

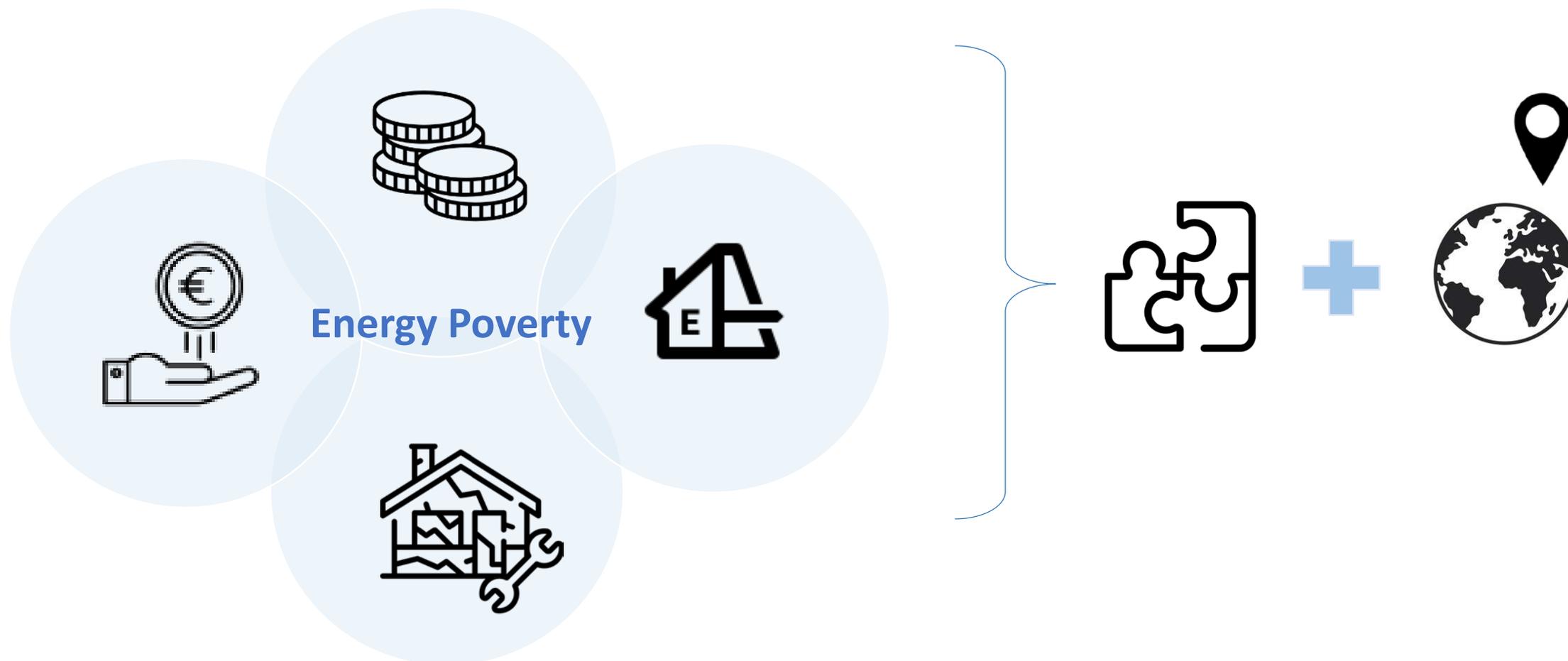
Addressing energy poverty in the context of high energy prices and supply concerns

Energy poverty in the Contracting Parties

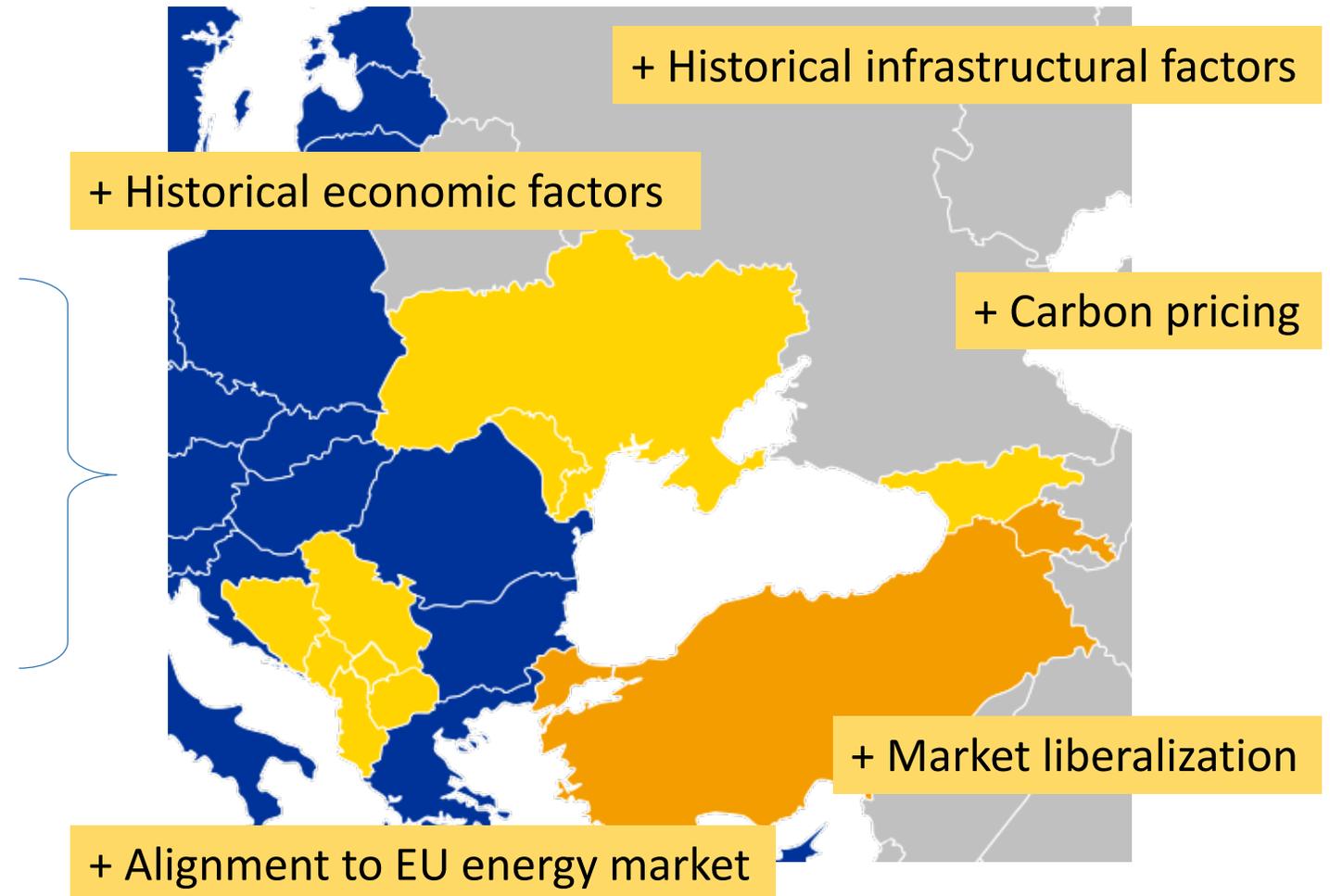
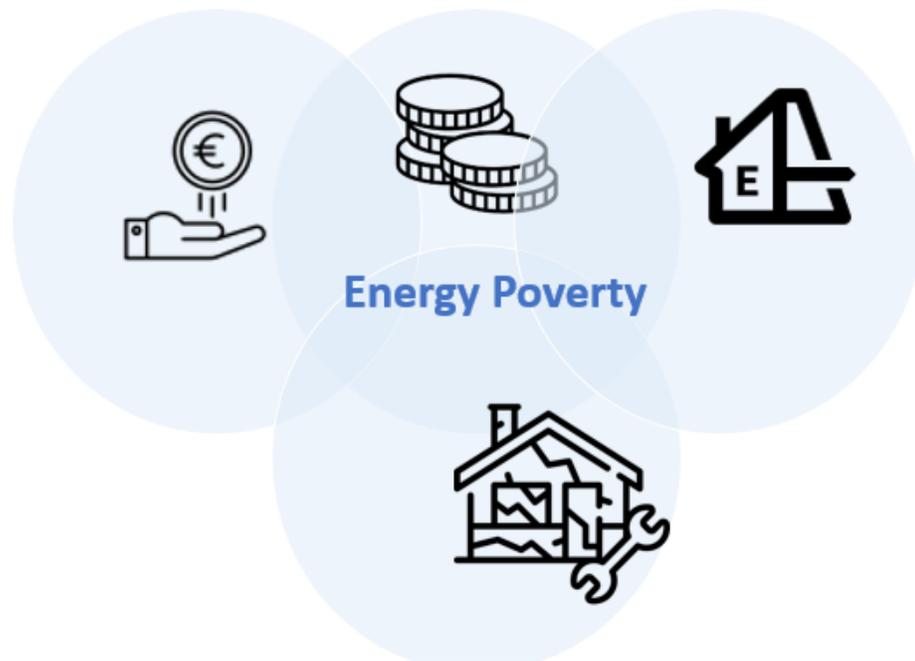
10 June 2022

