



# Overview of EC's activities on energy poverty

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# Legal basis enshrined in EU law

## Electricity directive 2019/944 :

- Requires Member States to take appropriate measures to address energy poverty wherever it is identified, including in the broader context of poverty. In addition, Member States must also protect vulnerable customers.
- Obligation to assess number of households in energy poverty, and must establish and publish the criteria underpinning this assessment. (Art 29)
- There is no standard definition of energy poverty - Member States need to develop their own criteria according to their national context. Possible criteria for assessment ( Art 29): low income, high expenditure of disposable income on energy, and poor energy efficiency of dwellings

# Legal basis enshrined in EU law

**Governance Regulation (1999/999)** complements Electricity Directive:

Where the number of households in energy poverty is significant, Member States must include in their **National Energy and Climate Plans (2020-2030)** an indicative objective to reduce energy poverty, provide a time frame, and outline relevant policies.

Member States are then under an obligation to report on any progress made towards the objective of reducing the number of households in energy poverty.

Commission guidance will be published in autumn 2022 to support Member States in **updating their NEPCs** (obligation for update June 2024)

# Legal basis enshrined in EU law

- **Commission recommendation (SWD(2020) 960 final)** provides 13 indicators that measure different facets of energy poverty
  - ✓ Primary indicators: directly depict energy poverty, ie affordability of energy services
  - ✓ Complementary indicators: help characterize the circumstances that lead to a situation of vulnerability

# Legal basis enshrined in EU law

- **Gas Directive 2009/93**

**Recital 50:** Affected Member States should develop national action plans or other appropriate frameworks to tackle energy poverty, aiming at decreasing the number of people suffering such situation. In any event, Member States should ensure the necessary energy supply for vulnerable customers.

Art 3(3) on protection of final customers, vulnerable customers, appointment of supplier of last resort

Art 3(4) on national energy action plans

# Commission proposals - FF55

Energy poverty increasingly included in recent strategies, eg Renovation wave and legislative proposals:

**Recast Energy Efficiency Directive (EED):** proposal for a definition of energy poverty, higher protection and empowerment of vulnerable customers. MS should also prioritise ee measures among vuln customers and energy poor.

Article 2(49): ‘energy poverty’ means 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.

**Multi-dimensional phenomenon** resulting from a mix of 3 drivers:

- low levels of income;
- high expenditure on energy (even more with current high energy prices);
- low energy efficiency, such as poor building efficiency standards.

# Commission proposals - FF55

**Gas package** : refers to EED recast and includes article on vulnerable consumers.

Extends the protection of vulnerable customers to gas market and mirrors what exists in the electricity market.

**Social Climate Fund:** refers to EED definition, also includes definition of vulnerable household 'households in energy poverty or households, including lower middle-income ones, that are significantly affected by the price impacts of the inclusion of buildings into the scope of Directive 2003/87/EC and lack the means to renovate the building they occupy'

**Recast Energy Performance of Buildings (EBPD)** : refers to EED definition  
Renovation as means to address root causes of energy poverty.

# Coordination group

Coordination group set up with Member States (**Commission Decision (EU) 2022/589**)

Purpose to exchange experiences, best practices, policies and expertise in addressing vulnerable consumers

Members are Member State representatives (particular from Ministries competent for energy), chair is DG ENER

Regular meetings, on a need basis (3-4 meetings/year)



# Other support

Data collection and analysis: ESTAT

**Energy Poverty Advisory hub** (next presentation)

**Research** and done by Joint Research Center, DG EMPL and others

Legislative proposals or guidance addressing energy poverty and vulnerable costumers – toolkit for energy prices October 2021 on regulated prices; emergency package of September 2022

# Thank you



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