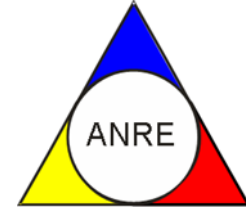




European Energy Network



ROMANIAN ENERGY REGULATORY AUTHORITY

**EnR Network Presidency 2017/2018**

# **EnR Position Paper on Energy Poverty in EUROPE and MS**

**ANRE Romania  
The Energy Efficiency Department  
Mrs. Mirela PLESCA**

**E<sup>n</sup>R Full & Regular Meeting (M62)  
21 -22 February 2018  
London, UK**

### EUROPE 2020 STRATEGY HEADLINE INDICATORS, EU28

	Headline Indicator	Past situation	Current situation			2020 Target
		2008	2014	2015	2016	
Employment	Employment rate, total (% of the population aged 20-64)	70.3	69.2	70.1	71.1	75
R&D	Gross domestic expenditure on R&D (% of GDP)	1.84	2.04	2.03 <sup>p</sup>	:	3.00
Climate change & energy	Greenhouse gas emissions* (index 1990=100)	90.31	77.39	77.88	:	80
	Share of renewable energy in gross final energy consumption (%)	11.0	16.1	16.7	:	20
	Primary energy consumption (Million tonnes of oil equivalent)	1,692.4	1,508.3	1,529.6	:	1,483
	Final energy consumption (Million tonnes of oil equivalent)	1,179.7	1,059.6	1,082.2	:	1,086
Education	Early leavers from education & training, total (% of population aged 18-24)	14.7	11.2 <sup>b</sup>	11.0	10.7	<10.0
	Tertiary educational attainment, total (% of population aged 30-34)	31.1	37.9 <sup>b</sup>	38.7	39.1	≥40.0
Poverty or social exclusion**	People at risk of poverty or social exclusion (Cumulative difference from 2008 in thousands)	:	4759	1956	:	-20000

\* Total emissions, including international aviation, but excluding emissions from land use, land use change and forestry.

\*\* People at risk of poverty or social exclusion are in at least one of the following three conditions: at-risk-of-poverty after social transfers (income poverty), severely materially deprived or living in a household with very low work intensity. Persons are only counted once even if they are present in several sub-indicators. The overall EU target is to lift at least 20 million people out of risk of poverty or social exclusion by 2020 with 2008 as a baseline year. All data refer to EU27.

e estimate      p provisional      b break in time series      : Data not available

## Europe 2020 Targets

## ROMANIAN ENERGY REGULATORY AUTHORITY

EU/Member State	Employment rate	Gross domestic expenditure on research and development	Greenhouse gas emissions	Share of renewable energy	Energy efficiency	Early leavers from education and training	Tertiary educational attainment	Poverty and social exclusion
EU-28	Increasing the employment rate of the population aged 20-64 to at least 75%	Increasing combined public and private investment in R&D to 3% of GDP	Reducing greenhouse gas emissions by at least 20% compared to 1990 levels	Increasing the share of renewable energy in final energy consumption to 20%,	Moving towards a 20% increase in energy efficiency (equalling a reduction to 1 483 Mtoe of primary energy consumption)	Reducing school drop-out rates to less than 10% (of the population aged 18 to 24)	Increasing the share of the population aged 30-34 having completed tertiary education to at least 40%	Lifting at least 20 million people out of the risk of poverty and social exclusion (compared to 2008)*
Belgium	73.2 %	3 %	- 15 %	13 %	43.7	9.5 %	47 %	- 380 000 persons
Bulgaria	76 %	1.5 %	+ 20 %	16 %	16.9	11 %	36 %	Reduce by 260 000 the number of persons living in monetary poverty
Czech Republic	75 %	1 % (public sector only)	+ 9 %	13 %	39.6	5.5 %	32 %	- 100 000 persons
Denmark	80 %	3 %	- 20 %	30 %	17.8	10 %	> 40 %	Reduce by 22 000 the number of persons living in households with very low work intensity
Germany	77 %	3 %	- 14 %	18 %	276.6	< 10 %	42 % (ISCED 2011 level 4-8)	Reduce by 20 % the number of long-term unemployed (unemployed for more than one year) compared to 2008. (equalling to a reduction of 320 000 longterm unemployed persons)
Estonia	76 %	3 %	+ 11 %	25 %	6.5	9.5 %	40 %	Reduce to a rate of 15 % the number of persons living at risk of poverty after social transfers (compared to 17.5 % in 2010)
Ireland	69 - 71 %	2.5 % of GNP (Approximately 2 % of GDP)	- 20%	16 %	13.9	8 %	60 %	Reduce by a minimum of 200 000 the population in combined poverty (either consistent poverty, at-risk-of-poverty or basic deprivation).
Greece	70 %	1.2 %	- 4 %	18 %	24.7	<10 %	32 %	- 450 000 persons
Spain	74 %	2 %	- 10 %	20 %	119.8	15 %	44 %	- 1 400 000 to - 1 500 000 persons
France	75 %	3 %	- 14 %	23 %	219.9	9.5 %	50 % (age group 17 to 33)	- 1 900 000 persons (compared to 2007)
Croatia	62.9 %	1.4 %	+ 11 %	20 %	11.5	4 %	35 %	Reduce to 1 220 000 the number of persons at risk of poverty or social exclusion .
Italy	67 - 69 %	1.53 %	- 13 %	17 %	158.0	16 %	26 - 27 %	- 2 200 000 persons

