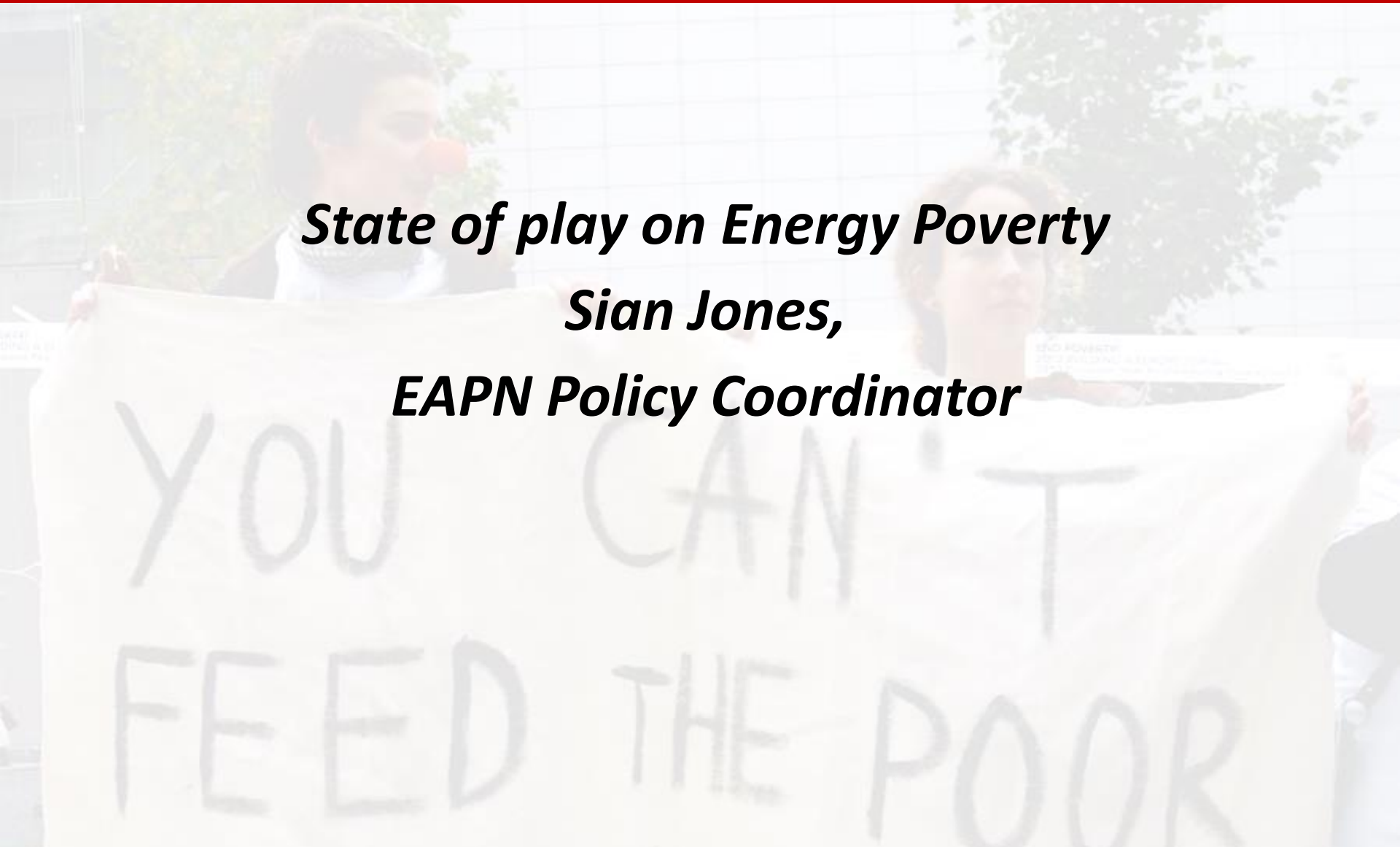
GUE – Affordable Energy – A basic social right
29 May 2017 – European Parliament



State of play on Energy Poverty

Sian Jones,
EAPN Policy Coordinator

EUROPEAN ANTI POVERTY NETWORK

Outline

- Introduction
- State of play on Energy Poverty
- Way forward

Introducing EAPN

- **Independent Network of NGOs** committed to fight against poverty + social exclusion, with people in poverty.
- Receives **financial support** from the European Commission (PROGRESS/now EaSi)
- 31 **National Networks** and 14 **European NGOs** as members (10,000+ organisations)
- Started in 1990 – **key actor** in poverty programmes and development of social OMC, Lisbon and Europe 2020
- **Active on Energy poverty issue since 2008 – right to energy.**
- **Participation of people** with direct experience of poverty must be part of the solution.

