RIGHT TO AFFORDABLE, CLEAN ENERGY FOR ALL EUROPEANS!

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WITH THE SUPPORT OF SABRINA IANNAZZONE, VALERIA ZANINI, JAKOB EMBACHER

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EXECUTIVE SUMMARY

Energy poverty describes the situation where a household is unable to access essential energy services at an affordable price to secure the energy needed for a decent life in the home and for full participation in society. Energy poverty results from a combination of structural factors: income poverty and inequality, unfair energy prices, and poor quality and inefficient housing.

Access to affordable and clean energy must be protected as a fundamental right, an essential service recognised under the European Pillar of Social Rights, and a service of general interest under EU law. The health, social, and economic impacts of energy poverty and precarity are manifold. The clean energy transition must prioritise decarbonisation, reducing the overall energy demand and promoting an efficient use of energy, while ensuring that energy-poor and low-income households fully benefit from the green transition without being locked in fossil fuel infrastructure.

Rising energy prices put all European households in jeopardy, both low-income households who are experiencing energy poverty and middle-class households who see their disposable income eroded and face the risk of energy precarity. If free-market rules remain the dominant paradigm, it is unlikely that Europeans will be adequately protected. A robust reform of the energy market is required above and beyond short-term profit considerations. Furthermore, the Commission’s intention to phase out regulated electricity prices threatens one of the most effective ways to assist people in and at risk of energy poverty. The current energy crisis has seen multiple promising practices at national level that must be extended as structural tools to combat energy poverty.

The transition towards a climate-neutral, low-carbon economy must be a socially just transition. Households at risk of poverty and social exclusion, and more generally low-income households, face substantial barriers to access financing, to implement energy efficiency measures, and to shift to renewable energy. It is essential that the EU and Member States ensure access to affordable and clean energy for all. They must combine immediate measures to alleviate energy poverty, like social tariffs and a ban on disconnections, with long-term policies tackling its structural causes, such as deep renovations of residential buildings and renewable and energy efficiency programmes, in the framework of adequate social protection measures addressing income poverty as well as the reform of tax systems and energy pricing mechanisms.
ASSERT THE RIGHT TO AFFORDABLE AND CLEAN ENERGY FOR ALL EUROPEANS!

- Assert the right to affordable and clean energy for all Europeans, enhancing the structural protection of energy-poor and low-income households through a three-pillar approach based on adequate incomes, fair prices, and energy efficiency.

- Secure adequate income support, technical assistance, and working conditions for the most vulnerable, combining emergency measures with long-term policies tackling the structural causes of energy poverty.

- Ban all disconnections and maintain regulated prices beyond 2025.

- Develop a fair green taxation in the context of a tax shift from labour to capital.

- Empower citizens and workers, highlighting their role in reimagining an energy system under democratic governance and public control.

- Guarantee consistent public investments in targeted renovation, renewable, and energy efficiency programmes that benefit energy-poor and low-income households, while tackling any unfair and regressive effects of decarbonisation and avoiding carbon lock-ins.

- Harness the potential of the Renovation Wave Strategy for quality job creation with good working conditions and respecting the right to collective bargaining.

- Decarbonise the heating and cooling sector in all residential buildings.

- Ringfence financial incentives across the “Fit for 55” Package and the Renovation Wave Strategy for specific target groups, such as vulnerable, low-income, and energy-poor households.

- Integrate an ex-ante and an ex-post distributional impact assessment of transition policies.

- Integrate a gender and an intersectional approach to energy inequalities across all policies.
Energy poverty describes the situation where a household is unable to access essential energy services at an affordable price to secure the energy needed for a decent life in the home and for full participation in society.

Energy poverty is a multidimensional concept that is not easily captured by a single indicator. It can be measured through income and expenditure-based indicators (high share of energy expenditure in income, low absolute energy expenditure) and through self-reported indicators (arrears on utility bills, inability to keep home adequately warm or adequately cool).