## Europe 2020 Targets

## ROMANIAN ENERGY REGULATORY AUTHORITY

EU/Member State	Employment rate	Gross domestic expenditure on research and development	Greenhouse gas emissions	Share of renewable energy	Energy efficiency	Early leavers from education and training	Tertiary educational attainment	Poverty and social exclusion
Cyprus	75 - 77 %	0.5 %	- 5 %	13 %	2.2	10 %	46 %	- 27 000 persons or reduce the rate to 19.3 % of the population (compared to 23.3 % in 2008)
Latvia	73 %	1.5 %	+ 17 %	40 %	5.4	10 %	34 - 36 %	Reduce by 121 000 the number of persons living at risk of poverty after social transfers and/or in households with very low work intensity
Lithuania	72.8 %	1.9 %	+ 15 %	23 %	6.5	< 9 %	48.7 %	- 170 000 persons and limit to 814 000 persons in 2020
Luxembourg	73 %	2.3 - 2.6 %	- 20 %	11 %	4.5	< 10 %	66 %	- 6 000 persons
Hungary	75 %	1.8 %	+ 10 %	13 %	24.1	10 %	34 %	- 450 000 persons
Malta	70 %	2 %	+ 5 %	10 %	0.7	10 %	33 %	- 6 560 persons
Netherlands	80 %	2.5 %	- 16 %	14 %	60.7	8 %	> 40 %	Reduce by 100 000 the number of persons (aged 0-64) living in a jobless household (compared to 2008)
Austria	77 %	3.76 %	- 16 %	34 %	31.5	9.5 %	38 %	- 235 000 persons
Poland	71 %	1.7 %	+ 14 %	15 %	96.4	4.5 %	45 %	-1 500 000 persons
Portugal	75 %	2.7 - 3.3 %	+ 1 %	31 %	22.5	10 %	40 %	- 200 000 persons
Romania	70 %	2 %	+ 19 %	24 %	43.0	11.3 %	26.7 %	- 580 000 persons
Slovenia	75 %	3 %	+ 4 %	25 %	7.3	5 %	40 %	- 40 000 persons
Slovakia	72 %	1.2 %	+ 13 %	14 %	16.4	6 %	40 %	Reduce to a rate of 17.2 % the number of persons living in poverty or social exclusion (compared to 20.6 % in 2008)
Finland	78 %	4 %	- 16 %	38 %	35.9	8 %	42 % (excluding former tertiary Vocational Education and Training (VET))	Reduce to 770 000 the number of persons living in poverty or social exclusion
Sweden	> 80 %	4 %	- 17 %	49 %	43.4	< 7 %	45 - 50 %	Reduce to well below 14 the percentage of women and men (aged 20-64) who are not in the labour force (except full-time students), long-term unemployed or on long-term sick leave
United Kingdom	No target in National Reform Programme	No target in National Reform Programme	- 16 %	15 %	177.6	No target in National Reform Programme	No target in National Reform Programme	No target in National Reform programme, but numerical targets exist under the umbrella of the 2010 Child Poverty Act and the Child Poverty Strategy 2011-2014

## People at risk of poverty or social exclusion 2008 and 2015

	% of total population		in thousands	
	2008	2015	2008	2015
EU*	23.7	23.7	115,908	118,759
Austria	20.6	18.3	1,699	1,551
Belgium	20.8	21.1	2,194	2,336
Bulgaria	44.8	41.3	3,421	2,982
Croatia	:	:	:	:
Cyprus	23.3	28.9	181	244
Czech Republik	15.3	14	1,566	1,444
Denmark	16.3	17.7	887	999
Estonia	21.8	24.2	291	315
Finland	17.4	16.8	910	904
France	18.5	17.7	11,150	11,048
Germany	20.1	20	16,345	16,083
Greece	28.1	35.7	3,046	3,829
Hungary	28.2	28.2	2,794	2,735
Ireland	23.7	0	1,050	0
Italy	25.5	28.7	15,082	17,469
Latvia	34.2	30.9	740	606
Lithuania	28.3	29.3	910	857
Luxembourg	15.5	18.5	72	95
Malta	20.1	22.4	81	94
Netherlands	14.9	16.8	2,432	2,813
Poland	30.5	23.4	11,491	8,761
Portugal	26	26.6	2,757	2,765
Romania	44.2	37.3	9,115	7,428
Slovakia	20.6	18.4	1,111	963
Slovenia	18.5	19.2	361	385
Spain	23.8	28.6	10,786	13,175
Sweden	14.9	16	1,367	1,555
United Kingdom	23.2	23.5	14,069	15,028

