

Policy Guidelines on Identifying and Addressing Energy Poverty in the EnC Contracting Parties

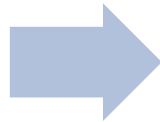
**Energy Community Workshop, 29 September 2022, Vienna
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Secretariat**

Content

- Mandate and scope
- Main drivers and definition of energy poverty
- Energy poverty indicators
- Preliminary assessment of energy poverty in the EnC CPs
- Policies and measures for tackling energy poverty
- Summary of recommendations

Mandate and scope

Electricity Directive
2019/944 as adapted by
EnC MC decision 2021/13



Governance Regulation
2018/1999 as adapted by
EnC MC decision 2021/13

- The Energy Community Secretariat shall provide guidance on the definition of 'significant number of households in energy poverty'

- Energy Community Secretariat to adapt European Commission's guidance on relevant indicators for energy poverty for the Energy Community.

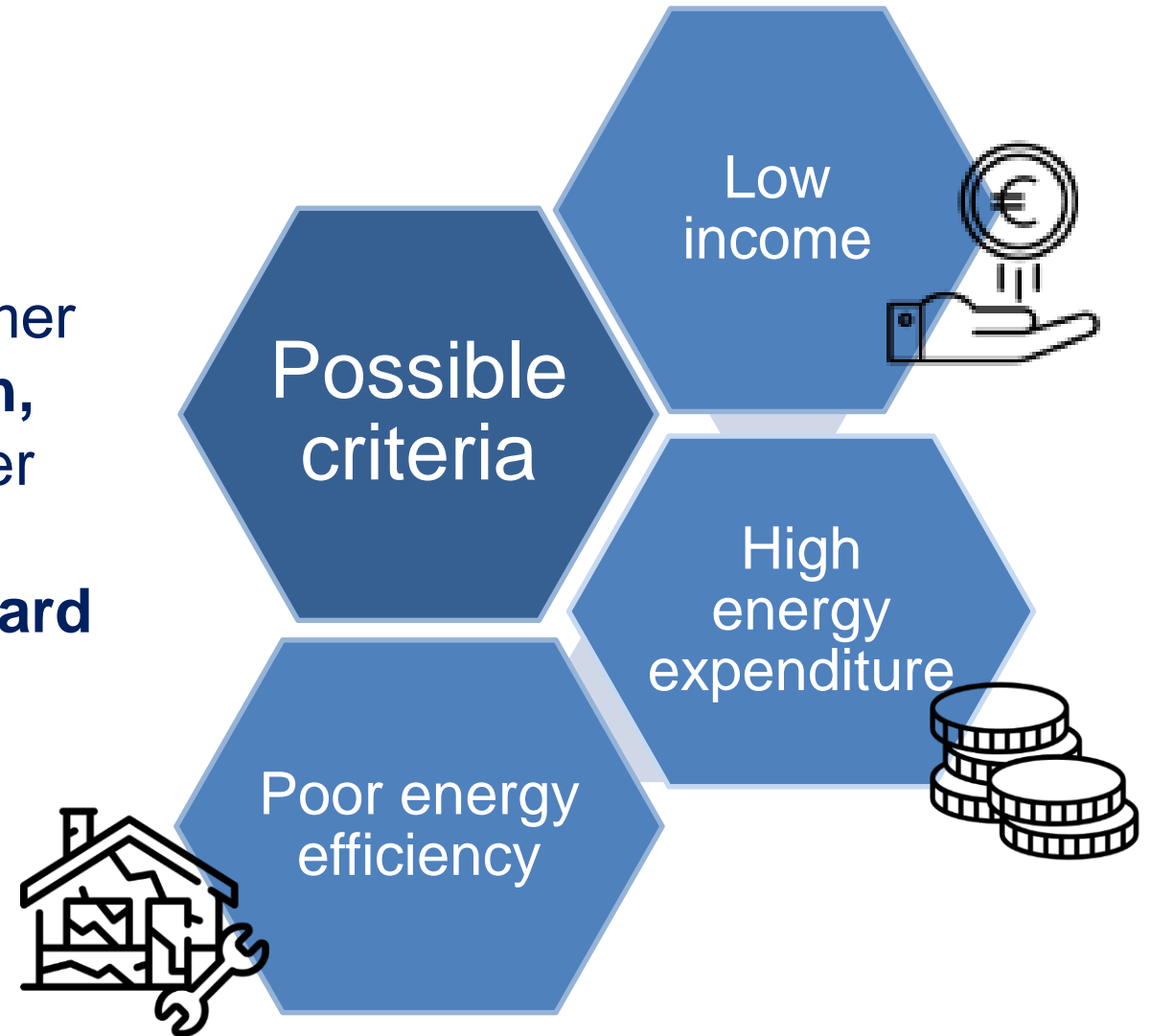
defining energy
poverty indicators at
national and local level