Marta Schulte-Fischedick, Branislava Marsenić, Energy Community Secretariat

Energy poverty is **multidimensional** and **cannot** be measured by a **single indicator**.

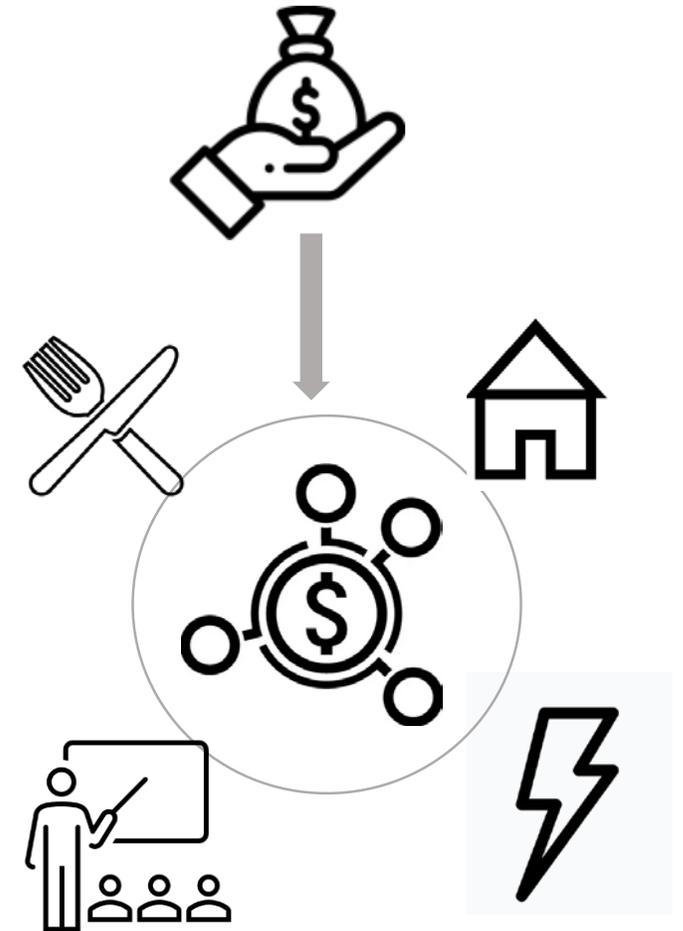
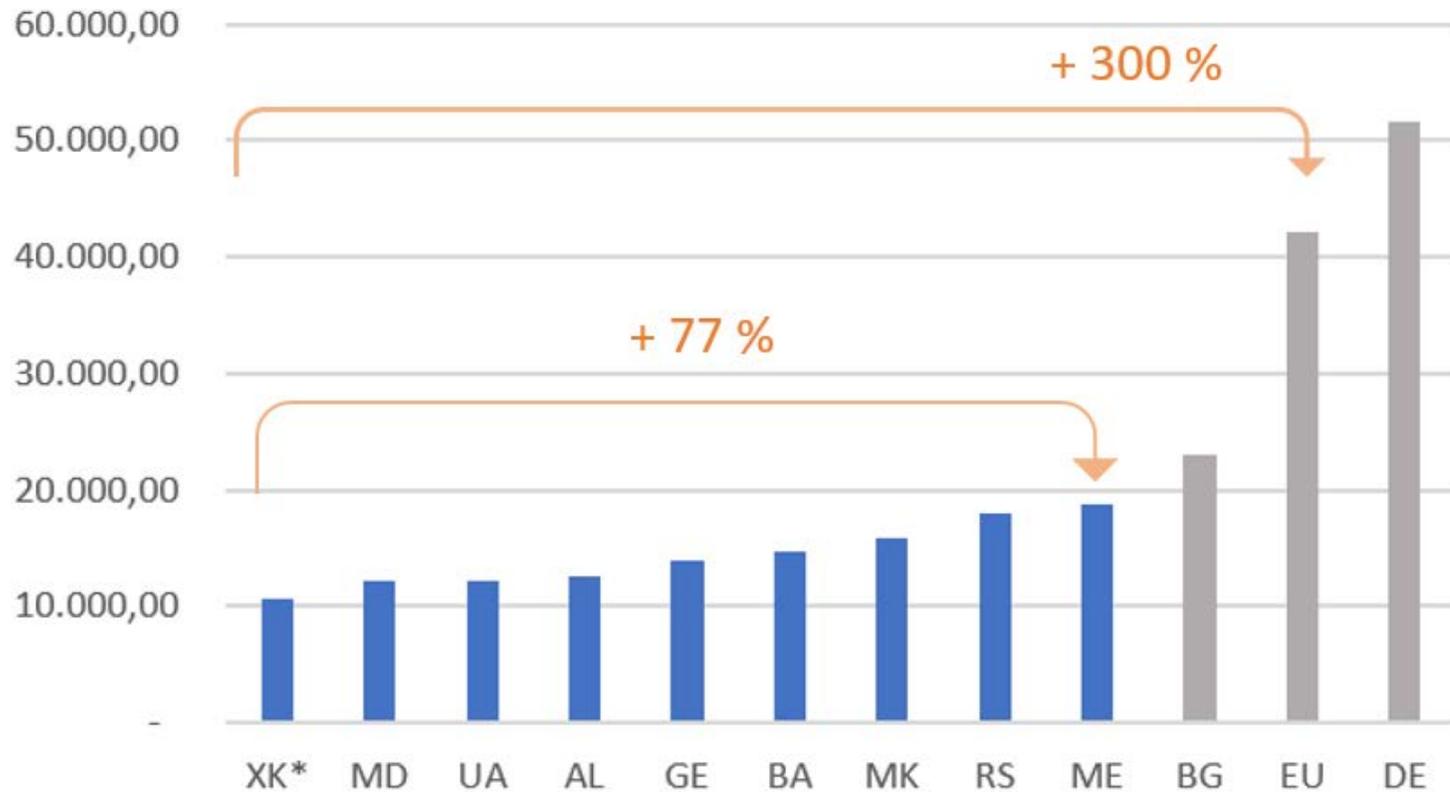