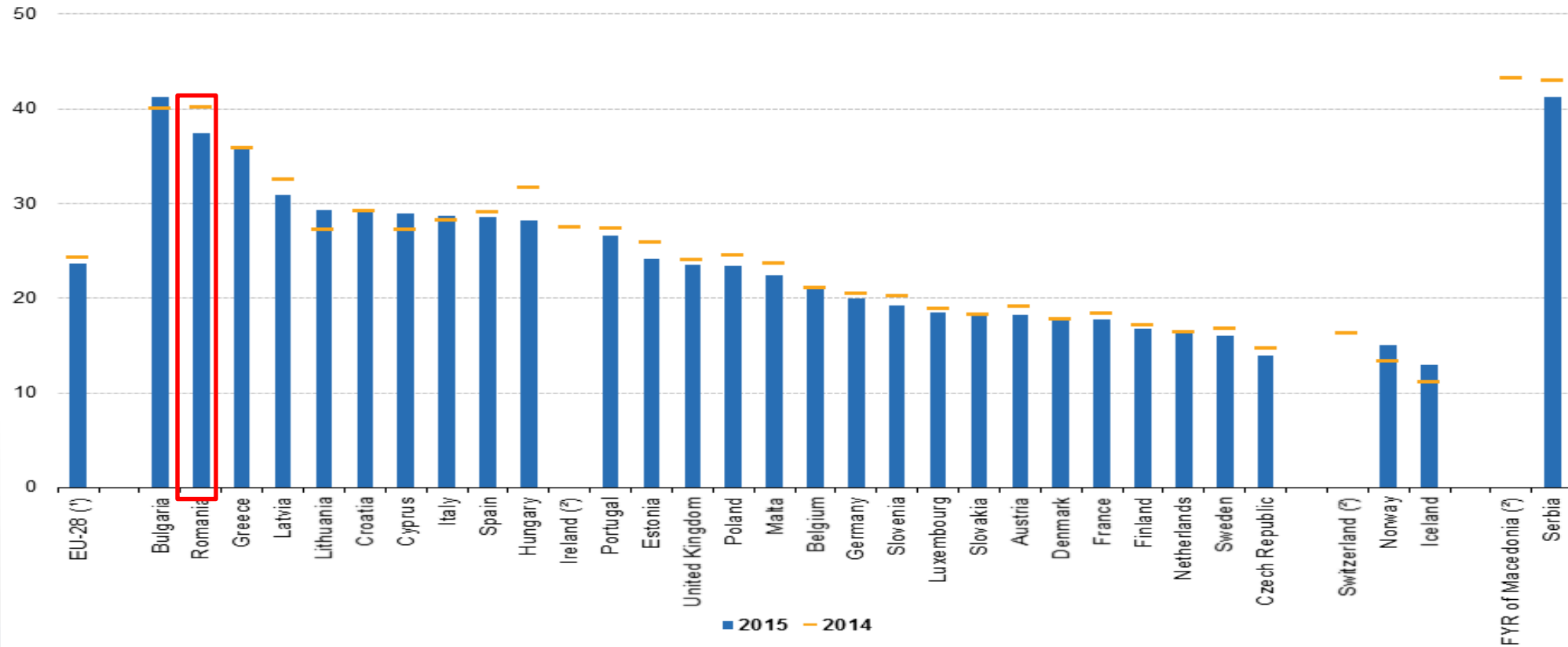
\* Data for 2008 exclude HR, data for 2015 are estimated

: Data not available

Source: Eurostat, (ilc\_peps01)

“Fighting poverty or social exclusion is a key political priority for the European Commission. One of the five headline targets of the Strategy 2020 is to lift at least 20 million people out of the risk of poverty or social exclusion by 2020, thus reducing poverty from 116.4 million in 2008 to 96.4 million over the decade. In the aftermath of the global financial and economic crisis however, Europe has drifted away from achieving its poverty target. Making further progress requires renewed efforts for poverty reduction at European and Member state levels.”