15th EU People Experiencing Poverty Meeting

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EAPN and Energy Poverty

- **Energy Poverty seen as growing challenge** since 2000
- **2009 –Joint EP campaign** Electricity /Gas market rules
- **2005-17** : Lisbon Strategy, Social OMC, Europe 2020 now European Pillar of Social Rights
- **2014 Coordinated workshop with DG Energy**
- **2015 active in vulnerable consumers group**, EPC TF
- **2016 work with Greens/EFA Tamas Meszerics** linked to opinion and handbook and good practices.
- **Joint work with EPSU** -leaflet on the **Right to Energy**.
- **National members active in local initiatives (BG, DE, HU, UK, IT** particularly advice/energy efficiency

Starting Point – What definition?

- **Energy poverty is when a person is not able to heat or fuel their home to an acceptable standard at an affordable cost**
- **No agreed EU definition.** Scotland, Wales and Ireland use definition linked to proportion of costs**.**
- *A household is in fuel poverty if in order to maintain a satisfactory heating regime, it would be required to spend more than 10% of its income on all household fuel use. If it is over 20% it is deemed extreme energy poverty. According to WHO a satisfactory heating regime is for vulnerable households 23C in living room and 21 in other rooms. For others it is 21 and 18*
- But a range of other definitions used.

Energy Poverty – 3 Main Causes

1. **Low Incomes**
2. **Poor thermal efficiency and bad housing**
3. **High energy costs**

Other important factors

- ❑ Interlinkages are crucial
- ❑ Personal factors eg age, disability, family situation, discrimination..

