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# Tackling energy poverty at the heart of the ecological and energy transition

**21|04|2022** | Hybrid event



[Online Expert Roundtable: Alternative ways to finance the Social Climate Fund](#)



[FEANTSA's Position on the Energy Performance of Buildings Directive recast](#)



[FEANTSA's Position on the Social Climate Fund](#)



[European Webinar - Fitness Check: Will the Fitfor55 Package Make the Housing Crisis Better or Worse?](#)



[Targeting energy efficiency renovation to improve housing conditions of the most vulnerable](#)



[Report - Renovation: Staying on Top of the Wave](#)



FEANTSA is the European Federation of National Organisations Working with the Homeless. **We are the only European NGO focusing exclusively on the fight against homelessness. Our ultimate goal is an end to homelessness in Europe.**

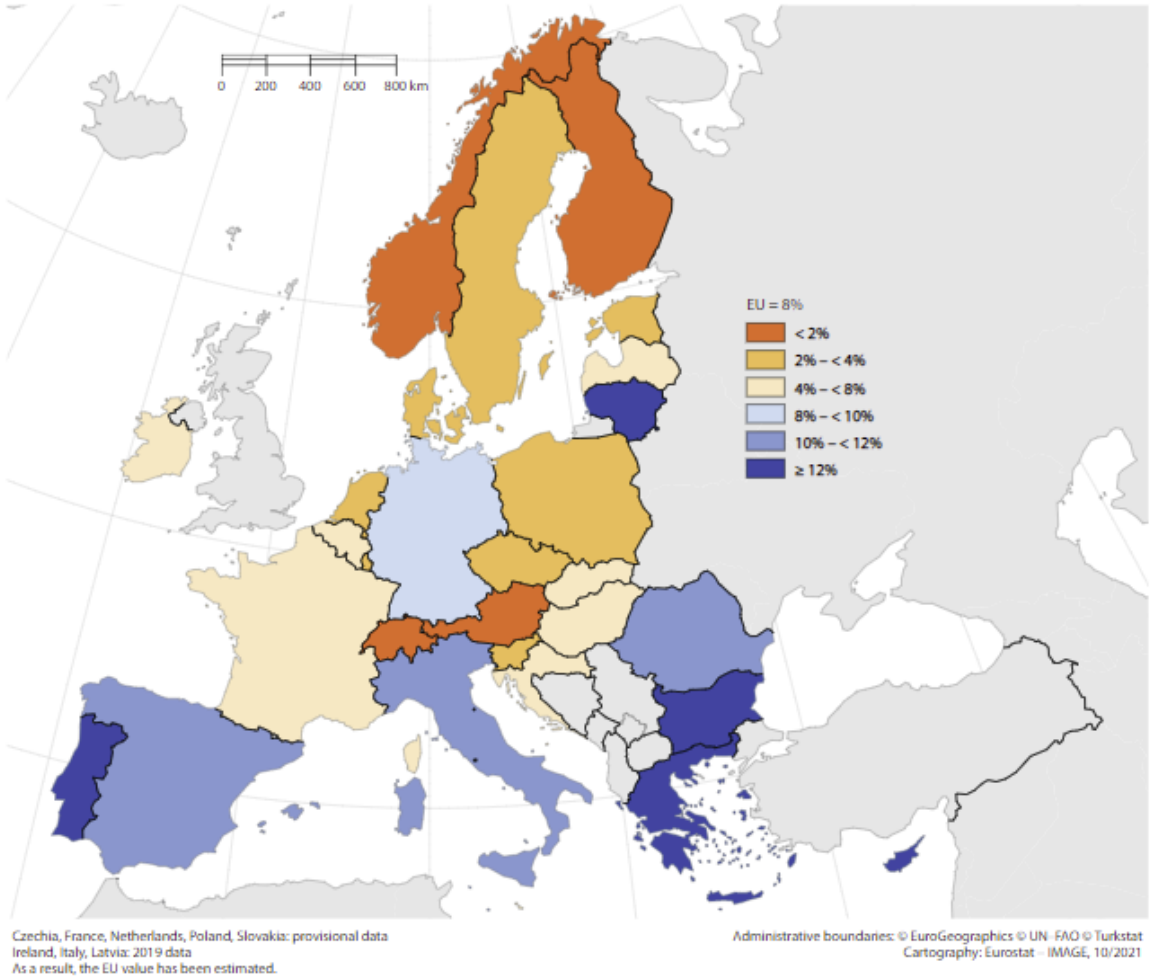
Established in 1989, FEANTSA brings together non-profit services that support homeless people in Europe. [We have over 120 member organisations from 30 countries, including 27 Member States.](#)