defining what constitutes a significant
number of energy poor households
in the Contracting Parties

long- and short-term measures
which could be used to address
energy poverty (also in NECPs)

Defining energy poverty

- “An energy poor consumer is a consumer who **cannot secure adequate warmth, cooling, lighting, and energy** to power appliances necessary for essential services that underpin a **decent standard of living and health**”.



Indicators proposed for the EnC Contracting Parties



■ Primary Indicators

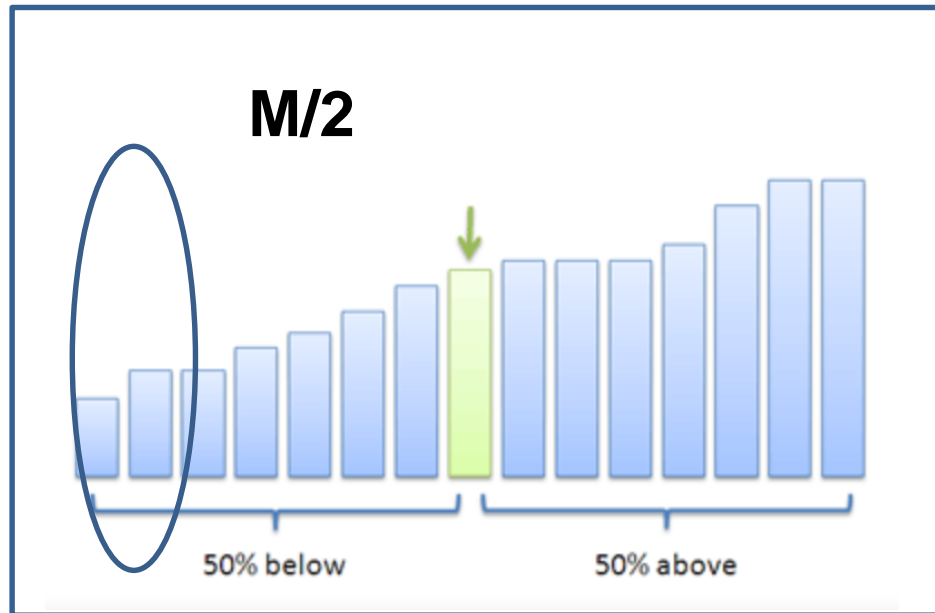
Energy burden	HBS	all CPs
M/2 indicator	HBS	all CPs
2M indicator	HBS	All CPs
Arrears on utility bills	EU SILC	Albania, Kosovo* ²¹ , Montenegro, North Macedonia and Serbia
Inability to keep home adequately warm	EU SILC	Albania, Kosovo*, Montenegro, North Macedonia and Serbia
Condensation, leaking roof, rot in windows or doors	EU SILC	Albania, Kosovo*, Montenegro, North Macedonia and Serbia

Level of household electricity prices	EUROSTAT	all CPs
Level of household gas prices	EUROSTAT	all CPs
Average monthly net wages	National Statistics Offices	all CPs
Annual unemployment rates by gender and aggregated	World Bank	all CPs
Share of population living below USD 1.9 per day	World bank	all CPs