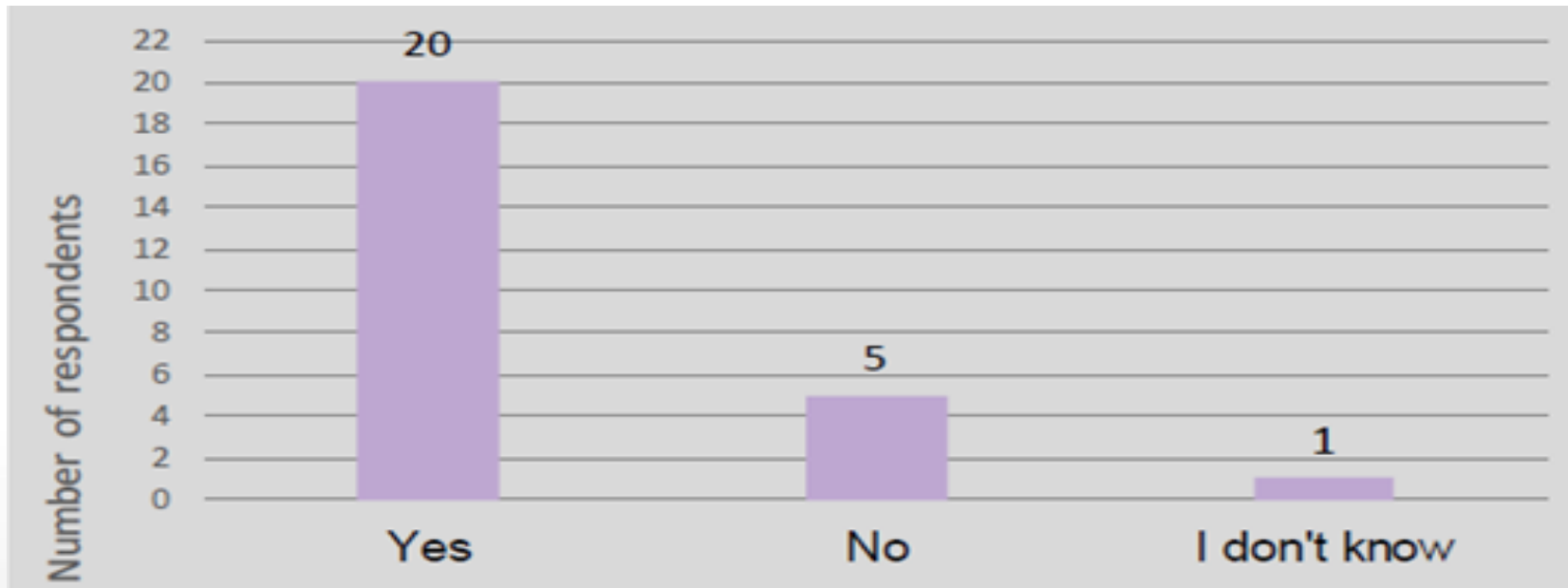
### At-risk-of poverty or social exclusion rate, 2014 and 2015 - Eurostat



(\*) 2015: estimate.  
(\*) 2015: not available.