# Energy poverty

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- *Impact on health & well being: poorer general health, poorer mental health, poorer respiratory health, more and worse controlled chronic conditions, higher mortality, higher use of health services and higher exposure to health risks, with worse results for vulnerable groups across dimensions of inequality.*

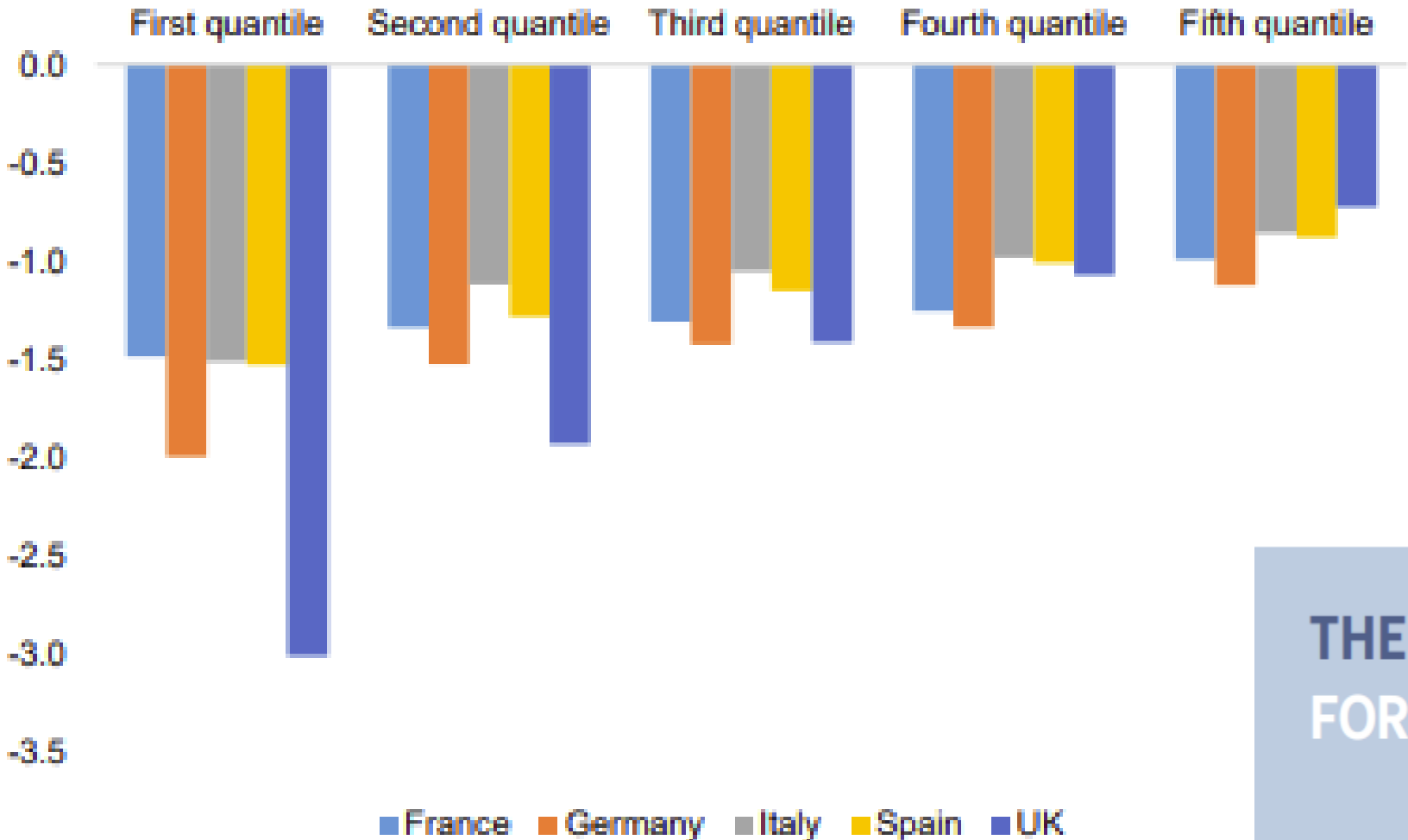
Inability to keep home adequately warm, 2020  
(% of the population)



+30% increase in the energy bill for 2022, hitting low-income households the hardest