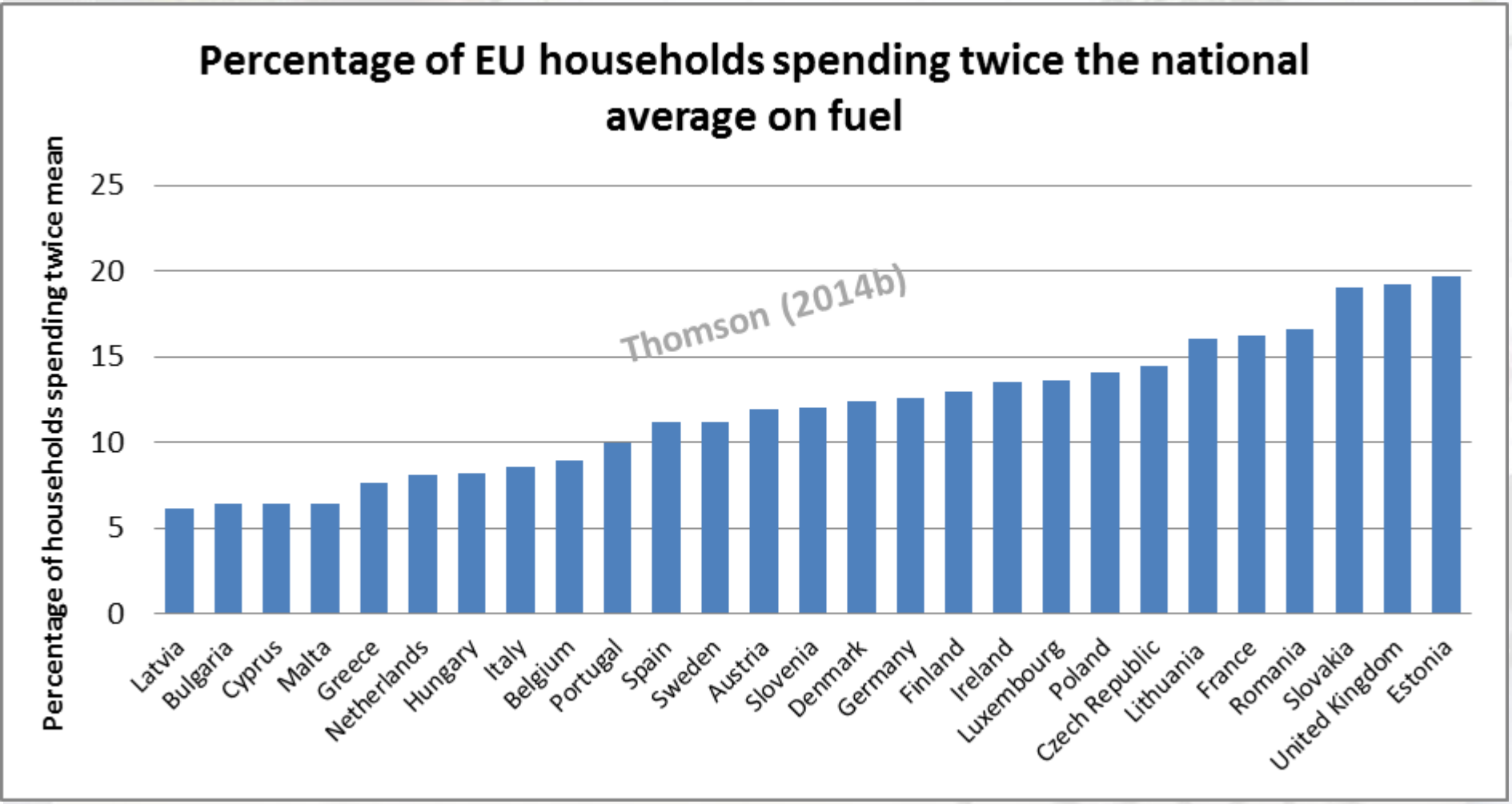
Energy Poverty – Main Trends

- **Lack of comparable indicators or data**
- 11% of population at risk of energy poverty, 54 million (2012) –worst: C, E and S Europe (Insight_E study)

- **EU SILC – inability to keep home warm** (2008-15)

Area	2008	2012	2016
EU 28	9.3	10.8	9.4
BE	6.4	6.6	5.2
BG	66.3	46.5	39.2
EL	15.4	26.1	39.2
LT	22.6	34.1	31.5
PT	34.9	27.0	23.8
SE	1.5	1.4	0.9

Trends on average spending on Fuel



Rising Energy Poverty – What causes?

1) Declining household incomes + increasing poverty –

- *Due to unemployment, cuts: wages, benefits, services.*
- *119 million people in poverty nearly 1 in 4 despite a poverty target. Increase of 4.8 million since 2008.*

2) High and Rising Costs of Fuel

- *Since 2004, fuel prices have increased by over 70% in real terms (Walker, Thomson and Liddell 2013)*
- *Rises strongly connected to **deregulation and privatization** (S. Bouzarovski)*
- *Also climate protection polices eg in Germany (200%).*

3) Low energy efficiency and low quality housing

- *Strong link between bad housing, energy demand and poverty – particularly for vulnerable groups*
- *Energy efficiency measures passed on in higher rents/split incentives in 21 countries eg IUT (2016)*

Energy Poverty – What Consequences?

- **Cycle of debt**
  - *Utility bills are major cause of indebtedness (68%)*
  - *" We have to choose between heating and eating'*

- **Cut offs and evictions**
  - *Still lack of detailed information from regulators (ACER)*
  - *Increase in disconnection rates in 2014 eg 4% Italy, 2.3% Spain, 352.000 in Germans with 6.3 ml threats.*

- **Deteriorating health including mental health**
  - *Children living in cold homes 2 x respiratory problems.*
  - *Older people higher mortality, arthritis etc (Marmot)*
  - *1 in 4 adolescents risk of mental health problems*

- **Indirect impacts also on economy**
  - *Affects children's performance in school, isolation*
  - *Employment*
  - *Health costs (859 million to NHS – UK – 2009)*

What Solutions

1. **Right to Energy – no cut offs!**
2. **Regulated Prices and social tariffs**
3. **Energy efficiency to benefit poor families**
4. **Ensure adequate income – EU frameworks on minimum income and minimum wage**
5. **Integrated approach (income, prices, energy efficiency) in National Action Plans**

What way forward – people at the heart

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For Further Information

EAPN Publications: www.eapn.eu

- *Energy Poverty Handbook (Greens/EFA, BPIE, Housing Europe, EAPN) 2016*
- *Good Practices (Ibid)*
- *EAPN Working Document on Energy Poverty (2010)*

For Further Information

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