

# ENERGY POVERTY IN BULGARIA

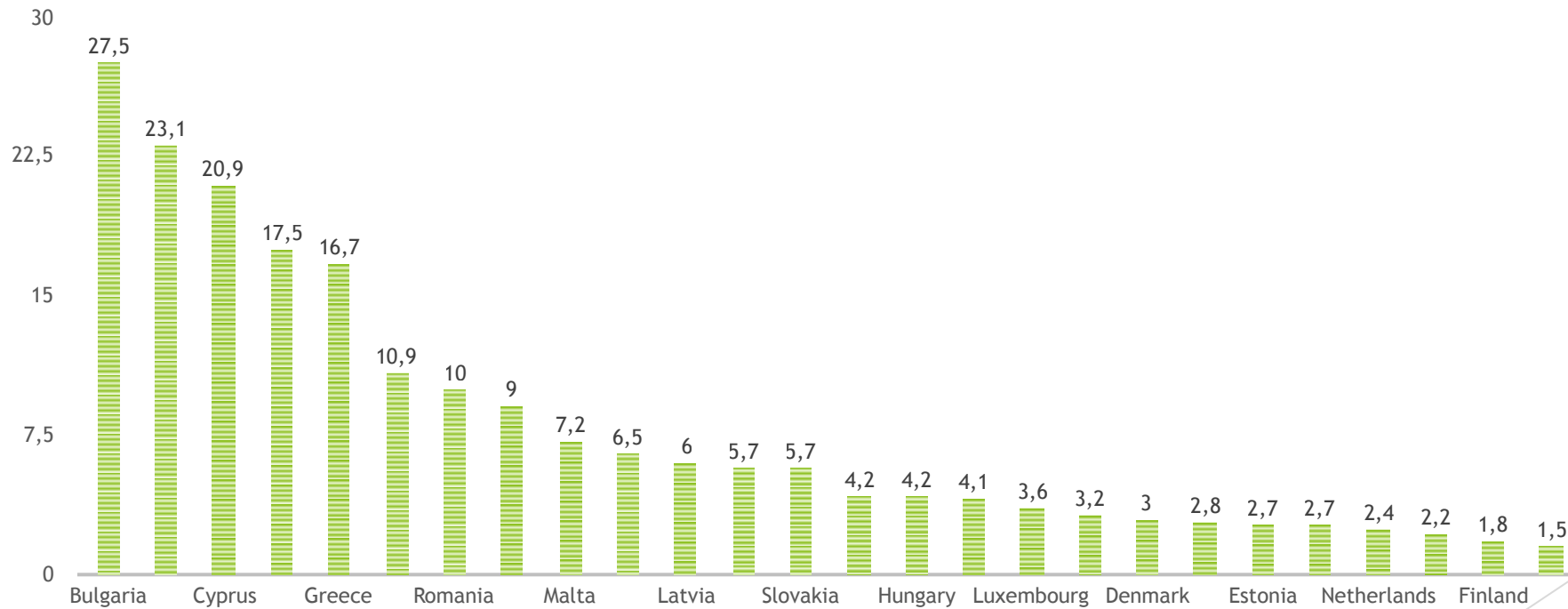
Maria Jeliazkova,  
EAPN Bulgaria, IPS-BAS

# Energy poverty in Bulgaria

- ▶ A serious and worrying problem.
- ▶ Already long-term - accompanying the 30 years of transition
- ▶ Directly and strongly correlated with very high levels of poverty and social exclusion in the country.
- ▶ Data from 2020 show that about 1/3 of the population is unable to keep their homes adequately warm.
- ▶ The value, as usual and also as for many other social indicators, is consistently the highest in the EU and at a great distance from the average, to which Bulgaria also contributed.