- Allianz study on the impact of Ukraine invasion : at least +30% increase in the energy bill for 2022,
- Hitting low-income households the hardest: their energy bills tends to account for a larger share of consumption, ranging from around 5% in France and Spain to 6.5% in Italy, over 7% in the UK and close to 8% in Germany (where energy prices are the highest in Europe)

Figure 1 – Estimated energy cost in 2022 (total increase of +30%), pp of disposable income



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Sources: Eurostat, ONS, Euler Hermes, Allianz Research

ALLIANZ RESEARCH

# THE (ENERGY) PRICE OF WAR FOR EUROPEAN HOUSEHOLDS

04 March 2022

# Impact on social services providers

- Early to assess – many benefit from fixed prices
- Increase estimate vary, up to
  - annual increase of 220% for electricity,
  - Quarterly 400% for gas

- Impact:

*“The increases in cost in energy means that more of our resources and fundraising income will be diverted away from front line services to cover the cost of these rising bills.” (Ireland)*

*“I would like to draw your attention to the dramatic consequences of rising energy prices, particularly for people on low incomes who are at risk of social exclusion. We are witnessing the rapid expansion of energy poverty areas with all the destructive effects characteristic of this phenomenon.” (Poland)*



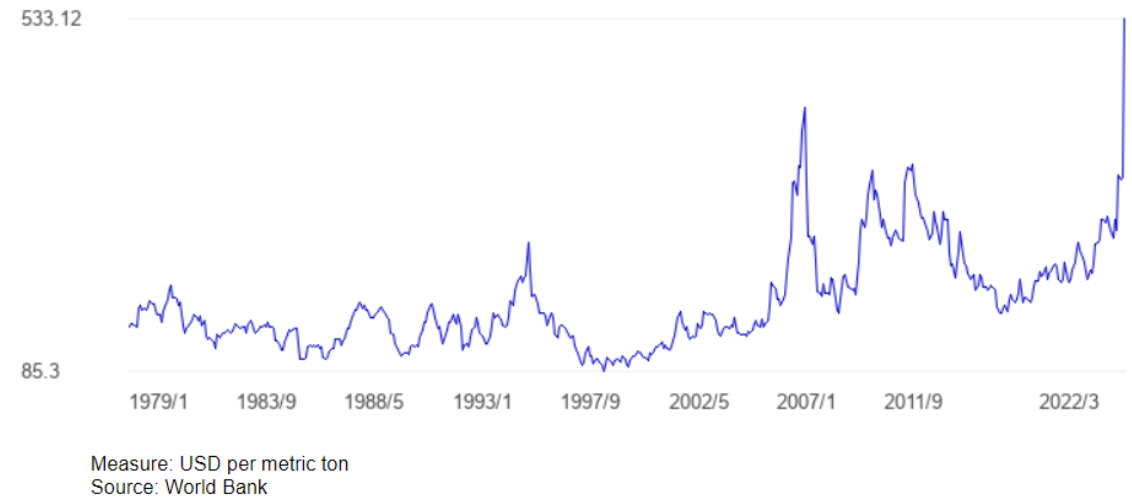
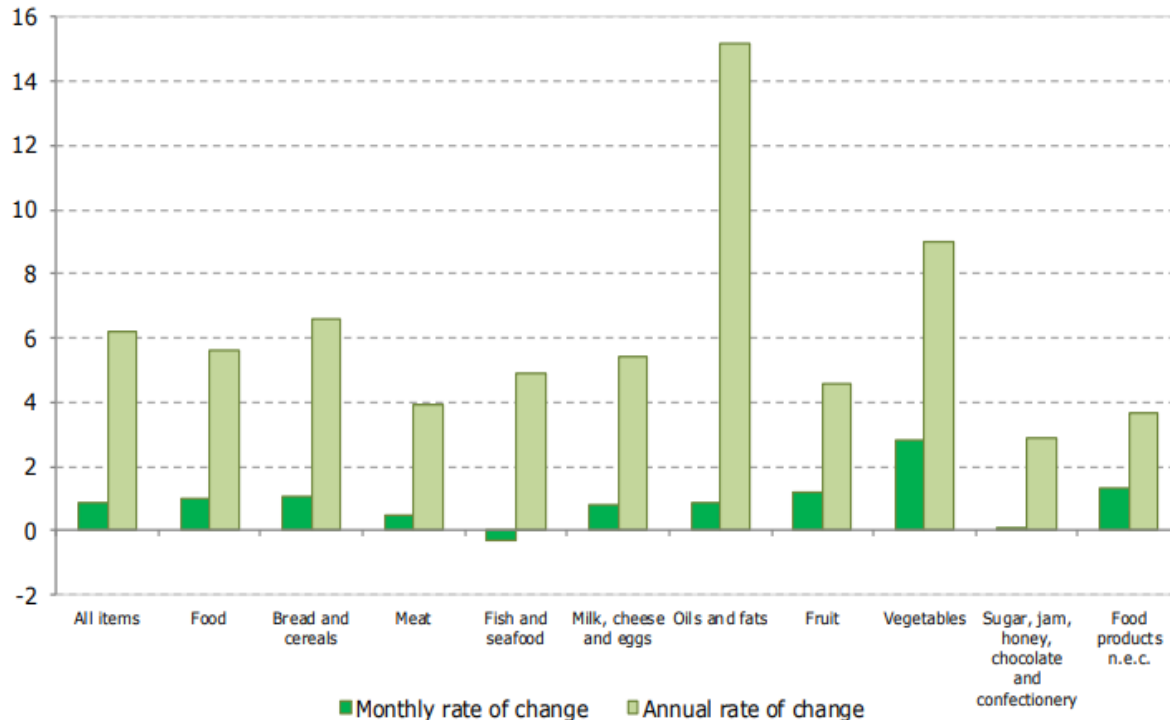
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# Why does it matter?