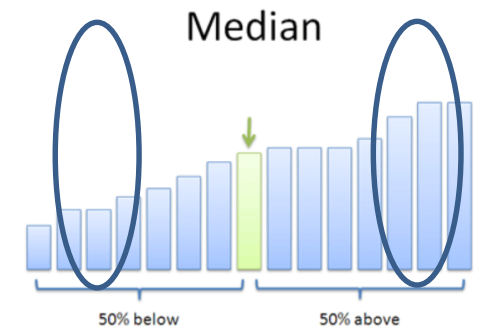
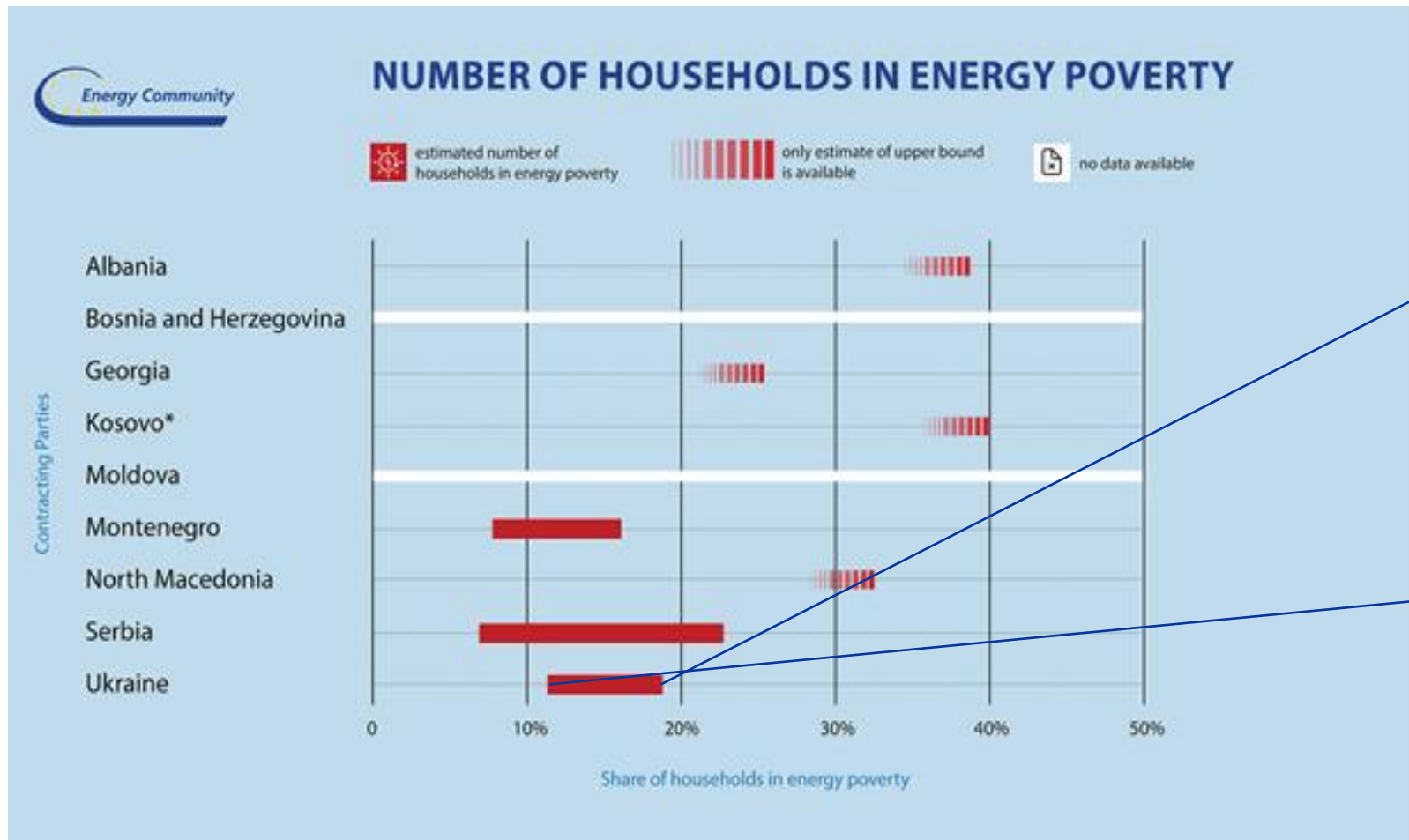
■ Secondary Indicators