In addition to these primary indicators, a series of secondary indicators are relevant in this context: household electricity prices, household gas prices, poverty risk, excess winter mortality, presence of leak, damp, and rot, etc. Each one of these indicators reflects a different aspect of energy poverty, and they should all be considered in relation to each other to measure this phenomenon.

Energy poverty results from a combination of structural factors, such as income poverty and inequality, unfair energy prices, and poor quality and inefficient housing. The drivers of energy poverty are deeply structural, and they span across our economic, social, employment, energy, climate, taxation, welfare, housing, and health policies.

These structural factors are exacerbated by the failure of the market to guarantee affordable energy for all and the lack of sufficient protection for low-income and vulnerable households, as well as for the middle class at risk of becoming energy poor as high energy prices erode their disposable income. In addition, increasingly frequent extreme weather conditions due to the climate emergency take a heavy toll.

Socioeconomic aspects also play a role, including a person’s residential status (homeowner, tenant in social housing, tenant in the private rented sector, etc.), the resources available to them to invest in renovation, and the household’s energy needs.

More than 34 million people in the European Union experience energy poverty to various degrees. It is estimated that roughly 75% of the EU building stock is energy inefficient. On average, 8.2% of EU households are unable to keep their homes adequately warm; for households living below the poverty line, this average goes up to 20.1%. There are wide variations among energy prices and average incomes throughout EU Member States. While
in 2020 the nominal GDP per capita in the Netherlands was 2.4 times larger than in Portugal, Portuguese households faced electricity prices that were 63 percent higher.⁷

Finally, the links between energy inequalities and various factors like gender, disability, or ethnic origin remain relatively underexplored. Empirical data suggests that women are more likely to be adversely affected by energy poverty, among other reasons because women are more likely than men to live in poverty due to current inequalities in the labour market, gender pay gaps, and gender pension gaps, and because women make up nearly 85% of all single-parent households.⁸ Yet there is a noticeable lack of gender-disaggregated data related to energy use and specifically to energy poverty, which makes it difficult to specifically address the gender dimensions of this phenomenon.⁹
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* 2019 figures

Data not available

Population unable to keep home adequately warm (%) (Eurostat, 2020)
RIGHT TO AFFORDABLE AND CLEAN ENERGY

Access to energy is a precondition for a life lived in dignity. Everyone should have the ability to light, heat, and cool their houses to an acceptable standard at an affordable cost. Access to affordable and clean energy must be recognised and protected as a fundamental right. However, many households face insufficient access to renovation, renewable, and energy efficiency programmes and experience a high risk of being locked in fossil fuel infrastructure in the coming years, in particular people living in social housing and people experiencing poverty.

Principle 20 of the European Pillar of Social Rights points to the right for everyone to access essential services of good quality, including energy, and calls for regulatory and financial support for access to such services for those in need. Principle 19, for its part, refers to housing and assistance for the homeless, including the right to appropriate assistance for vulnerable people and protection against forced eviction.

Energy supply is also recognised as a service of general interest under EU law, which means that it is essential to the lives of the population and that public authorities have an obligation to act in the public interest and deliver adequate standards for all in terms of quality, affordability, accessibility, transparency, and participation of users in the evaluation of services.

EU-level and national policies and regulation must therefore guarantee a right to energy for all and support energy-poor, low-income, and vulnerable households as a matter of social rights realisation.

The health, social, and economic impacts of energy poverty and precarity are manifold. Inadequate housing conditions account every year for over 100,000 premature deaths in Europe.\textsuperscript{3} Energy poverty has a direct negative impact on health, including mental health, since it exposes people to unacceptable physical conditions and leads to stress and social isolation.\textsuperscript{13} People living in energy poverty often face severe health problems leading to longer and more frequent occurrences of sick leave, with an impact on employment and productivity.\textsuperscript{14}

Children living in cold homes have twice the incidence of respiratory problems than those living in normally heated housing.\textsuperscript{15} The consequences of the energy poverty gender gap on women’s health deserve closer scrutiny, as several studies have shown women’s higher
vulnerability to winter mortality. Austerity has further compounded all these issues, especially in Southern European countries, which are also those most affected by the climate emergency and the social costs of climate inaction.