Energy poverty is expected to be **more pronounced** in the CPs than in the EU.



GDP per capita in the EU is **almost three times** the CP average.

GDP per capita, PPP (2020)



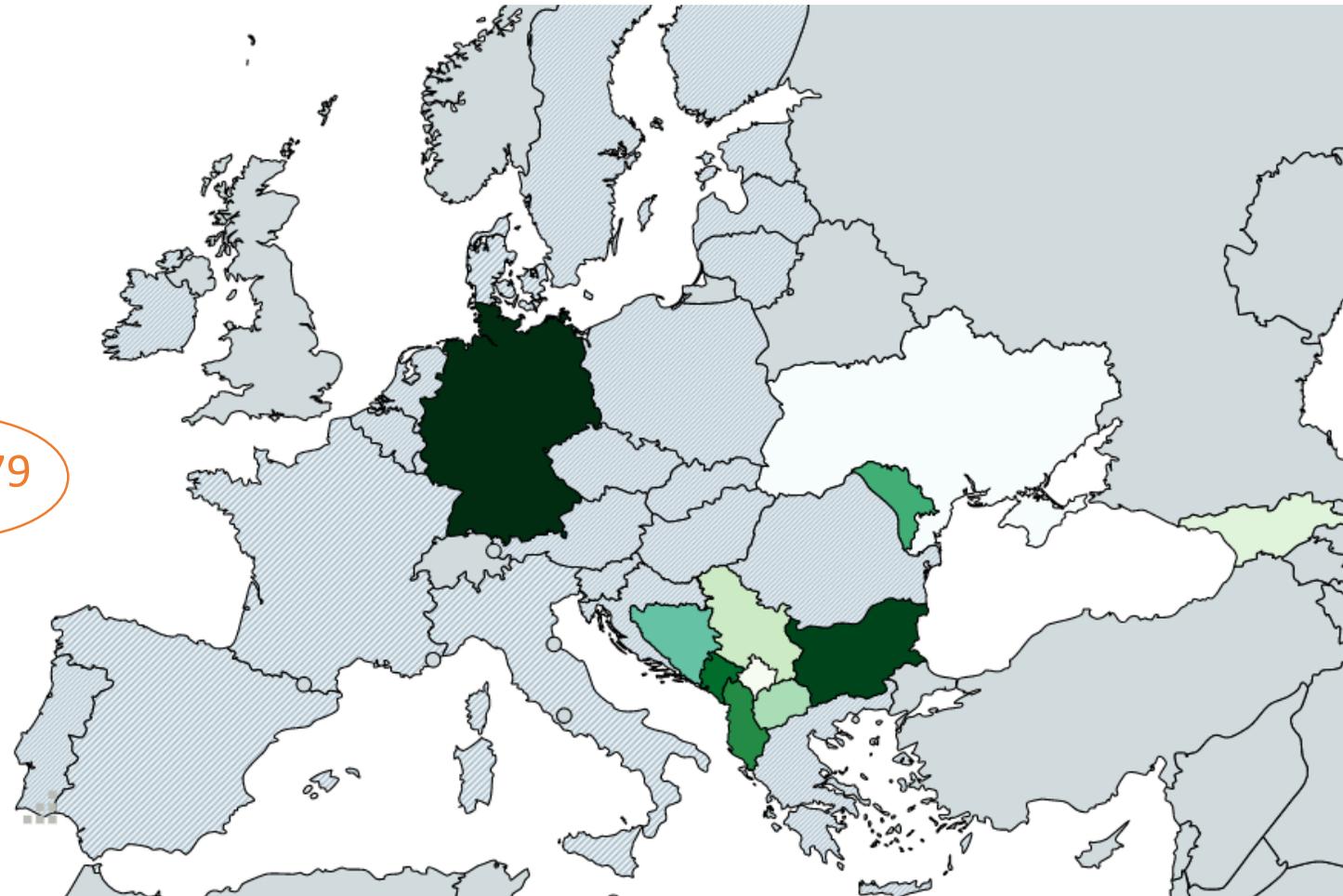
Electricity prices in the EU are on average **three times higher** than in the CPs, with Ukraine having the lowest and Montenegro the highest prices.