Priority indicators proposed for the EnC Contracting Parties

■ Primary Indicators



Preliminary assessment of number of households in energy poverty in the EnC CPs

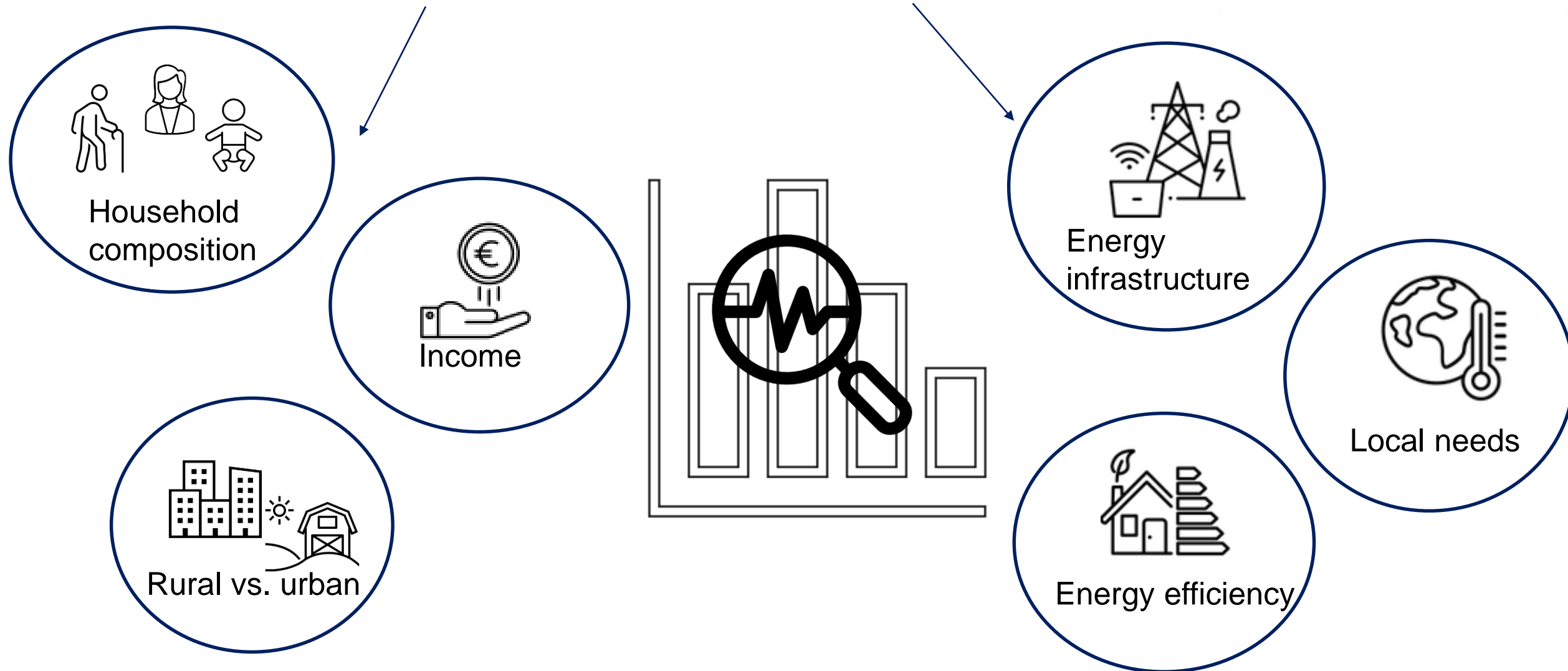


Upper bound



Lower bound

Data disaggregation and local dimension



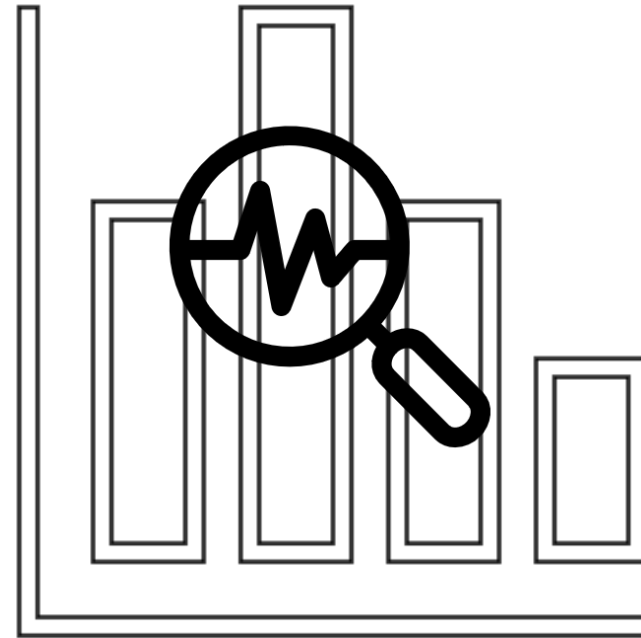
Groups most affected by energy poverty can be identified through data disaggregation