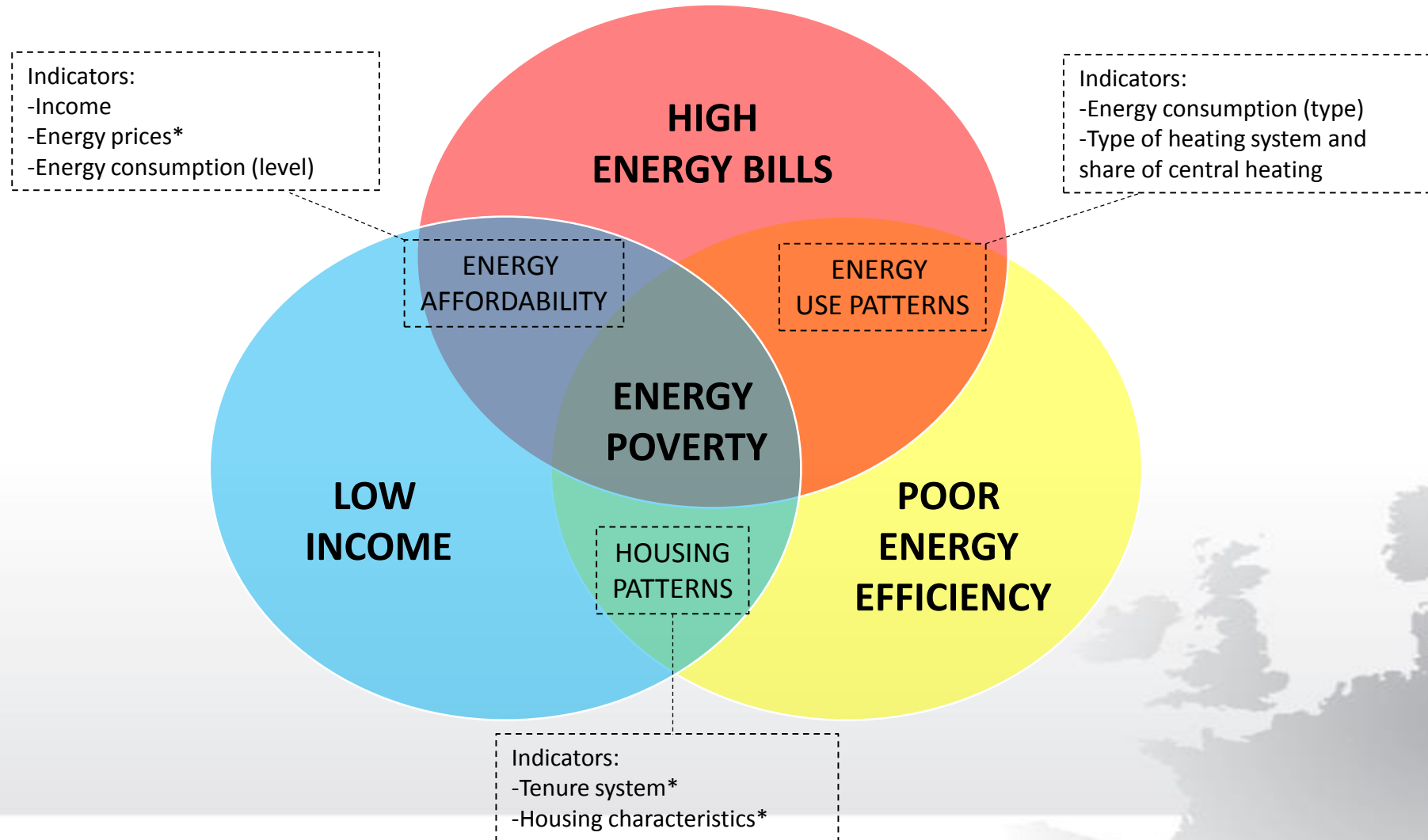


## Does energy poverty exist in your country?



Source: Energy poverty within the EU – CA EED Project (2016)