Electricity prices,
households (S2 2021)

€/kWh

UA		0.049
XK*		0.061
GE		0.07
RS		0.081
MK		0.084
BA		0.087
MD		0.089
AL		0.094
ME		0.097
BG		0.109
EU		0.323
DE		0.267

∅ = 0.079



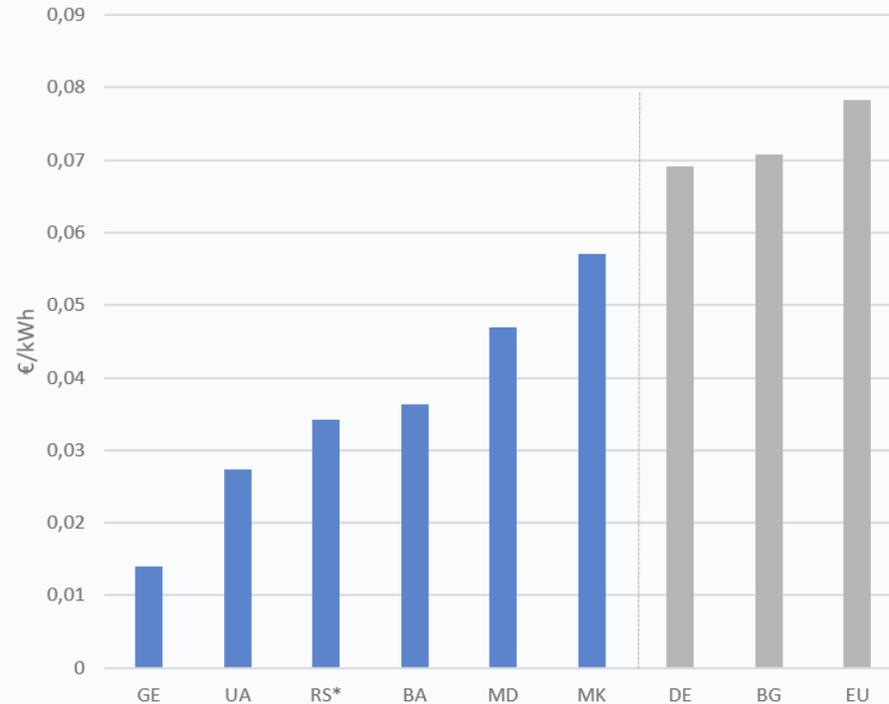
Gas prices are on average **lower** in all of the CPs compared to the EU.

Gas prices, Households (2021)

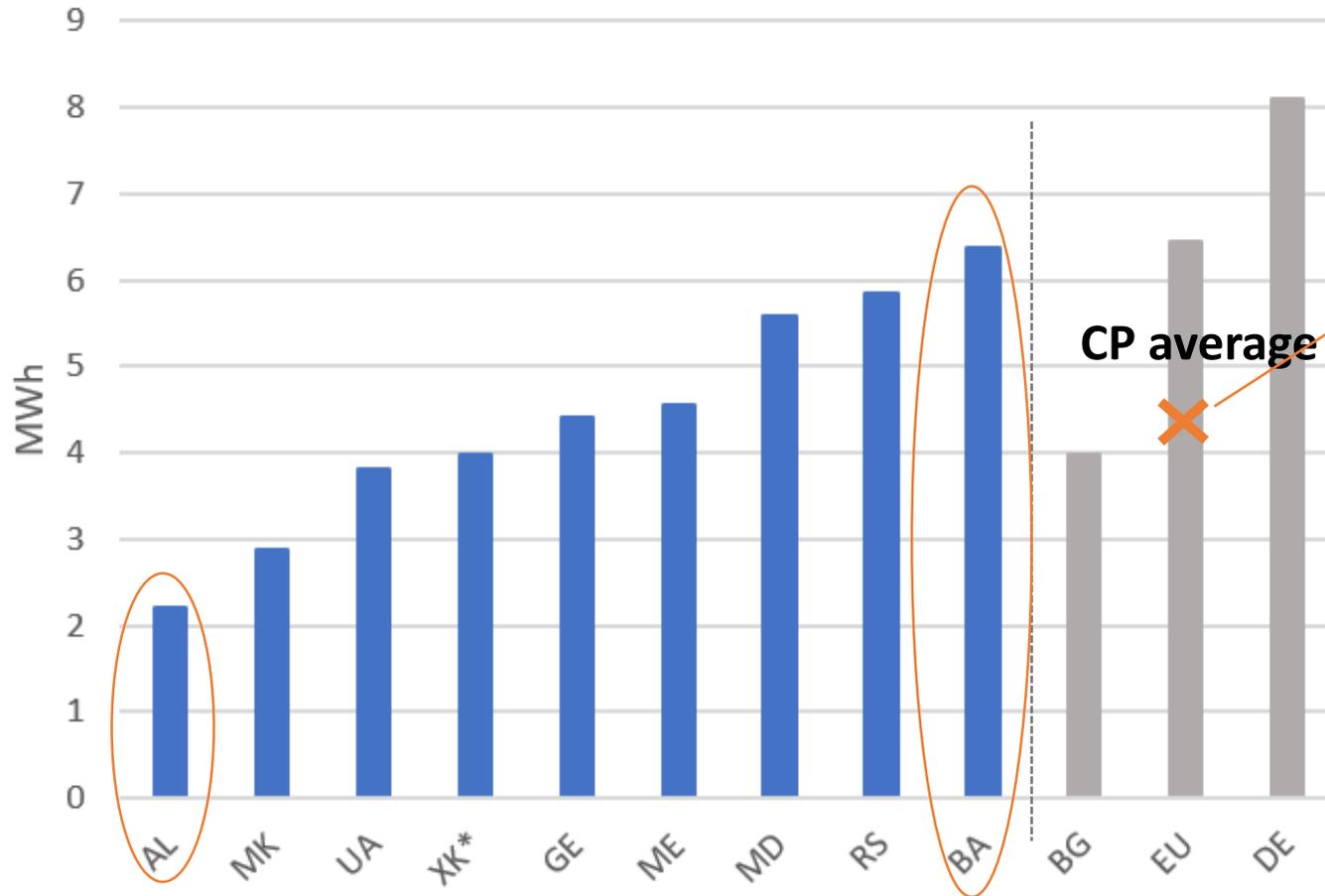
GE	0,014
UA	0,027
RS	0,034
BA	0,037
MD	0,047
MK	0,057
DE	0,069
BG	0,071
EU	0,078

∅ = 0.036

Gas prices, households (2021)



Households in all CPs **use less energy** on average compared to the EU (underspending).



?

or



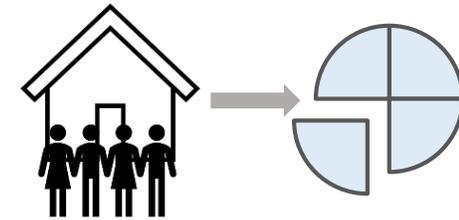
Contracting Parties vs. EU

- Energy efficiency of housing is **lower**



Overspending

- Household member size is bigger -> thus energy spending's per person are **lower**



Underspending per capita

- Energy prices are **lower**



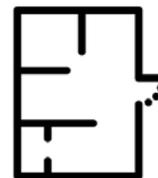
Overspending

- Incomes are **lower**



Underspending

- **Less** rooms/space per person



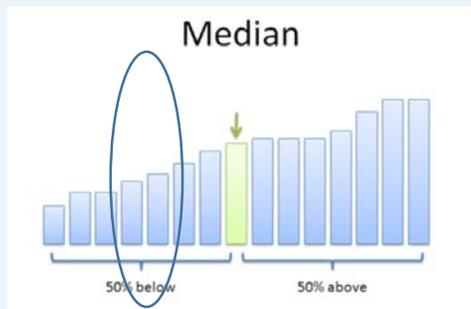
Underspending per capita

To measure energy poverty rates, CPs are advised to use a set of primary and secondary indicators.