The reduction of energy poverty therefore has multiple positive consequences, including an improvement in households’ disposable income, a reduction in air pollution, and a decrease in national expenses for healthcare. Improved energy efficiency is also associated with multiple additional environmental, economic, and social benefits.

The clean energy transition must follow “efficiency first” principles to prioritise decarbonisation, reduce overall energy demand, and promote an efficient use of energy, with a portion of the benefits of renewable and energy efficiency programmes being ringfenced for low-income households and people living in social housing. While mechanisms must be established to ensure the phasing out of fossil fuels, this phaseout must not unfairly burden low-income households. The meaningful participation of civil society, trade unions, local actors, and vulnerable people in the transition to clean energies and climate neutrality is crucial for a just transition.

To avoid revenue losses that could worsen energy poverty, policies must ensure that workers from sectors and regions most affected by the energy transition are given alternative job opportunities, adequate training, and social protection, with a strengthened focus on those who are currently excluded from the labour market, workers with low wages, and workers in energy-intensive industries. Trade unions must be central actors in this just transition, with social dialogue being an integral part of the institutional framework for policy-making and implementation.

To achieve a just energy transition, policy and regulatory frameworks as well as market design reforms must uphold the right of all Europeans to access affordable and clean energy. States must take immediate measures to protect the right to access energy, notably by banning all disconnections, guaranteeing the supply of a minimum amount of energy for all, establishing social tariffs, and reinforcing consumer rights and customer protections to avoid arrears in energy bills. They must also adopt medium and long-term measures through tailored investments in renovation, renewable, and energy efficiency programmes. The right to affordable, clean energy for all should be based on a three-pillar approach anchored in adequate incomes, fair prices, and energy efficiency.
The energy price crisis

European wholesale natural gas prices have skyrocketed in the second half of 2021, being now five times higher than in 2019. Only in the period between April and October 2021, gas prices surged by 400% and power prices increased by 200%. The World Bank predicts high energy prices at least until the second half of 2022. The impact on retail prices is more moderate but still shocking, with a EU average annual increase of 200% for gas and 50% for electricity in December 2021 that is predicted to continue rising during the first months of 2022.

There are several contributing factors for the current surge in energy prices across Europe. The bounce back of economic activity following the Covid-19 crisis, adverse weather conditions, strains on the gas supply coming from Russia and Norway, and increased competition for gas from Asian countries have generated a high energy demand that supply has not been able to keep up with.

These contextual conditions have worsened the structural problems of the European energy system: an inefficient building stock, a heavy dependency on imported fossil fuels for energy supply, and the coupling of electricity and gas prices.

The wholesale electricity price in the EU is determined by marginal pricing, meaning that all suppliers - including cheaper renewables such as wind or solar – receive the same price of the last plant used to meet consumers’ demand, which is often gas. Since gas is expensive, this means that final electricity prices soar in periods of high demand and that the market is exposed to volatile prices.

The current storage capacity of Member States is insufficient to absorb gas price shocks and the share of renewables in Europe is still too low to overcome these problems on its own. These factors, in the framework of a liberalised energy market, expose users to speculation.

A fair green taxation that phases out fossil fuel subsidies, further incentivises electricity from renewables, and leverages energy tax revenues to support energy-poor and low-income groups.
is currently absent across EU Member States. Greening tax systems should be approached in the context of tax justice, specifically broader progressive tax reforms supporting tax shifts from labour to capital, through higher corporation, capital, and top rate income taxes and lower income taxes on workers.

Rising energy prices put all European households in jeopardy, both low-income households who are experiencing energy poverty and middle-class households who see their disposable income eroded and face the risk of energy precarity. If free-market rules remain the dominant paradigm, it is unlikely that Europe’s households will be protected in the long-term and will fully benefit from decarbonisation and clean energy.

