

Energy Poverty Policy and Energy Efficiency in EU and Albania

Jean Monnet Module: Energy Markets In The Framework Of
EU Integration

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What is Energy poverty

- Energy poverty is a situation where households are unable to access essential energy services and products.
- Energy poverty is challenging to define and measure because energy services cannot be measured concretely and there are no universal standards of what are considered basic energy services.

RE and Energy Poverty

RE can reduce Energy Poverty by:

- Providing access to modern energy services.
- Reducing energy costs and enhancing energy security.
- Creating green jobs and stimulating economic growth.
- Mitigating climate change and environmental degradation..

Energy Poverty alleviation in Europe

Energy poverty alleviation requires a combination of policies and practices that address the root causes and the symptoms of the problem, such as:

- Improving energy efficiency and building renovation. Energy efficiency measures can reduce energy consumption and costs, improve thermal comfort and indoor air quality, and lower greenhouse gas emissions. Building renovation can also improve the quality and value of the housing stock, create jobs, and stimulate economic activity.
- Providing social protection and financial support. Social protection measures can help low-income households cope with high energy bills, avoid arrears or disconnections, and access essential energy services. Financial support measures can help households invest in energy efficiency improvements, renewable energy sources, or clean cooking solutions.

Energy Poverty alleviation in Europe

- Promoting renewable energy and energy communities. Renewable energy sources can reduce dependence on fossil fuels, lower energy prices, and mitigate climate change. Energy communities can empower citizens to produce, consume, store, or sell renewable energy collectively, enhancing their energy security, autonomy, and participation.
- Enhancing data collection and monitoring. Data collection and monitoring can help identify the extent, causes, and impacts of energy poverty, as well as evaluate the effectiveness of policies and practices to alleviate it. The EU has established the EU Energy Poverty Observatory to provide data, indicators, tools, and best practices on energy poverty across the EU.

Examples of successful energy poverty alleviation programs in Europe

- The Energy Check program in France, which provides financial assistance to low-income households to pay their energy bills or invest in energy efficiency measures
- The Energy Box program in Belgium, which provides free energy audits and advice to vulnerable households, as well as the installation of small energy-saving devices, such as LED bulbs, water-saving shower heads, or radiator reflectors.
- The Energy Cafés program in the United Kingdom, which organizes informal events where energy experts and local community members can exchange information and tips on how to reduce energy consumption and costs, switch suppliers, access grants, or deal with debt.
- The Energy Savings for All program in Spain, which provides subsidies for the installation of renewable energy systems, such as solar photovoltaic panels or solar thermal collectors, in low-income households or social housing units.
- The Energy Poverty Advisory Hub program in the EU, which provides technical assistance and capacity building to public authorities and stakeholders involved in designing and implementing policies and measures to alleviate energy poverty.

Energy poverty in Albania

According to a study by the Secretariat of the Energy Community, 35.8% of Albanians are unable to afford adequate heating comfort, which is the highest rate among the contracting parties.

Another study by DOOR and EIHP estimates that 37% of Albanian households suffer from energy poverty, far above the European average of 5%.

Energy poverty in Albania

Energy poverty in Albania is mainly caused by:

- low incomes,
- high energy prices,
- poor housing conditions
- and inefficient energy use.

Many households rely on wood or other biomass for heating, which contributes to air pollution and health problems, and quality of life.

The National Energy and Climate Plan (NECP) of Albania introduces the concept of energy poverty, but it lacks concrete budget and actions to tackle it.