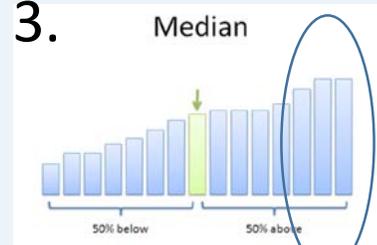
Expenditure



2.



3.



E

4.

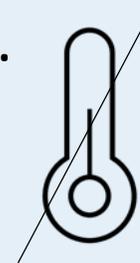


Efficiency

6.



5.



CPs are advised to use a set of **6 primary** (Eurostat) and **5 secondary** (Eurostat, World Bank, Statistical Offices) indicators. **Data availability should be improved.**

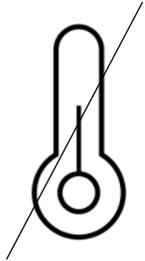
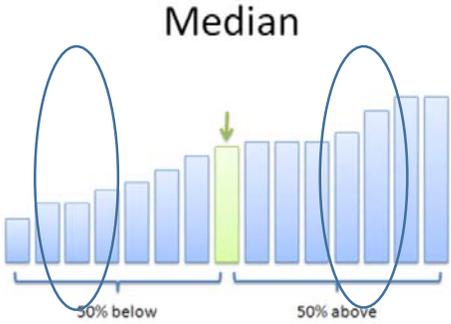
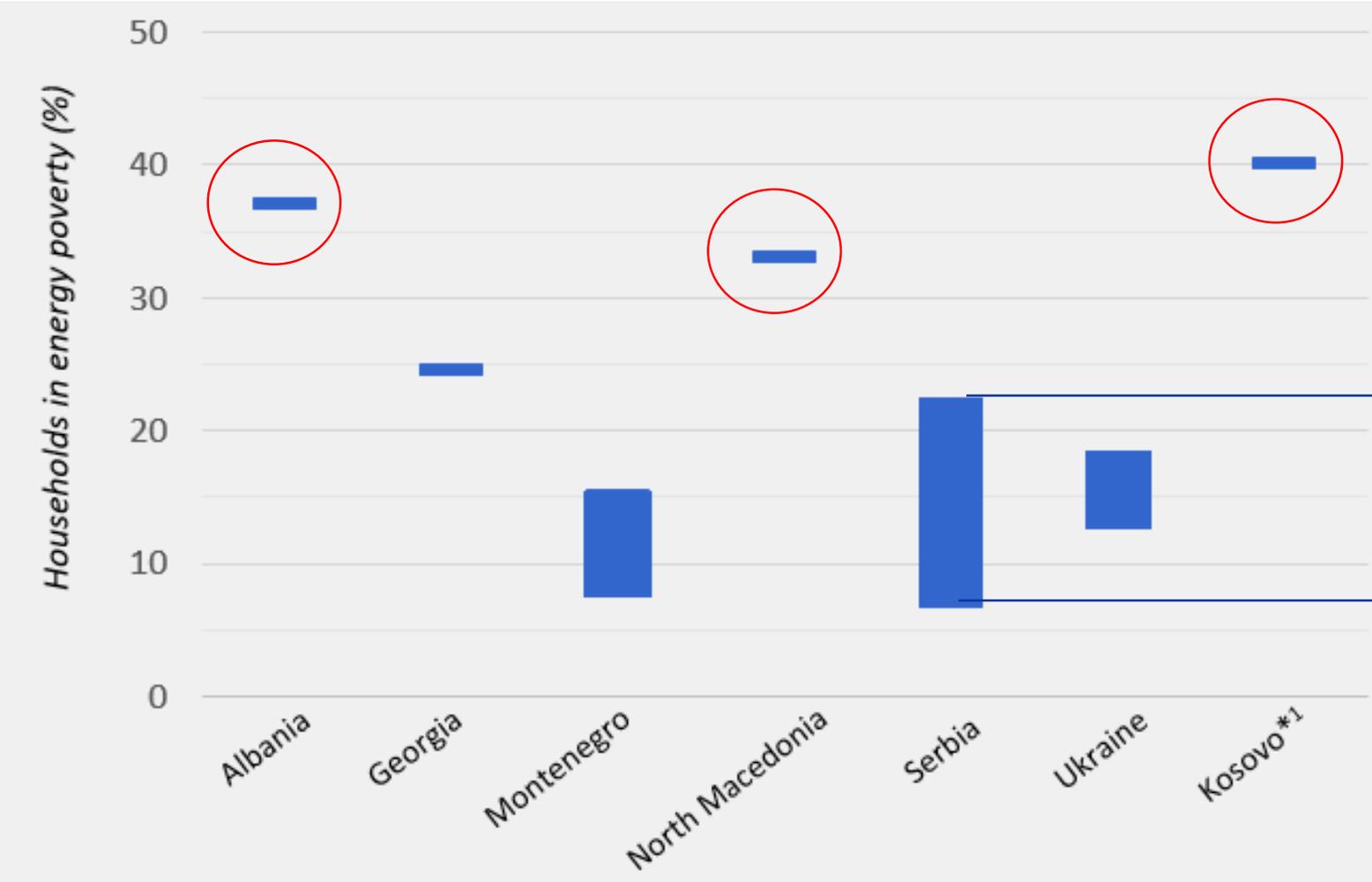


Indicator	Source	Available for
Energy burden	HBS	all CPs
M/2 indicator	HBS	all CPs
2M indicator	HBS	all CPs
Arrears on utility bills	EU SILC	Albania, Kosovo*, Montenegro, North Macedonia, and Serbia
Inability to keep home adequately warm	EU SILC	Albania, Kosovo*, Montenegro, North Macedonia, and Serbia
Condensation, leaking roof, rot in windows or doors	EU SILC	Albania, Kosovo*, Montenegro, North Macedonia, and Serbia