Since heating accounts for the largest share of household energy costs and it is often the expenditure that drives low-income households into energy poverty, care should be taken to ensure that people at risk of energy poverty fully benefit from decarbonisation policies and are not left behind to pay the price of carbon emissions and remain locked in fossil fuel infrastructure.

**What can be done at EU level?**

To reach sustainable solutions to protect vulnerable consumers, a robust reform of the European energy market would be required. Overall, between 2008 (when the complete liberalisation of energy markets in the EU took place) and 2020, the Eurostat index of consumer prices increased by 17 percent on average, while average electricity, gas, solid fuels, and heat energy prices grew by almost 25 percent.

Current market design and rules in the context of the liberalisation of energy markets do not leave much room for manoeuvre to the EU and Member States for systematic price control. The European Commission is reluctant to open the door to a structural reform of these mechanisms, addressing energy crises rather through short-term measures. A recent example is the Commission’s toolbox “to allow a rapid coordinated approach to protect those most at risk without fragmenting the European single energy market”, suggesting insufficient measures like targeted support, tax breaks, and market monitoring and enforcement.

Member States disagree on the right solution for the energy market, with certain governments even blaming the energy price crisis on the EU climate policy. Other countries have called for more ambitious measures, with France and Spain proposing alternative arrangements such as joint gas purchasing, regulated transfers to ensure that extraordinary benefits made by producers due to high fossil fuel prices are passed on to consumers, or long-term contracts for low-carbon energies that bring these sources partially outside of the wholesale market. These proposals show that there are concrete measures that can be taken to regulate energy markets in order to protect households, above and beyond short-term profit considerations.
Furthermore, the Commission’s intention to phase out regulated electricity prices threatens one of the most effective ways to assist people in and at risk of energy poverty. In the 2019 Directive on common rules for the internal market for electricity, the EU legislator clarified that regulated prices are currently still permitted by way of derogation under certain circumstances, but it tasked the Commission with reviewing this situation in 2025 and allowed it to propose an end date for regulated prices.

This would mean that governments wishing to protect low-income households are deprived of the tool of electricity price regulation, which has proven to be a particularly effective way of shielding the most vulnerable from speculation and volatile energy prices, while preventing that energy companies pass on the costs of decarbonisation to consumers.

Regulated prices must be maintained beyond 2025 and be recognised as a core tool to secure the right to energy for all households, delivering on the understanding of energy as an essential service enshrined in the European Pillar of Social Rights and as a service of general interest under EU law.

In addition, the Commission must ensure that Member States agree on national policies to support energy-poor consumers, with dedicated funding and investments targeted at this group. Financial support may come in the form of social or reduced tariffs, specific heating or housing allowances, grants and subsidies to implement energy efficiency measures in social and rented housing and to switch to renewable sources and install heat pumps, supplements to social assistance benefits, and lump sum payments to shield households at risk of poverty.

**What can be done at national level?**

To realise the right to energy for all, Member States should enact a ban on disconnections and take effective steps to prevent self-disconnections by users of prepayment meters.

Policy solutions must not only focus on the Europeans already experiencing energy poverty but should also take a preventive approach, supporting low-income households in the switch away from fossil fuels and protecting them from the high costs of heating fuel during this transition.

The current energy crisis has seen the development of multiple promising practices at national level to support energy-poor consumers. Although most of them were implemented as temporary solutions, they show that states can protect vulnerable groups and that it is within their remit to enhance the existing protection and to extend these measures as structural tools to fight against energy poverty.
Poland is allocating up to €650 million for energy vouchers to help its poorest citizens deal with the rising costs of heat, electricity, gas, and petrol. France rolled out an “inflation compensation” for people earning less than €2,000, as well as energy checks worth €100 and temporary caps on regulated energy price hikes. Portugal introduced a 33.8% discount on electricity bills for low-income families in November and will extend the initiative through 2022. In Belgium, the social tariff for electricity and gas was temporarily extended to double the number of beneficiaries. In Spain, part of the excess profits generated by producers because of high gas prices will be mandatorily used to keep prices lower for consumers.