Low income groups

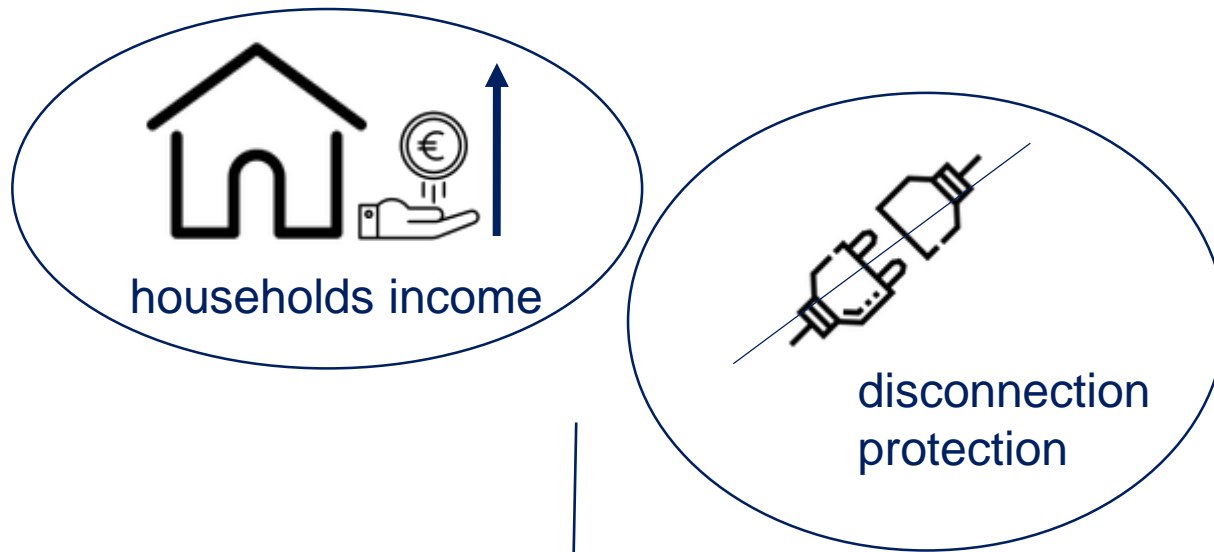


Elderlies, single people with and without children, women



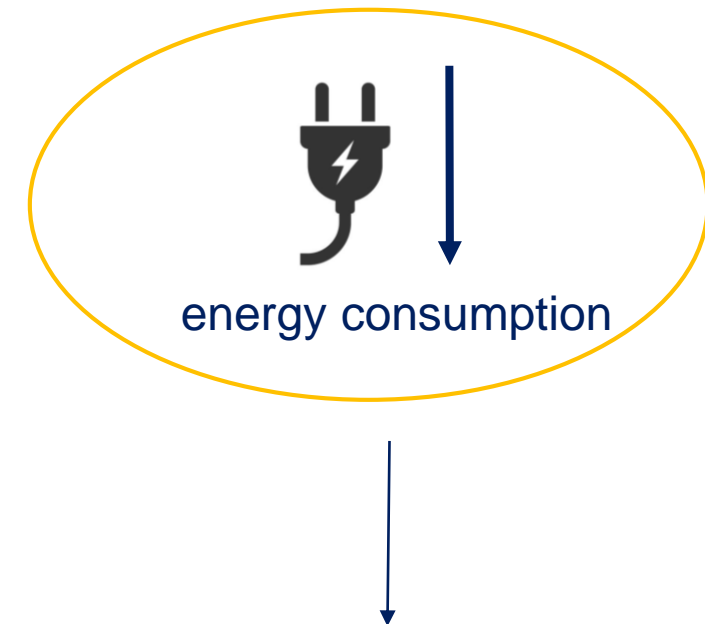
Possible short- and long- term measures for alleviating energy poverty