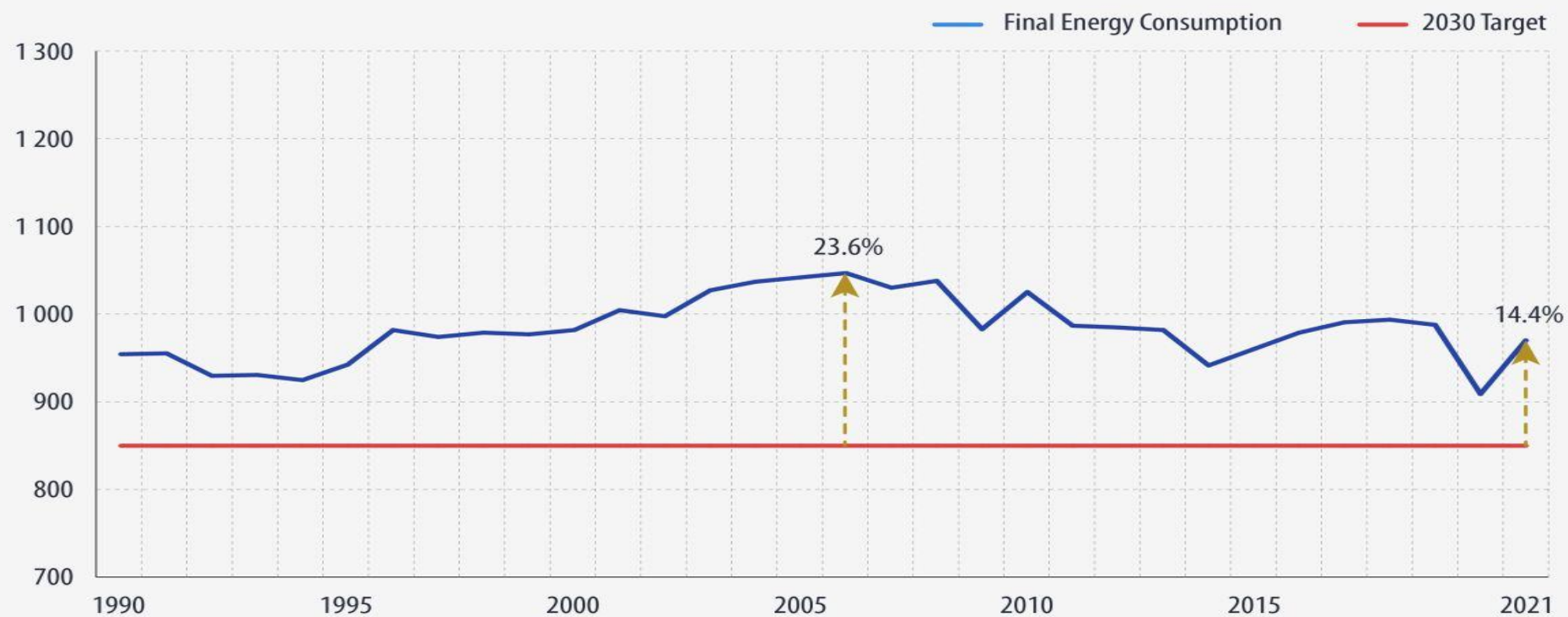
Energy Efficiency

Energy efficiency is the ability to use less energy to provide the same or better service. It can help reduce energy poverty by lowering energy bills, improving living conditions, creating jobs and reducing greenhouse gas emissions.

There is a need to end energy poverty and reach net-zero emissions by 2050, as part of the UN Agenda for Sustainable Development and the Paris Agreement on climate change.