Nevertheless, the current neoliberal model is not equipped to bring about the radical changes needed to decarbonise our economies. Mired in neoliberal dogma, the EU Agency for the Cooperation of Energy Regulators has recently called for continued energy market integration. This would include further removing barriers to market entry and price formation to overcome the energy price spike. However, reality paints a different picture.

In the United Kingdom, more than 25 private energy suppliers have declared bankruptcy since the beginning of the energy price crisis, with the costs of managing this collapse likely to be supported by consumers themselves as £120 could be added to their annual energy bills. This example shows how deregulation and the removal of barriers to market entry add a lot of volatility to the system, with very little to show in return as regards fair prices.

A public and democratic energy system could solve many of these issues, restoring and expanding the capacity for democratic control within a sector that provides a vital public good, with this control being entrusted to citizens and workers.
ENSURING THAT ENERGY-POOR HOUSEHOLDS BENEFIT FROM ENERGY EFFICIENCY MEASURES

The “Fit for 55” Package

Households at risk of poverty and social exclusion, and more generally low-income households, face substantial barriers to implement energy efficiency measures and to shift to renewable energy.68

Some of these obstacles relate to the lack of accessible and adapted information and guidance, poor access to finance and a limited capacity to pay upfront costs, a lack of space for heat pumps and a lack of access to district heating. Renters often face specific hurdles such as the split incentives barrier, as landlords and occupants have different incentives in making investments in energy efficiency in rented housing. Landlords must support the costs of investments in insulation and heating or cooling, which benefit tenants for the most part, but renters do not have a say in those choices.

The transition towards a climate-neutral, low-carbon economy must be a socially just transition that takes seriously into account the impacts on energy-poor households.

The adoption of the European Climate Law in 2021 established a clear binding framework to achieve net-zero greenhouse gas emissions by 2050, with a 2030 target of at least a 55% reduction in emissions as compared to 1990. On 14 July 2021, the European Commission released its “Fit for 55” Package, consisting of several legislative proposals that align EU climate and energy policies with the new climate targets, including several proposals directly linked to energy efficiency with wide-ranging implications for energy-poor households.69

This legislative package is crucial to deliver on a European Green Deal that leaves nobody behind, coupling climate justice with social justice. It must ensure a socially just transition which alleviates energy poverty and ensures that energy-poor and low-income households participate in the design of such policies and benefit from their implementation, guaranteeing an accessible decarbonisation for all.
This means engaging with workers and unions in a genuine social dialogue at all levels in order to develop transition pathways and social protection programmes, and to secure investments in high-quality jobs in green sectors adherent to good working standards. At the European level, the social partners in the electricity sector have published a roadmap for a just transition, which aims to guarantee quality employment conditions in the sector through strong collective bargaining structures as well as concrete demands towards EU institutions and Member States.

Further synergies should be sought among policies at EU and national level. All elements of the Fit for 55 Package must be integrated with the Renovation Wave Strategy – particularly the revised Energy Performance of Buildings Directive – and National Energy and Climate Plans, to deliver on an inclusive transition to climate neutrality and maximise consistency in the use of revenues and funding and in the elaboration of impact assessments and mitigation strategies.

**Energy Efficiency and Renovation Wave**

The ongoing revision of the Energy Efficiency Directive (“EED”) must increase the EU’s climate ambitions and establish clear and binding national targets for reducing end-use energy consumption, including through strengthened obligations for Member States. Energy efficiency is key: it is estimated that an increase in the rate of renovations in the residential sector by just 1% could lift 7 million people out of energy poverty.

A legal requirement for Member States to fund and develop energy efficiency programmes for low-income and vulnerable households should be introduced to manage the distributional impacts of these targets, along with the prioritisation of energy-poor households in decarbonisation efforts and subsidies for fuel switching.