Short- term measures



Affects primarily **consequences** of energy poverty

Long- term measures



Addresses **causes** of energy poverty

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

Short- term measures

Protection against disconnection

Direct financial support

Long- term measures

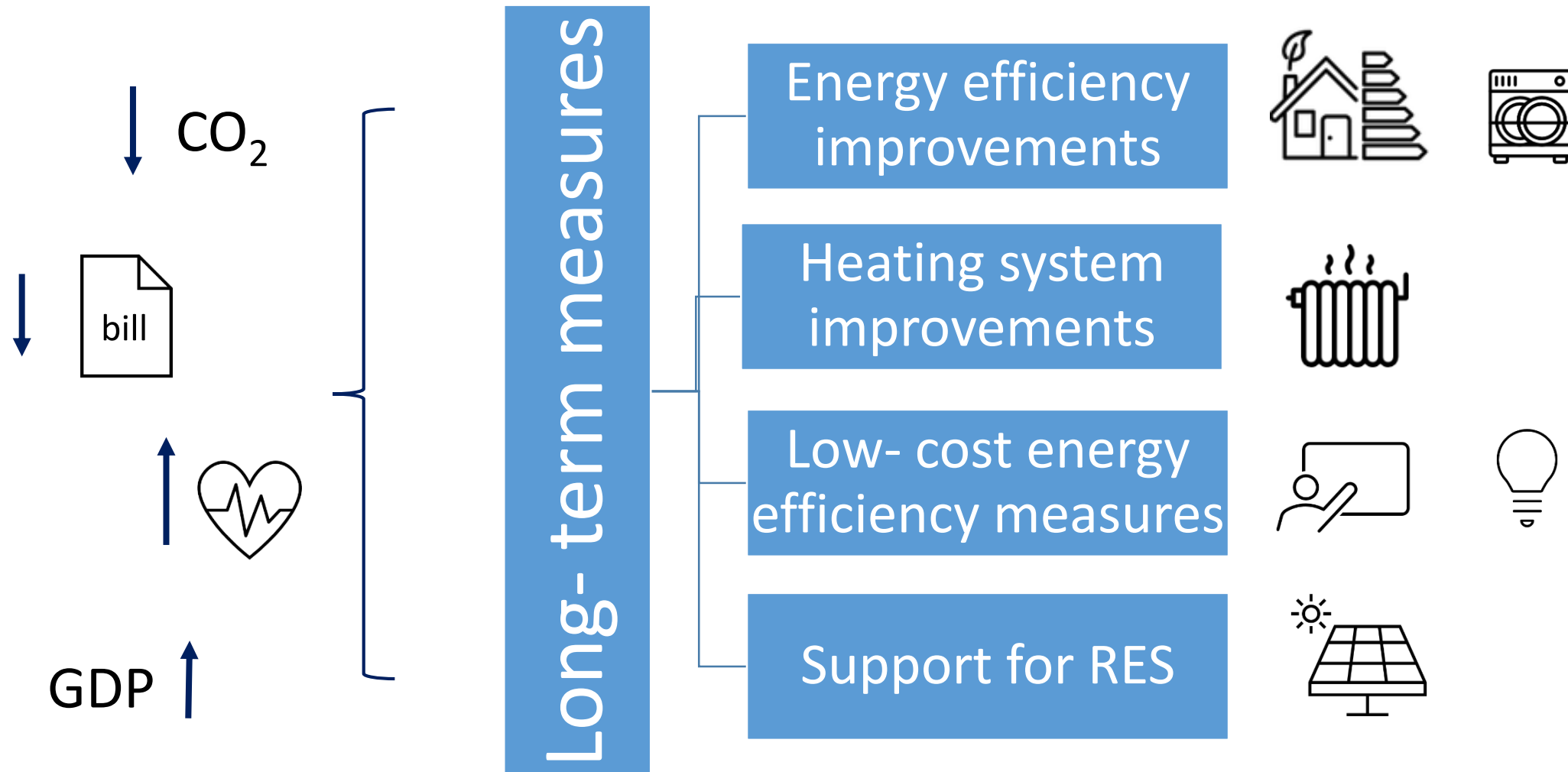
Energy efficiency improvements

Heating system improvements

Low- cost energy efficiency measures

Support for RES

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



Recommendations for addressing energy poverty (1)



- **Define energy poverty** in primary and secondary legislation
- Indicators should be calculated regularly by the **national statistics offices** according to the **methodological guidebook** published by the EU Energy Poverty Advisory Hub
- Disaggregating data to the extent possible to allow a more **precise identification of the energy poor**
- Assess energy poverty also on **local level** to allow for adequate and well targeted measures
- Policies and measures for reducing energy poverty should be developed and included in the **NECPs of the Contracting Parties**. **Policy solutions** should include both **social policy measures and energy efficiency measures (long- and short-term measures)**

Recommendations for addressing energy poverty (2)