- Energy price's associated with & correlated to all commodities, incl. food prices
- Social acceptability of the energy transition

## Food consumer prices

**Chart 2. Monthly and annual changes in food consumer prices in EU-27**  
(%, February 2022 compared to January 2022 and to February 2021)



# What can be done?

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- RePowerEU: MS to be enabled to regulate prices
- Renovation wave: EPBD & EED
  - Improved thermal comfort
  - Lower energy use & therefore costs
  - Reducing health risks – cold or damp homes
  - Reducing carbon emissions



## Energy efficiency for whom?

The 'win-win' cannot always be assumed

- Who finances the renovations?
  - Rising rents & “Green gentrification”
  - Upfront costs
- For instance when financing is based on rent increase based on expected energy savings ... but
  - Not accurate estimations
  - Consumers take some of benefits in increased comfort
  - may go from heating one room to all home
- Current disparity between climate and social ambition, no funding dedicated to lowest income groups

### RENOVATION: STAYING ON TOP OF THE WAVE

Avoiding social risks and ensuring the benefits

Catrin Maby

## TARGETING ENERGY EFFICIENCY RENOVATION TO IMPROVE HOUSING CONDITIONS OF THE MOST VULNERABLE

Avoiding social risks and ensuring the benefits



# Recommendations

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**1- Prioritize worst-housed:**  
retrofitting of low-income cold homes with high potential to deliver warmer homes:  
comprehensive package:  
financing + advice & guidance

**2- Be realistic :** MEPS require earmarked funding & high financing rate (95 to 100%) for lowest-income groups

- Accept that energy renovation cost cannot be filled by private market interests: major investment plan

### 3- Financing

- SCF: no to ETS extension
- Financial transaction tax, based on a % of benefit generated through to the Renovation wave.
- A security from the European Union towards banks so as to facilitate loans to get zero interest private funding through on bill financing, equity loans, revolving funds. This could be shaped for instance on the model of the the Targeted Long Term Refinancing Programme (TLTRO), a program of the European Central Bank (ECB) to lend money to banks at a -1% interest rate (Positive Money)
- ETS1: According to the Jacques Delors Institute, 15% of revenues from the ETS1 (around €6 billion per year) could be directed to the Social Climate Fund

## 4-Civil society response to the gas crisis:

calls to hold corporations accountable rather than passing the cost over to poor households to pay the price.

- Immediate emergency support for those in need of energy
- Ban on disconnections
- Fair energy pricing
- "Energy for All": A free band of energy to cover basic needs: a flat rate provision of a band of energy as a universal basic service, available to all, this would ensure that low users pay less per kWh than high energy users, instead of, as at present, paying more.

[https://righttoenergy.org/wp-content/uploads/2022/03/Gas-crisis\\_-\\_Civil-Society-Response.pdf](https://righttoenergy.org/wp-content/uploads/2022/03/Gas-crisis_-_Civil-Society-Response.pdf)

***Thank you!***

***Questions, feedback?***

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