Moreover, fossil fuel subsidies should be explicitly excluded from eligible energy savings. This directive represents an important opportunity to improve the energy efficiency of European heating and cooling systems, reducing emissions, and shielding vulnerable households from energy poverty. In particular, the ringfencing of part of Energy Efficiency Obligations for energy poverty measures is fundamental to overcome the barriers that vulnerable households face in the implementation of energy efficiency programmes. A better definition of energy poverty is also needed to reach all groups exposed to the risk of energy poverty in every Member State.

Moreover, the reduction in household energy bills following a large-scale renovation programme like the Renovation Wave Strategy, which aims to renovate 35 million homes by 2030, is around €400 per year. Deep renovation has multiple other benefits like accelerating decarbonisation and boosting the green economy, including the social and solidarity economy. To achieve this, sufficient and fair funding is required, as well as specific energy efficiency and practical assistance programmes targeted at low-income households.
The Renovation Wave and green jobs have a significant potential to create new job opportunities and foster social inclusion. Currently, however, construction jobs are unfortunately too often characterised by low wages, zero-hour contracts, informal work, and poor working conditions. Furthermore, the transition to a low-carbon economy and job market will impact on the workforce, particularly unskilled workers and working poor who cannot shift to a new job market without adequate measures.

It is crucial for these newly created jobs to be quality jobs with good working conditions and decent salaries, otherwise a shortage of qualified workers will render the ambitious targets set out in the Renovation Wave impossible. To tackle in-work poverty and precarious employment conditions in this sector, preventing a race to the bottom and rendering these jobs more attractive, adequate (minimum) living wages should be secured, while ensuring the participation of workers in collective bargaining and collective agreements covering minimum wages as well as large-scale upskilling and reskilling programmes.

Finally, women are mentioned as a potential workforce for the Renovation Wave, which is positive, but gender inequality should be structurally addressed by ensuring it is considered regarding the design and access of renovation programmes by the target population and increasing the role of women in the construction sector.

**A new EU carbon trading scheme for buildings**

The proposed creation of a new EU carbon market on emissions for the building and road transport sectors (“ETS2”) would worsen existing social challenges associated with the energy transition, as it is estimated that energy bills would rise by an average of €429 per year per household.

This proposal would increase existing inequalities and have regressive consequences for energy-poor households, who are often unable to bear higher costs for energy or for housing improvements. It would jeopardise their access to renovation and renewable schemes and disproportionately affect low-income households and people at risk of poverty.

This is moreover true as carbon inequalities exist and are increasing in the last decades: the poorest half of Europeans have cut emissions by almost a quarter, while emissions from the wealthiest 10% continue to rise. Since the poorest emit much less, it would be deeply unjust if they were the ones to pay the most. Carbon inequality must be addressed in a structural way, as market mechanisms are fundamentally incapable of solving this issue.
A Social Climate Fund

Another proposal within the “Fit for 55” package concerns the setting up of a Social Climate Fund (“SCF”), presented as a tool for fair burden-sharing across society linked to the introduction of ETS2. This fund specifically targets vulnerable households through direct income support and support for measures and investments in renovations, renewable energy programmes, or transport.

While this fund is a useful instrument to compensate for the negative social outcomes of the green transition, it should be decoupled from ETS2 and be sufficiently funded, focusing on delivering support, programmes, and long-term investments at the regional and local levels. The amount currently proposed for this fund, including co-financing by Member States, would only result in an average budget of €527 per year per household if the entire amount was only distributed to the 20% poorest households in the EU.61

Moreover, the SCF should be implemented as soon as possible, in 2023 at the latest, to ensure that households can start making upfront investments in decarbonisation and in clean alternative solutions.

The Energy Performance of Buildings Directive


These standards define a minimum level of energy efficiency that housing stock must meet before a given date. More specifically, this proposal requires the worst performing 15% of the building stock in each Member State to be upgraded to at least an energy performance standard “F” by 2030 and at least an energy performance standard “E” by 2033 for residential buildings, and all new buildings to be zero-emission as of 2030.