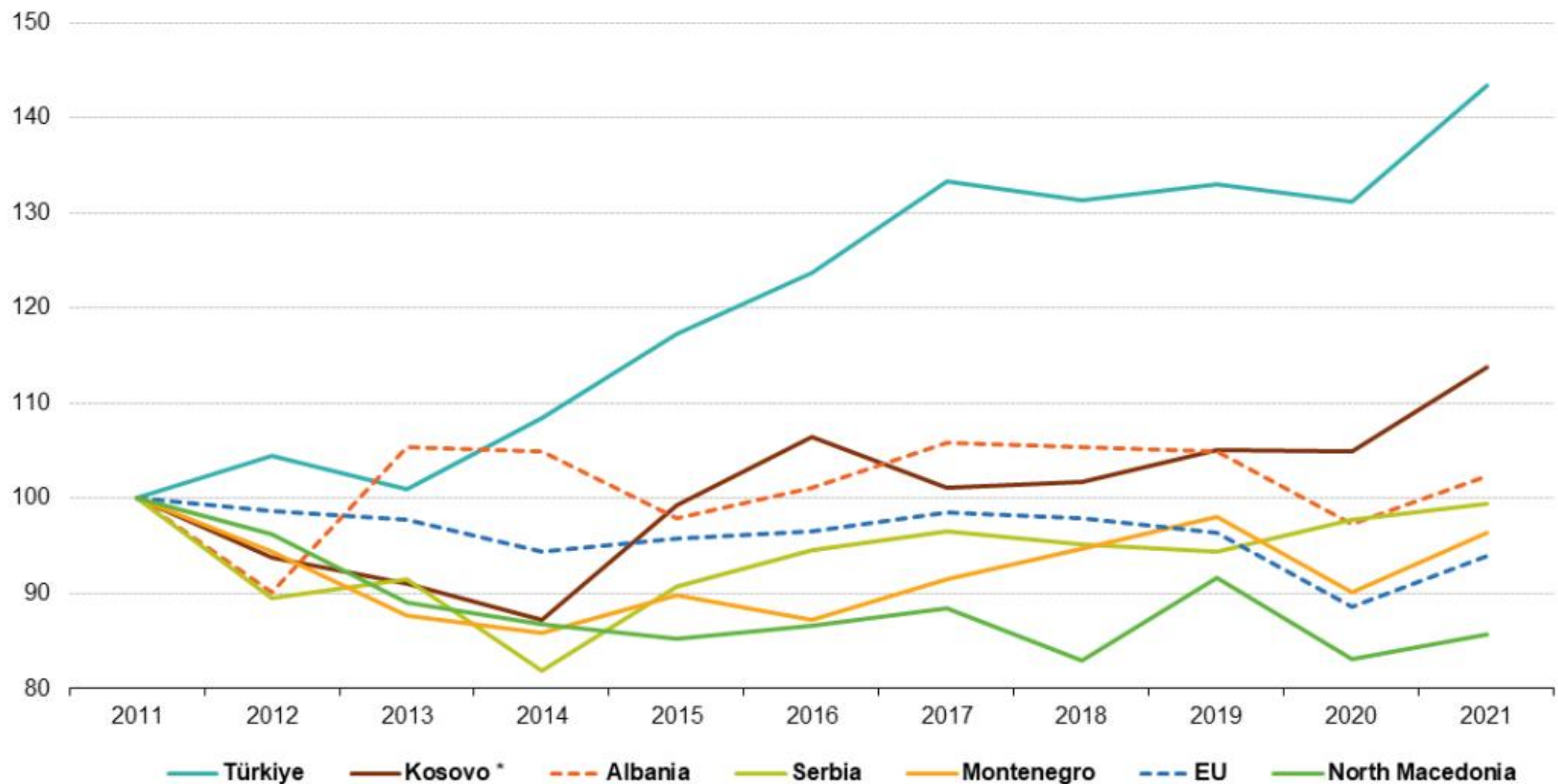
Final energy consumption in the EU, distance to 2030 target

(Mtoe)



Gross inland energy consumption, 2011-2021

(2011=100, based on thousand toe)



* This designation is without prejudice to positions on status, and is in line with UNSCR 1244/1999 and the ICJ Opinion on the Kosovo Declaration of Independence.

Note: Bosnia and Herzegovina, not enough data available.

Source: Eurostat (online data codes: nrg_bal_s)

EU approach on EE

- The EU's approach on energy efficiency is based on the principle of "energy efficiency first", which means giving priority to cost-effective energy savings measures in shaping energy policy and making investment decisions.
- The EU has set a binding target of reducing its final energy consumption by 11.7% by 2020.
- 030

EU measures on EE

- - The Energy Efficiency Directive (EED), which sets the framework for energy efficiency policies and actions at national and EU level. It includes provisions on annual energy savings, public sector leading by example, energy audits, metering and billing, financing and reporting.
- - The Energy Performance of Buildings Directive (EPBD), which aims to improve the energy performance of buildings and promote nearly zero-energy buildings. It includes provisions on minimum energy performance requirements, energy performance certificates, renovation strategies, smart readiness indicators and technical building systems.

EU measures on EE

- The Ecodesign Directive and the Energy Labelling Regulation, which set minimum energy efficiency standards and labels for various products, such as household appliances, lighting, heating and cooling equipment. They help consumers to choose more energy efficient products and save money on their energy bills.
- - The Renewable Energy Directive (RED), which sets a binding target of at least 32% share of renewable energy sources in the EU's gross final energy consumption by 2030. It includes provisions on renewable heating and cooling, renewable transport fuels, self-consumption of renewable electricity and guarantees of origin.

Thank you for your attention!

matildatola@feut.edu.al