# Energy poverty in Bulgaria

Unable to keep home adequately warm EU 2020



# Anti-energy poverty policies

- ▶ Social assistance provides seasonal 5-month support for people with very low incomes,
- ▶ The logic is short-term support for households with very low incomes (low thresholds for applying; means - tested depending on different categories of people; disciplining and sanctioning effects). As a result, less than 1/3 of people in dire need are financially supported;
- ▶ No definition. No reference standards to estimate adequate necessary minimum incomes;
- ▶ The measures are residual, reactive and unsustainable; no long-term & preventive measures;
- ▶ The political framework does not focus on the causes of energy poverty and its link to other social indicators;
- ▶ Research is usually sparse and politically correct, incl. lack of independent assessments of social impacts and considering harm to health, inequalities in the use of energy, etc.;

# Pro-energy poverty policies

- ▶ A number of other policies contribute to poverty in general and energy poverty in particular.
- ▶ Within the social policy field- the main example is ALMPs, the so-called activation, aimed at providing any kind of employment, trying to discipline and sanction people who do not work without any relation to the quality of jobs and living wage.
- ▶ Within the interactions between different policies - financial, economic, environmental, etc. A typical example are the distributive and redistributive policies, which are based on the so-called 'flat' tax and regressive tax wedge, and whose main trend is to increase inequalities to very high levels. Inadequate link between environmental, economic and social goals also.
- ▶ Erosion of human and social rights - right to energy is not set as a main dimension, objective and indicator for monitoring policies.
- ▶ Policies inconsistencies are the main drivers of energy poverty

# Some new developments

- ▶ Some mobilization of civil society to oppose the established distorted national developments that were mainly based on lobbying interests and pro-oligarchic developments. Thanks to this there is a new government now after a period of 7 months of 2 caretaker governments - all 3 trying to address the issues.
- ▶ Attempts to raise the minimum wage
- ▶ Linking pensions to the at-risk-of-poverty line and raising them above it.
- ▶ Improvement of conditions for access to heating support
- ▶ Current moratorium on households' prices for energy - linked to the high and increasing high energy prices. However households are affected by the increase of prices of goods and services.
- ▶ Including a promise for energy poverty definition in the National Recovery and Resilience Plan Bulgaria.
- ▶ At the same time, energy policy is a major issue on which there is no consensus and which delays the adoption of the Bulgarian Plan.

# Various stakeholders have tried and are trying to influence the developments:

- ▶ The National Economic and Social Council elaborated a position almost 10 years ago;
- ▶ Trade unions and Association of Consumers;
- ▶ Various NGOs working in the field of poverty and social exclusion;
- ▶ Ministry of Labor and Social Policy Affairs demonstrated some interest in reference standards, etc.

However the effect is quite weak and insignificant.

# Public Capacity for a Just Green Transition

- ▶ A project financed by the Research Fund at the Ministry of Education and Science (KP-06-H55/13)
- ▶ Aims:
  - ▶ To consider how this capacity is build in ref. with model of decision making mechanisms, concepts of energy justice and energy poverty;
  - ▶ To use different instruments to outline the situation (sociological quantitative and qualitative surveys);
  - ▶ To review and make comparisons between different models of ‘just green transition’;
  - ▶ To outline different scenarios for a ‘just green transition’;
  - ▶ To implement citizens panels
  - ▶ To stimulate public dialogue and impact on decision making mechanisms



# Policy recommendations

- ▶ The right to energy must be at the forefront and anchored in some way in all the various policies. Their impact in ref. to energy poverty needs to be independently assessed. Currently the European Pillar of Social Rights stands as a poor relative and seems to have decorative functions.
- ▶ EAPN key messages on European Green Deal and a Just Transition, 2020:
  - ▶ Treat energy services as a public good
  - ▶ Change in distributive and redistributive systems and address tax justice;
  - ▶ Encourage community alternative energy production by ensuring that returns are socially reinvested in the community and local services that can benefit the poor.
  - ▶ Involve people facing energy poverty and their NGOs as key players in the development of energy poverty and inclusive renewal/energy efficiency strategies, as well as in the regulation of energy services.
- ▶ The available policies mixes need to be reconsidered. Different political combinations are needed at local, national and European level, to address the whole policy cycle of decision-making and to have well-designed energy poverty approach and early warning systems for energy crises.
- ▶ Questioning the decision making mechanisms and the impact of different projects, including EU Horizon 2020 projects. Plenty of proofs is similar directions - little or no effect?

Thank you!