These mandatory minimum standards across all Member States are welcome, as they are crucial to prioritise renovations for energy-poor and low-income households, many of which live in worst-performing buildings.62 They are important to tackle unsafe and inefficient housing, reduce energy bills, and guarantee decent living conditions. The proposal acknowledges that this ought to be done in a socially sustainable way, through the incorporation of financial and social safeguards seeking to prevent that minimum standards worsen the living conditions of low-income households.63

Building Renovation Action Plans elaborated by Member States will also have to include roadmaps for phasing out fossil fuels in heating and cooling by 2040 at the latest, along with
pathways for transforming the domestic building stock into zero-emission by 2050. No financial incentives should be foreseen for the installation of fossil fuel boilers as of 2027 and Member States are given the possibility to further ban fossil fuel use in buildings.

However, some negative elements of this proposal can be evoked.\textsuperscript{64} A more ambitious definition of worst-performing buildings should be introduced, along with higher energy performance standard targets beyond Grade “E” and a higher deep renovation standard (currently set at only 30% of energy savings), to truly deliver on the Renovation Wave and bring about the necessary upgrades to Europe’s inefficient building stock.

Moreover, a stronger commitment to phasing out fossil fuel infrastructure for low-income households in existing buildings before 2040 should be adopted to avoid that these households are left alone to pay the carbon price for the energy transition because of the faster switch of higher-income households to renewables.

Member States must implement their Building Renovation Action Plans to tackle energy poverty, but there are currently no requirements for dedicated and ringfenced funding for deep renovation programmes and one-stop-shop schemes providing accessible and adapted information and guidance as well as technical assistance to energy-poor households, low-income households, and those living in unfit housing. Protections for tenants to ensure housing affordability and overcome split incentives should also be strengthened, including caps on rent increases, protection against evictions, and housing assistance.

Monitoring the social impacts of renovation, renewable, and energy efficiency programmes is therefore essential to make sure that they lead to the desired result of reducing energy poverty, instead of pushing up rents or pricing out low-income tenants, while promoting decarbonisation in new and existing buildings and ensuring that vulnerable households are not locked in fossil fuel infrastructure in the coming years.\textsuperscript{65} The engagement of users in the design of such programmes and the ex-ante and ex-post assessment of their social and distributional impacts must form an integral part of policy conception and delivery.\textsuperscript{66}

In this sense, some Member States have already implemented programmes to support energy-poor consumers.\textsuperscript{67} Ireland has launched energy efficiency grants for insulation, heat pump systems, heating control, and solar water heating. Croatia, in its national programme for renovation of buildings, has ringfenced a part of the funding for households in energy poverty. In Portugal, a national long-term strategy tackles energy poverty through renovation and energy efficiency programmes, and efficiency vouchers are delivered to economically vulnerable households who are homeowners to improve the thermal comfort of their homes.\textsuperscript{68}

The EPBD also needs to take gender aspects into consideration, such as the fact that women are disproportionately impacted by energy poverty and have different needs in managing the
thermal comfort of their homes. Women are also more often renters, and increased rents due to renovation could disproportionately affect them. It is important to ensure that gender justice and intersectionality are duly considered in the revision and implementation of this directive.
We call on governments and the EU to prioritise the following urgent demands:

- Assert the right to affordable and clean energy for all Europeans throughout policy and regulatory frameworks, as well as market design reforms, to enhance the protection for energy-poor and low-income households in a structural way through a three-pillar approach based on adequate incomes, fair prices, and energy efficiency.

- Secure adequate income support, technical assistance, and working conditions for the most vulnerable, combining emergency measures to immediately alleviate energy poverty, ensuring that they are adequate to support low-income households, with long-term policies that tackle its structural causes.

- Ban all disconnections and take effective steps to prevent self-disconnections by users of prepayment meters, and maintain regulated prices beyond 2025, recognising them as a core tool to secure the right to energy for all households.