## Drivers of energy poverty - Insight\_E Report 2015





## Drivers of vulnerability - DG ENER, EC (BPIE Study Alleviating fuel poverty in the EU)

### Social and natural context

State of economy  
Climate

### Market conditions

Energy process  
Level of competition

### Individual circumstances

Income level  
Health/disability

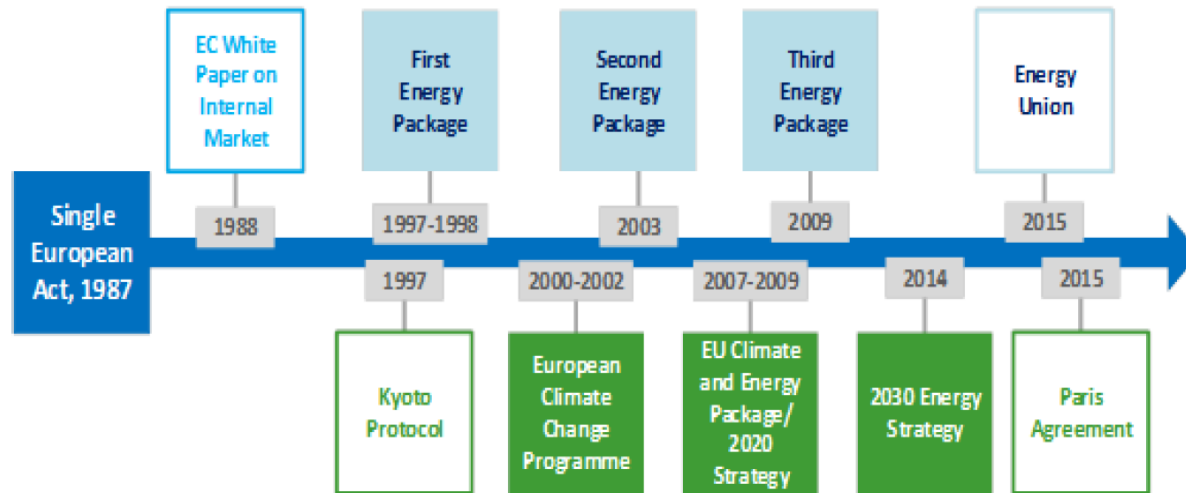
Education  
Access to information

### Living conditions

Under occupancy  
Energy performance of the building  
Heating system

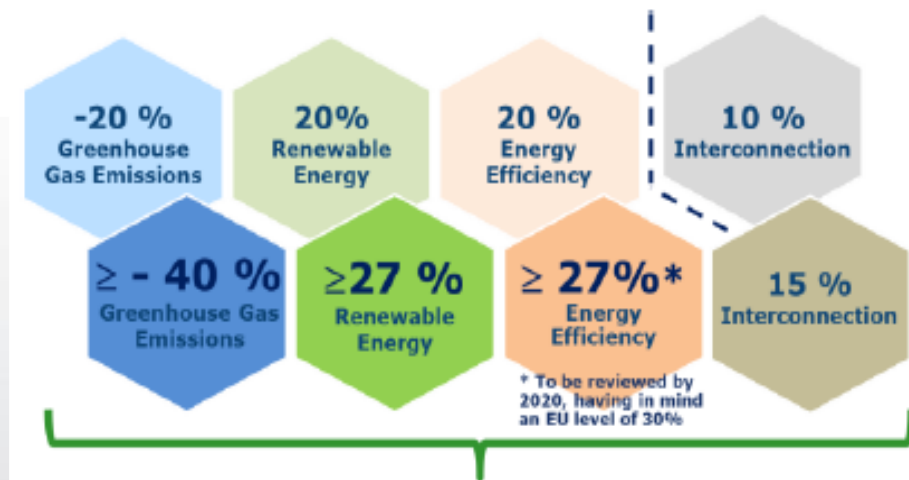
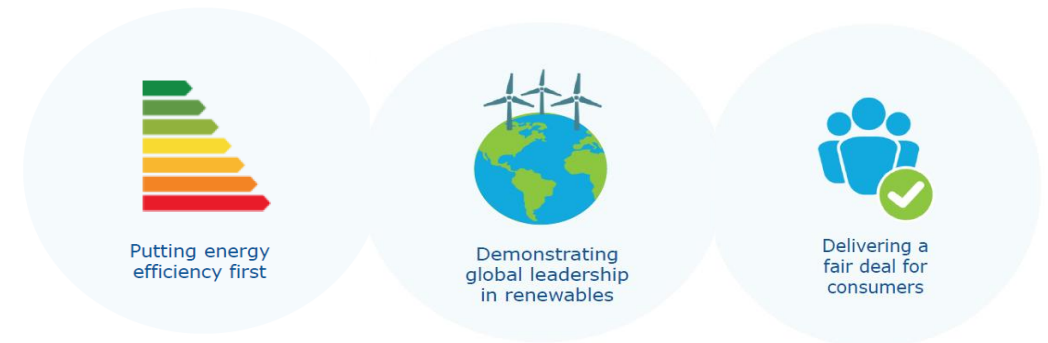


Figure 1: Major milestones in EU energy and climate policy



Source: Report for DG ENERGY 29.03.2017- Specific contract No ENER/C3/SER/2015-659/SI2.729305/2015-665/SI2.731474 implementing Framework contract No ENER/C3/2013-484-Ricardo-AEA Ltd

## CLEAN ENERGY FOR ALL EUROPEANS 2016



## Understanding energy poverty



Energy poverty – subset of consumer vulnerability and general poverty. Specific problem where energy and social policies meet.

How to address energy poverty? First one step back to

1. Agree on a generic concept
2. Measure the level of energy poverty
3. Set up targeted policies to tackle it and measure their effectiveness

## Recommendations



1. A generic, simple and flexible **definition** of energy poverty centring around **low-income; affordability; adequate domestic energy services.**



2. Comparable **indicators** taking account of **energy expenditure** and **household income.**



3. Better data on **houses** and **households**



4. Combination of **policies**

Targeted & Effective	
Financial measures	Social policy ,Energy efficiency
Safeguards against disconnection	Consumer protection

## Integrated measures for energy poverty and vulnerable consumers

### SHORT TERM EFFECTS

- 1. Financial measures** (Government) - **40% from MS**  
e.g. Social tariffs, social support, subsidies (generals/older people)
- 2. Non-financial measures** (NRAs/energy suppliers) - **20% from MS**  
e.g. disconnections interdictions, network extension on rural area

### SUSTAINABLE EFFECTS

- 1. Energy Efficiency** (measures for all)  
e.g. grants/loans/fiscal incentives, increasing social houses efficiency, legislation
- 2. Information and awareness**  
e.g. campaigns, guides, invoices transparency, smart meters, price comparison

## The European countries actions referring to vulnerable customers and energy poverty

### Measures to protect vulnerable customers in the EU (2014)

Measures	Applicability	
	electricity	Natural gas
Limitations on disconnections for nonpayment	AT, CY, GR, FR, GB, HU, IE, IT, LU, LT, NL, RO, SI, SE	AT, BG, GR, FR, GB, HU, IE, IT, LU, NL, RO, SI, SE
Special prices of energy for vulnerable consumers (the so-called social tariffs)	BE, CY, GR, ES, FR, GB, PT, RO	BE, FR, GB, PT
Exemptions from certain components of the invoice (e.g.: the cost of the actual energy, network fees, taxes, etc.)	GR, IE	IE
Additional social benefits, unallocated, for the payment of energy bills	AT, CZ, DE, FR, HU, NO, SE	AT, CZ, DE, FR, HU, NL, SE
Social benefits exclusively pre-allocated for the payment of outstanding expenses with energy.	AT, DE, FI, GB, HU, IE, NO, PL, SE	AT, DE, FI, GB, HU, IE, PL, SE
Free counseling on the ways to save energy	AT, FR, HU	AT, FR, HU
Free replacement of energy-inefficient appliances	FR	BE, FR
Financial grants for replacing inefficient appliances	AT, CY, FR	AT, FR
The right to postpone payment	CT, FR HU, LT	FR, HU
Other	AT, DK, GR, HU, IE, LT, MT	AT, DK, HU, IT, LT, SI