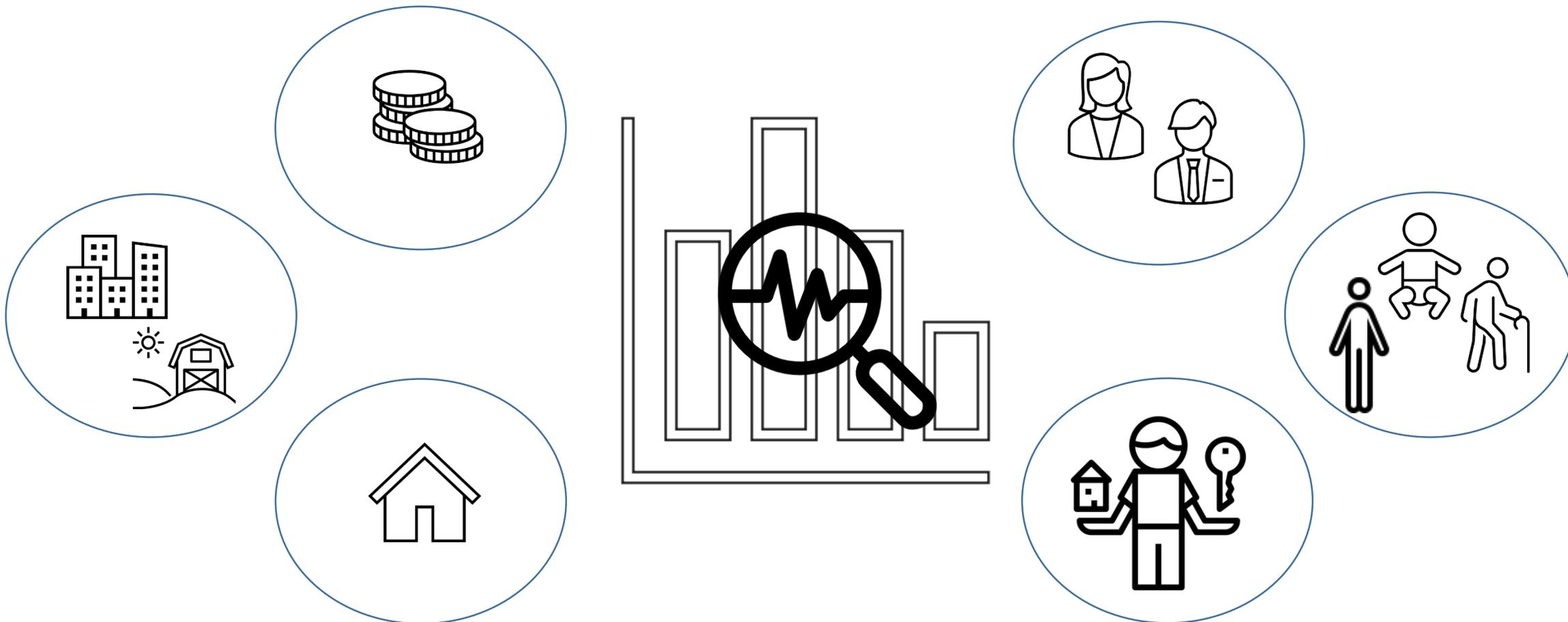


- Electricity and gas **prices** [EUROSTAT]
- Average monthly **net wages** [National Statistics Offices]
- Annual **unemployment rates** [World Bank]
- Share of population living below USD 1.9 per day [World bank]

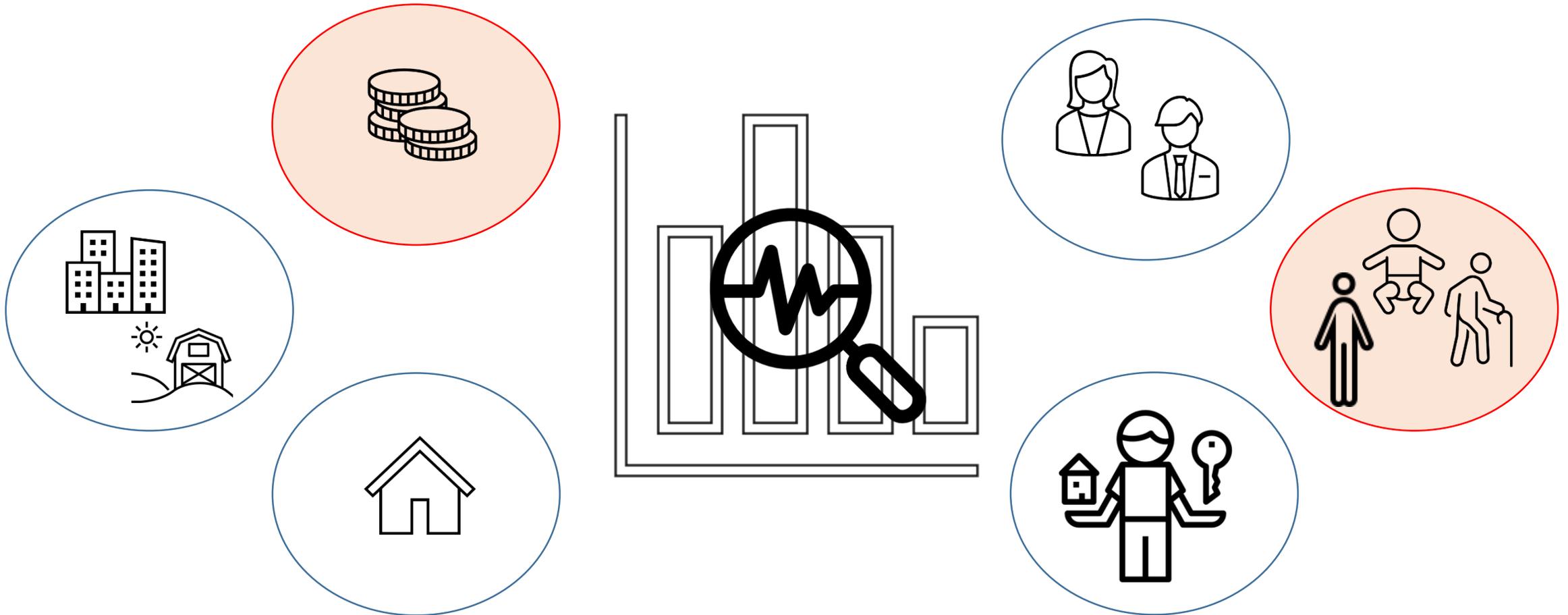
The number of people **living in energy poverty** is indicated by a **lower bound** (inability to keep the dwelling adequately warm) and **upper bound** (sum of criteria 2M and M/2).