- Develop a fair green taxation that phases out fossil fuel subsidies, further incentivises electricity from renewables, and leverages energy tax revenues to support energy-poor and low-income households, in the context of broader progressive tax reforms supporting a tax shift from labour to capital.

- Empower citizens and workers, highlighting their role in reimagining an energy system that reverses the destructive effects of liberalised energy markets and secures affordable and clean energy for all Europeans under democratic governance and public control.

- Guarantee consistent public investments in targeted renovation, renewable, and energy efficiency programmes that benefit energy-poor and low-income households, especially in the social and rental housing sectors, while tackling any unfair and regressive effects and avoiding fossil fuel dependency.

- Harness the potential of the Renovation Wave for quality job creation with good working conditions and adequate (minimum) living wages, while respecting the right of workers to participate in collective bargaining and developing large-scale upskilling and reskilling programmes.
- Decarbonise the heating and cooling sector in all residential buildings to prevent energy-poor households from paying the carbon price for the energy transition for decades to come.

- Ringfence financial incentives across the “Fit for 55” Package and the Renovation Wave Strategy for specific target groups, such as vulnerable, low-income, and energy-poor households, who have limited capacity to pay upfront and access financing for deep renovations.

- Integrate an ex-ante and ex-post distributional impact assessment of climate neutrality and energy transition policies that ensures the meaningful participation of social partners, civil society, and local actors, including energy-poor households and people experiencing poverty.

- Integrate a gender and an intersectional approach to energy inequalities across all policies, addressing the gender gap and the multidimensional aspects of energy poverty and social exclusion, and promoting the collection and systematic use of gender-disaggregated data related to energy use and energy poverty.
REFERENCES


2. Even in countries with low levels of energy poverty, income-poor people can be energy-poor too. For example, in Finland (a country with high levels of energy consumption per capita) the percentage of income-poor people who live in inadequately heated homes and have debts for energy bills is two times higher than average. See A. Maxim, C. Mihai, C.-M. Apostoaie, C. Popescu, C. Istrate and I. Bostan, “Implications and Measurement of Energy Poverty across the European Union” *Sustainability* 8 (2016), 483.


10 Population unable to keep home adequately warm by poverty status. Eurostat, op. cit.


18 Towards a Healthy Renovated Europe: Renovating our buildings is an opportunity that cannot be missed. CAN Europe and Friends of the Earth Europe, op. cit.


**RIGHT TO AFFORDABLE, CLEAN ENERGY FOR ALL EUROPEANS!**


34 *Who’s to pay? Splitting the bill for a just energy transition*. Right to Energy Coalition, op. cit.


39 *Right to Energy for All Europeans!* European Public Service Union and European Anti-Poverty Network, op. cit.


41 *Energy poor must not bear the costs of soaring energy prices*. European Anti-Poverty Network, op. cit.


43 *Who’s to pay? Splitting the bill for a just energy transition*. Right to Energy Coalition, op. cit.


52 Towards a Healthy Renovated Europe: Renovating our buildings is an opportunity that cannot be missed. CAN Europe and Friends of the Earth Europe, op. cit.


67 See also A. Portal, A. Kompatscher and C. Clark-Foulquier, *Targeting energy efficiency renovation to improve housing conditions of the most vulnerable. Avoiding social risks and ensuring the benefits*. European Federation of National Organisations Working with the Homeless, op. cit.

EPSU is the European Federation of Public Service Unions. It is the largest federation of the ETUC and comprises 8 million public service workers from over 250 trade unions across Europe. EPSU organises workers in the energy, water and waste sectors, health and social services and local, regional and central government, in all European countries including the EU’s Eastern Neighbourhood. It is the recognised regional organisation of Public Services International (PSI).

The European Anti-Poverty Network (EAPN) is the largest European network of national, regional and local networks, involving anti-poverty NGOs and grassroot groups as well as European Organisations, active in the fight against poverty and social exclusion. It was established in 1990.