- In the light of the energy crisis, limit the implementation of **short-term measures to the vulnerable and poor population**, so that the market liberalization and energy transition processes are not jeopardized
- The development of policies and measures for reducing energy poverty should be **transparent and inclusive**
- Cooperate with the **Energy Community Secretariat's Centre for Alleviating Energy Poverty**, established with the purpose of collecting information, providing advice and serving as a platform for cooperation between all relevant stakeholders

THANK YOU FOR YOUR ATTENTION

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Funds allocated to measures against energy poverty



The number of households covered by existing measures varies significantly between Contracting Parties. The table shows the proportion of households covered by current measures and the total estimated funding allocated to energy poverty measures.

Contracting Party	Households (HH)			Financial support	
	Total	Recipients	Share	Total EUR	EUR per HH
Albania	734,080	213,000	29%	22,205,000	104
Bosnia and Herzegovina	918,002	69,268	8%	12,323,386	178
Georgia	1,112,026	208,033	19%	11,796,231	57
Kosovo*	333,666	36,648	11%	4,500,000	123
Moldova	903,118	227,000	25%	Not available	Not available
Montenegro	192,814	19,200	10%	2,707,412	141
North Macedonia	716,682	Not available	Not available	973,606	Not available
Serbia	2,397,827	74,665	3%	9,762,088	131
Ukraine	14,731,716	6,000,000	41%	41,210,000	7

EnC legislation