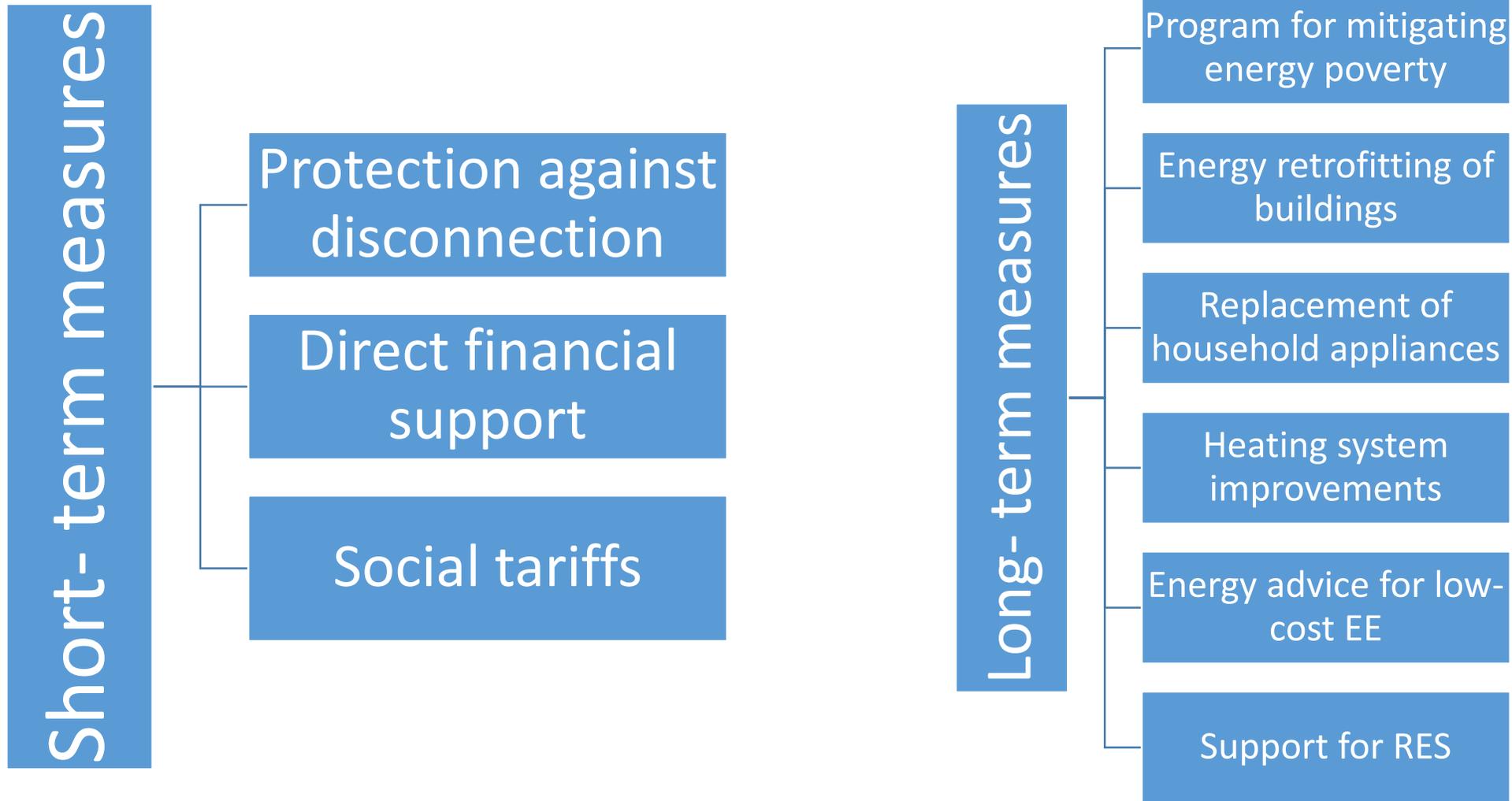
To elucidate underlying **patterns** and identify the most **vulnerable groups**, indicators should be **disaggregated** by different categories.



To elucidate underlying **patterns** and identify the most **vulnerable people**, indicators should be **disaggregated** by different categories.



Possible short- and long- term measures for alleviating energy poverty

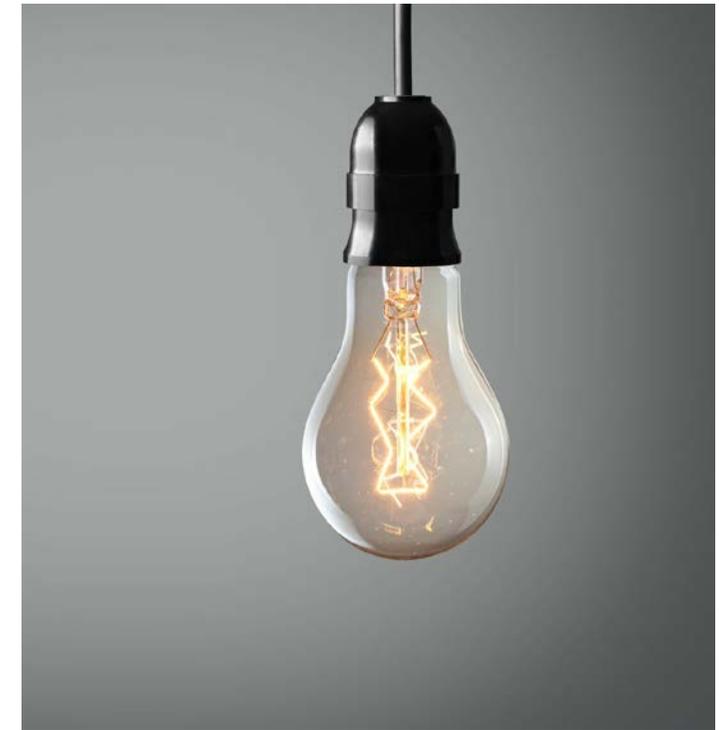


Some implemented short- and long- term measures for alleviating energy poverty in the CPs

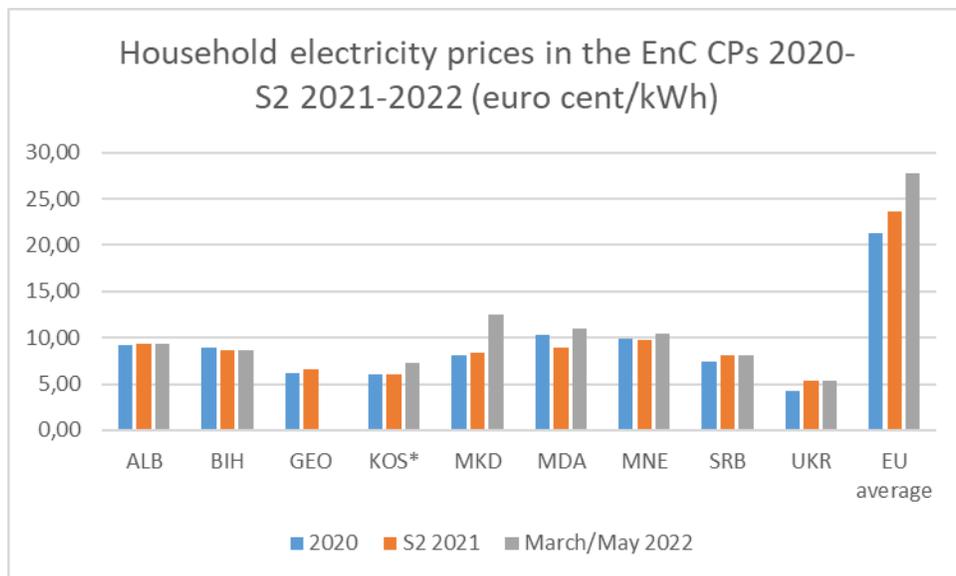


North Macedonia: annual programs for co- financing energy efficiency and small RES applications