Source: The database on national indicators of CEER (2015)

## Energy poverty in EU

Energy poverty is a major challenge across the EU, having its roots in low incomes and energy inefficient housing. The EU Survey on Income and Living Conditions (EU SILC) estimates that 54 million European citizens (10.8% of the EU population) were unable to keep their home adequately warm in 2012, with similar numbers being reported with regard to the late payment of utility bills or presence of poor housing conditions.

The Commission's energy efficiency proposals *Clean Energy for all Europeans* package ask Member States to take energy poverty into account, by requiring a share of energy efficiency measures to be implemented as a priority in households affected by energy poverty or in social housing.

Also, as part of the Energy Union Governance process, Member States will have to monitor and report on energy poverty while the Commission will facilitate the exchange of best practices.

The Commission is also setting up an Energy Poverty Observatory to provide better data on the problem and its solutions as well as to help Member States in their efforts to combat energy poverty.



## Trend

- 11% from EU population
- Between 50-150 millions people

## Solution

- Subsidiarity principle

### THIRD ENERGY PACKAGE (2009)

#### → ENERGY CONSUMER ←

- ✓ Recognition of energy poverty
- ✓ National Action plan for energy poverty
  - Definition of vulnerable consumer;
  - Integrated measures.

➤ **ENERGY POVERTY:**

- MS have to adopt an unanimous definition, but most opinions are related to the impossibility of a household to ensure for itself the necessary energy services at affordable costs.

➤ **VULNERABLE CONSUMER:**

- Requirements for MS to define energy vulnerable category and ensure benefits from protection



*Third Energy Package :*

National legislation must guarantee you the right to receive adequate protection, if you are defined as a 'vulnerable consumer' by relevant national legislation. Member States have to define the concept of vulnerable consumers in their national legislation and ensure there are adequate measures in place to protect vulnerable customers. Member States have some flexibility to define vulnerable customers according to their own particular situation but they must take measures to address energy poverty while ensuring a high degree of protection.

## The role for energy agencies in tackling energy poverty (EnR Energy Efficiency Working Group)

- **Advice services**

energy agencies are the official, first point of advice for householders who are struggling with their energy bill, including for millions of energy poor households across Europe

- **Targeting programmes to alleviate energy poverty**

Energy agencies work closely with governments at national, regional and local level to develop and deliver policies to promote energy efficiency and renewable energy.

- **Working with social and public sector housing providers**

People on low incomes, and therefore who are particularly susceptible to energy poverty, are more likely to live in social and public housing. Energy Agencies have a long history of collaborating with housing providers to install energy efficiency and renewable energy measures

- **Developing new technologies and energy services**

Millions of energy poor households across Europe are missing basic energy efficiency measures. Energy agencies play a key role in reaching and supporting those households to improve their property with basic insulation measures and improvements to heating systems

## EnR/ANRE POSITION PAPER PROPOSALS ON ENERGY POVERTY IN EUROPE AND MEMBER STATES

### - EnR PRESIDENCY 2017-2018 -

- official harmonized definition of energy poverty at EU level mentioned in the Clean Energy Package provisions and criteria to measure energy poverty and to monitor the number of households in energy poverty and to report on both the evolution of energy poverty and abatement measures every two years to the EU Energy Poverty Observatory;
- harmonized **National Reports on Directives 72/2009 and 73/2009 - 31.07 current year - on data regarding vulnerable consumers and** harmonized **Progress Reports on meeting the national energy efficiency targets according to Directive 27/2012 - deadline 30.04 current year;**
- EU methodology for developing the **National Action Plan for energy poverty** as part of the Energy Union governance Regulation proposal in order to integrate the provisions of the EED proposal and the Directive proposal on common rules for the internal market in electricity to take **energy poverty** into account, by requiring a share of energy efficiency measures to be implemented as a priority in households affected by energy poverty or in social housing;
- prioritized Energy efficiency programs allocation at European and national level for drafting and updating the **National Action Plan for energy poverty** by addressing the energy performance of buildings and appliances and the awareness among energy consumers for energy efficiency (grants, state aids, structural funds, subsidies, etc.)

