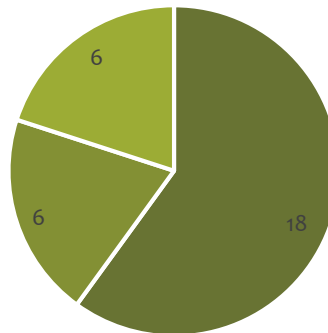
From a first evaluation of NECPs, 30 measures for the Article 7 targets refer to Energy Poverty (out of 294 in total)

Measures timeline



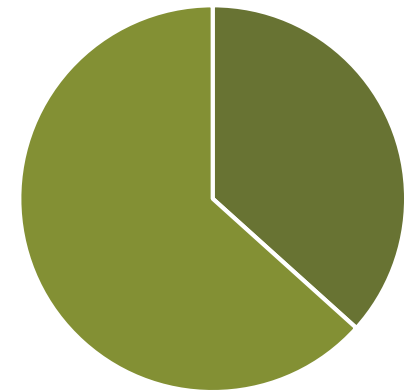
■ 2021-2030 ■ 2019 ■ 2014-...

Types of measures



■ Financial ■ Obligations ■ Other

Including RES



■ RES ■ No RES

ENERGY POVERTY IN THE PRIVATE RENTED SECTOR?

The Private Rented Sector in the EU is fragmented and presents a challenge to the full integration of energy policy. There are two well-known barriers :

- a) **Split incentives**, which occur when the party responsible for paying the energy bills (tenant) differs from the party that undertakes the energy efficiency capital investments (landlord); and
- b) **Lock-in effect**, where tenants are locked into their current residential situation, or where energy efficiency investments meet legal or technical barriers, thus undermining the status of households as free market agents

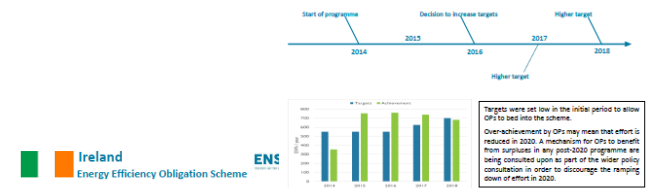


LIST OF POLICIES FOR THE PRIVATE RENTED SECTOR

AT	Energy Efficiency Act (2015 -); Tariff calculator; Electricity labelling system; Dynamic Pricing; Awareness raising; Protected customer revision; Energy Loan (2006 -); Grants for social insulation projects for rental buildings (2016 -); Heating Costs Accounting (1992 -); Energy consultations for low income households (2011 -); Heating allowance; Electricity help fund (2009 -); Low-threshold, target-group-specific consulting
HR	Compensation of energy costs of vulnerable customers; Capacity building for eliminating energy poverty (Envisioned); Programme for elimination of energy poverty (Envisioned); Energy renovation programme for multi-apartment buildings (Envisioned)
EE	Subsistence benefit; Reconstruction grant for apartment associations; Small residential home reconstruction grant (Private home renovation support); Small residential home heating system renovation grant (2014 – 2018); Electrical system renovation support; Housing grant for families with many children; District Heating Act Electricity Market Act and Natural Gas Act distinctions; Advisory unit for adult social welfare (2019 -)
DE	Energy consulting for low-income households (electricity savings check) (2016 -); Loan for modernisation of living space; Climate premium Bielefeld; Basic social support; Social Residential Tariff
GR	Improvement of the Social Household Tariff and launching of the Universal Service (2011 -); One-off special aid (2017); Heating allowance (2012 -); Energy Efficiency Incentive Scheme for Rental Buildings (Envisioned); Energy Card (Envisioned); Provision of incentive Communities) (Under implementation, Update-Re
IT	Electricity social bonus (2008 -); Electricity bonus Tax deductions for energy renovation(2007 -); Ele
NL	Incentive scheme to improve energy performance Bank (2015 -); Energy legion (2014 -); Disconnection

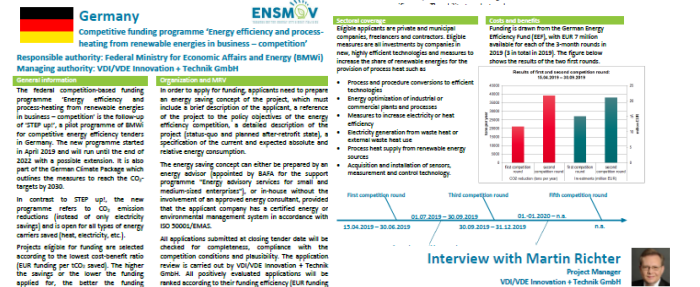
Factor	Driving force	Intervention	Policy options
Access	Poor availability of energy carriers appropriate to meet household needs.	  	Energy Efficiency Lease contract
Affordability	High ratio between cost of fuels and household incomes, including role of tax systems or assistance schemes. Inability to invest in the construction of new energy infrastructures.		Energy Efficiency Mortgages
Flexibility	Inability to move to a form of energy service provision that is appropriate to household needs.		On-bill financing
Energy efficiency	Disproportionately high loss of useful energy during energy conversions in the home.		Building codes
Needs	Mismatch between household energy requirements and available energy services; for social, cultural, economic or health reasons.		Concierge services
Practices	Lack of knowledge about support programmes or ways of using energy efficiently in the home.		Weatherization assistance program

H2020 ENSMOV SNAPSHOTS



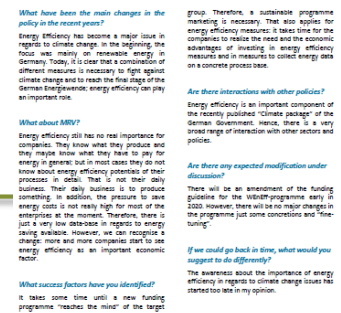
A concise overview of the EEOS and selected alternative measures

- ✓ **Short description of the policy:** quick history, who is involved, main rules
- ✓ Insights about the **results**
- ✓ Overview of the **policy mix** (when relevant)
- ✓ **Interview with a national expert**



→ available on <https://ensmov.eu>

Information as accurate as possible
+ **sole responsibility of the authors**, not
engaging the interviewees



H2020 ENSMOV STATUS QUO OF POLICIES

16 countries with **EEOS**

- Austria
- Bulgaria
- Croatia
- Cyprus
- Denmark
- France
- Greece
- Ireland
- Italy
- Latvia
- Luxembourg
- Malta
- Poland
- Slovenia
- Spain
- UK

12 countries with **alternative measures**

- Belgium
- Czech Republic
- Estonia
- Finland
- Germany
- Hungary
- Lithuania
- The Netherlands
- Portugal
- Romania
- Slovakia
- Sweden



H2020 ENSMOV CHALLENGES IN ART7 EED IMPLEMENTATION



MORE INFORMATION ON THE PROJECTS



H2020 ENSMOV (www.ensmov.eu)

H2020 ENSPOL (www.enspol.eu)

Thank you for your attendance

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