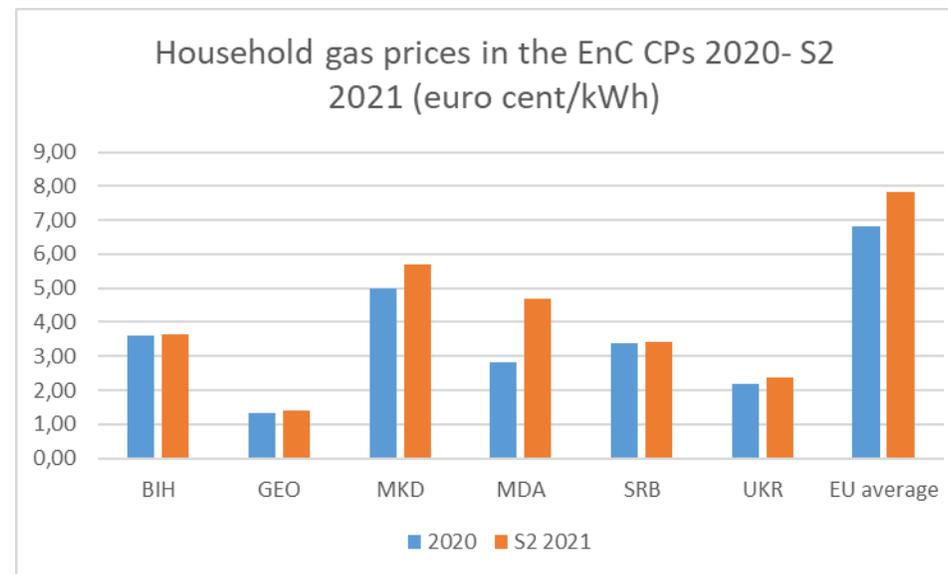
All CPs: allowances for energy bills



Electricity and gas price increase in 2021- 2022



Source: EUROSTAT, HEPI, VaasaETT/E-Control/MEKH; EnC NRAs



Source: EUROSTAT, EnC NRAs

In 2022, gas prices for households were increased only in Moldova

Activated measures to support household consumers due to high energy prices (ECRB report)



- Albania, Kosovo*, North Macedonia: subsidies for producers/traders, indirect support for consumers
- North Macedonia: VAT for households lowered to 5%
- Moldova: compensation for gas and heating price difference in winter period
- BIH- Federation BIH: capped electricity price increase to 20% in comparison to 2021
- Ukraine: martial law and stabilization measures

Some measures in the EU MSs to support household consumers due to high energy prices



Price caps

Reduction of network charges

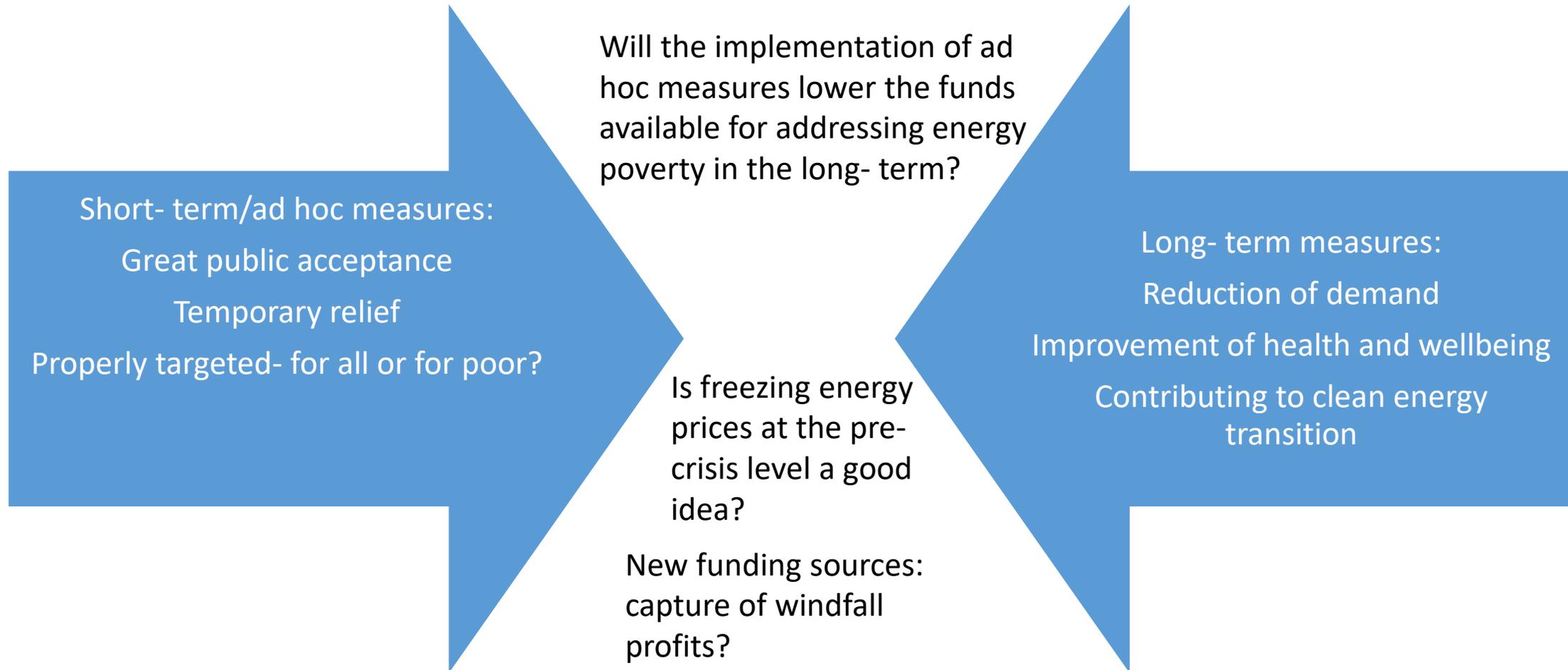
Subsidies to companies

Reduction of taxes and levies

Deferred payments

Direct assistance for energy bills

Possible impact of crisis on policies and measures for energy poor



THANK YOU FOR YOUR ATTENTION

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