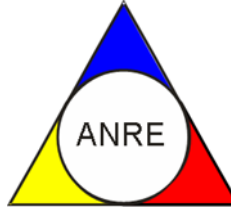
### ANRE - EnR PRESIDENCY 2017

<b>EnR Regular &amp; Full Meeting - Handover of EnR Presidency to ANRE, Romania</b>	<b>22-23 February 2017</b>	<b>Zurich</b>
Joint workshop of Energy Agencies (EnR) and Environment Protection Agencies (EPAs) in Europe on GHG mitigation and decarbonisation	8 March 2017	Brussels
Romanian Energy Center Conference - <i>Romanian Energy Day 2017</i> <a href="http://www.crenerg.org/en/about-us/">http://www.crenerg.org/en/about-us/</a>	30-31 May 2017	Brussels
<b>EnR Regular Meeting</b> <a href="http://www.anre.ro/ro/eficienta-energetica/informatii-de-interes-public/info-eficienta-energetica1386850500/anre-presedinte-enr-2017/comunicat-12-06-2017-comunicat-12-06-2017-anre-organizeaza-la-bucuresti-intalnirea-enr-regular-meeting-m61-in-perioada-14-15-iunie-2017&amp;page=1">http://www.anre.ro/ro/eficienta-energetica/informatii-de-interes-public/info-eficienta-energetica1386850500/anre-presedinte-enr-2017/comunicat-12-06-2017-comunicat-12-06-2017-anre-organizeaza-la-bucuresti-intalnirea-enr-regular-meeting-m61-in-perioada-14-15-iunie-2017&amp;page=1</a>	<b>14-15 June 2017</b>	<b>Bucharest</b>
World Energy Council - Romanian National Committee Conference : <i>"Romanian Legislation and new European orientation on vulnerable consumers and energy poverty"</i> <a href="http://www.cnr-cme.ro/">http://www.cnr-cme.ro/</a>	14 September 2017	Bucharest
<b>EnR Thinking Group Meeting - with the support of the Austrian Energy Agency</b> <a href="http://www.anre.ro/ro/eficienta-energetica/informatii-de-interes-public/info-eficienta-energetica1386850500/anre-presedinte-enr-2017/intalnirea-enr-thinking-group-salzburg-27-28-septembrie-2017&amp;page=1">http://www.anre.ro/ro/eficienta-energetica/informatii-de-interes-public/info-eficienta-energetica1386850500/anre-presedinte-enr-2017/intalnirea-enr-thinking-group-salzburg-27-28-septembrie-2017&amp;page=1</a>	<b>27-28 September 2017</b>	<b>Salzburg</b>
<b>16+1 Business Forum, Conference and Fair</b> China and Central and Eastern European countries - <b>Leadership on Coordinating Energy Efficiency in the Region. Lessons learned during the Presidency of EnR</b> <a href="http://www.crenerg.org/evenimente/16-1-business-forum-conference-and-fair/">http://www.crenerg.org/evenimente/16-1-business-forum-conference-and-fair/</a>	<b>November 9, 2017</b>	<b>Bucharest</b>

### ANRE - EnR PRESIDENCY EVENTS 2018

The launch of EU Energy Poverty Observatory <a href="https://ec.europa.eu/energy/en/events/launch-eu-energy-poverty-observatory-epov">https://ec.europa.eu/energy/en/events/launch-eu-energy-poverty-observatory-epov</a>	29 January 2018	Brussels
The regional Conference on Financing Energy Efficiency in Romania, Hungary and Bulgaria <a href="https://ec.europa.eu/energy/en/events/financing-energy-efficiency-romania-hungary-and-bulgaria">https://ec.europa.eu/energy/en/events/financing-energy-efficiency-romania-hungary-and-bulgaria</a>	1 February 2018.	Bucharest
<b>EnR Regular &amp; Full Meeting - with the support of the Energy Saving Trust UK</b> Handover of EnR Presidency to ENEA, Italy	<b>21-22 February 2018</b>	<b>London</b>
DG JUSTICE AND CONSUMERS - Presentation regarding the <i>awareness campaign for Romania, Czech Republic, Greece and Portugal</i> regarding the energy efficiency role for addressing the energy poverty - Representation of the European Commission in Romania	22 February 2018	Bucharest
<b>ENEA - EnR PRESIDENCY EVENTS 2018</b>		
Regional Conference “Fighting off Energy Poverty through Streamlined Energy Efficiency Policies in Multilevel Governance Perspective”- Bulgarian Presidency of the Council of the European Union -Representation of the European Commission in Bulgaria	19-20 March 2018	Sofia





# THANK YOU FOR YOUR ATTENTION !



Romanian Energy Regulatory Authority (ANRE)

Energy Efficiency Department

Constantin Nacu no. 3, sector 2

Bucharest, Romania

[www.anre.ro](http://www.anre.ro)

<http://enr-network.org/about-enr/>



EnR Presidency & Secretariat 2017  
European Energy Network

