

European Energy Poverty:

Agenda Co-Creation and Knowledge Innovation

Call for Action

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Energy poverty will increase with the COVID-19 crisis. Time for a right to energy!

What if, when lockdowns were announced, you could not switch on your TV to check the news, not video call your family nor stay warm at day and night? What if every time you cooked a hot meal, or your child went online for school, you would worry because of the upcoming energy bill? What if, as a consequence of the economic slowdown, you lost your job?

The COVID-19 crisis is generating new problems everywhere, regardless of the country, region, the level of economic development or the cultural and educational background of people. We, a group of energy poverty scholars and experts, believe that the coronavirus outbreak shows once more that energy and energy services are essential ingredients to a safe, healthy, and decent life. Therefore, we call for an informed European debate on a right to energy and energy services. This should be accompanied by solid scientific actions on how to deal with the current situation, how to prepare for the aftermath and how to foster the evolution towards a new normal where energy poverty is kept off, with the aim to consolidate it in an innovative Energy Solidarity Pact.

Immediate impacts of COVID-19 crisis on energy-poor households in Europe

Energy poverty, commonly understood as [the inability to secure needed levels of energy services in the home](#), means living in a home impossible to cool or to heat, because of excessive energy bills, low incomes and poor energy efficiency. Energy-poor people are more vulnerable to health risks such as [respiratory diseases and mental illnesses](#), putting them particularly in danger during the current crisis. While factors leading to energy poverty multiply (low incomes, high bills, scarce quality of their housing), the pandemic amplifies the need to understand energy poverty better and recognise the energy-poor.

As the COVID-19 crisis hit the entire world, the consequences quickly started to unfold. The ongoing recession triggered by global lockdowns deepens pre-existing inequalities. Job insecurity is likely the most visible consequence of the crisis, beyond the healthcare figures. [Unemployment could double in Europe](#). Precarious workers of the retail or hospitality sectors are the first victims of the sudden stop of economic activity. Energy poverty has been shown to contribute to psychological illness. This vulnerability now overlaps with furlough and citizens staying home for an uncertain number of weeks not only leading to lower incomes but also emotional distress and uncertainty regarding the future.

Our lives are changing profoundly. The COVID-19 crisis exacerbates gender inequalities, which themselves are deeply implicated in the [drivers and experiences of energy poverty](#). Staying home increases the need for energy services for cooking, running electronic



appliances, heating and cooling. In some countries, electricity consumption will increase significantly ([more than 10 percent](#)) for households, thus leading to higher bills. While in lockdown, the dwelling and household characteristics matter even more. Underperforming insulation and inefficient appliances, the lack of guaranteed access to energy and other essential utilities and rising energy consumption affect the households' budget. Overcrowded and misfit housing is even more noticeable. All this strains the quality of life everywhere, increasing energy vulnerability and socio-spatial inequalities.

The ENGAGER COST Action has already published extensive [peer-reviewed research](#) and [policy guidance](#) on the drivers and consequences of energy poverty across Europe and beyond, indicating the social and spatial distribution of relevant vulnerabilities. However, previous situations of energy poverty have been exacerbated. Some people are forced to stay in the cold and in the dark, deprived of energy services or even hot tap water. Some have already been disconnected and are now unable to reconnect, or now accumulate debts with utility providers. Despite emergency measures in many countries to freeze energy prices, temporarily ban disconnections or provide financial support, many households are left behind. Underrepresented minorities remain out of the emergency measures. Physical distancing also means more difficulty in seeking and receiving help, whether from formal social support services or family and friends. Beyond the financial burden, this context also places additional pressure on physical and mental health, even for those not physically affected by the coronavirus. In the longer term, as incomes will plummet, households will struggle to pay their rents and mortgages, and risk eviction.

We expect new aspects of energy poverty to appear over time. More people might face energy poverty, be it temporary or permanent. For example, freelancers, micro, small and medium-sized enterprises (SMEs) might have more difficulty to pay their bills and keep going. Families could face new dilemmas and competing priorities (eat, heat, transport, telecommunications). Households could be unable to pay for the additional and back payments when temporary bans on disconnections are lifted.

A solidarity pact to set up the right to energy

The current crisis is demonstrating the critical role of energy in our daily lives. Deprivation means being unable to engage with society, socially, economically and politically. Leaving more people in the dark is not acceptable. **The pandemic risks undermining social cohesion and democracy** because of rising mistrust against the government and the decision-makers. It is, therefore, crucial to **develop a solidarity pact** to protect the most vulnerable populations against the current and future crises, to address the increasing social inequalities, and put their health and wellbeing at the centre. A fair share of pandemic costs between the households, the state, and the economic actors includes extended protection of the vulnerable population. We call for additional effort in R&D activities to better investigate and understand the impact of such worldwide crises on energy poor and vulnerable populations.



It is time to consider a right to energy, and energy services, for all.

In the short term, **governments urgently need to maintain and even increase economic and social support measures for the most vulnerable.** Solidarity, social and energy services must keep on working at their best, including remotely. Flexible measures to maintain the income of people who have lost their jobs or are facing furlough, are necessary to absorb the shock of the crisis and preserve purchasing power. Tax policies should be designed for this goal. Policies must be designed to identify the households and companies who can no longer pay their bills because of the crisis and guarantee a proper targeting of social tariffs, subsidies and lump sum assistance. As consumers become more vulnerable and use more energy, reliable access to financial support should increase. An energy poverty fund, financed by different types of stakeholders such as utilities, could be used for household's energy debt relief and to ensure that families can afford their bills.

Affordable energy prices are necessary, not only for vulnerable consumers. Price caps, freeze or social tariffs must be introduced or adapted to enable vulnerable households to cover their needs. Many energy-poor homes depend on heavily taxed alternative fuels and combustibles (such as heating oil) that are not included in the protection measures. Therefore, specific rules must be enforced to reduce the cost burden of these energies during the COVID-19 crisis.

We call for a ban on energy disconnections. Governments should [ban disconnections](#) for a longer time than immediate lock down, at least until payments can be settled, favorably five years, while preventing the accumulation of household debt with utility providers. Minimum energy consumption levels can be defined to make sure that households fulfill basic needs, especially the ones related to the COVID health emergency such as sanitation, hygiene, and information. After this period, a general change of law is required so that any provider needs to prove that disconnections do not cause social hardship. Favourable debt management mechanisms or even debt cancellation should be put in place in cooperation between the government, the regulators and the utilities.

Housing quality is one of the most pressing issues. To ensure all citizens a decent place to live should be a priority in the recovery plan. Housing quality goes beyond efficiency. Yet, there is an urgent need to accelerate thermal retrofitting [while keeping housing costs affordable](#) for households. The proposed [Renovation Wave](#) should be fair and inclusive, to guarantee that even the poorest live in efficient homes. They also should have access to renewable energy and energy-efficient appliances at affordable prices. A minimum energy rating should be required for all dwellings, in particular those on the renting market (as proposed in Directive (EU) 2018/844).

A solidarity pact with energy poverty will contribute to an improved green and social resilience of European societies that should consider energy as an essential service and a common good, as are healthcare, education and housing.