

RESOLUTION

ADOPTED AT THE CLIMATE ALLIANCE GENERAL ASSEMBLY
IN HESPERANGE, LUXEMBOURG ON 29 SEPTEMBER 2022



Climate Alliance

Mitigating energy poverty at the local level

Climate Alliance resolution committing members
to take on energy poverty locally

Submitted by the Climate Alliance European Secretariat

PREAMBLE

In these times of war, rising inflation, growing social injustice and catastrophic global heating, it is of utmost importance that drastically rising energy costs do not aggravate already disquieting levels of energy poverty in Europe. Protecting vulnerable low and medium income households must be a priority if we are to ensure a just energy transition.

Climate Alliance members hereby affirm and strengthen their commitment to socially just climate action and to fighting energy poverty locally with the involvement of appropriate technical and social welfare service providers so as to best support vulnerable households.

BACKGROUND

In the Climate Alliance Member Charter, as adopted in 2021, Climate Alliance members agree to voluntary commitments to combat energy poverty and to assume responsibility for a just transition.¹ One year later, a dramatically different situation has given cause to strengthen this commitment with solutions appropriate to the dimensions of the problem.

In 2010, the World Economic Forum defined energy poverty as the lack of access to sustainable modern energy services and products. Energy poverty can be thus found in all conditions characterised by a lack of adequate, affordable, reliable, high quality, safe, and environmentally sound energy services to support development².

¹ Declaration of Wels: Climate Alliance Member Charter, 8 September 2021, URL:
https://www.climatealliance.org/fileadmin/Inhalte/1_About_us/Association_docs/CA_Charter_2021/Climate_Alliance_Member_Charter_EN_2021.pdf

² Habitat for Humanity International: Energy Poverty: effects on development, society, and environment, URL:
<https://www.habitat.org/emea/about/what-we-do/residential-energy-efficiency-households/energy-poverty>

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The EU Commission now suggests defining energy poverty³ and vulnerable households as follows:

‘energy poverty’ means a household’s lack of access to essential energy services that underpin a decent standard of living and health, including adequate warmth, cooling, lighting, and energy to power appliances, in the relevant national context, existing social policy and other relevant policies⁴.

‘vulnerable households’ means households in energy poverty or households, including lower middle-income ones, that are particularly exposed to high energy costs and lack the means to renovate the building they occupy⁵.

In practice, vulnerable citizens either do not have access to energy services or their use of these energy services undermines their ability to access other essential services. Those affected by energy poverty can suffer severe impacts in terms of health, wellbeing, social inclusion, and quality of life.

An EU-wide survey concluded in 2020 found that 8% of the EU population could not keep their homes adequately warm and this number is increasing. Not only low-income households are affected; households with lower-middle incomes also increasingly face energy poverty. In the European context, the war in Ukraine has added even further pressure on the energy supply, leading to hikes in the cost of energy and widespread inflation. Gas and energy prices had already tripled due to COVID and Putin’s war has left prices up to six times higher in mid-2022 than they had been only 12 months prior, exposing (lower) middle-class households even more to energy poverty.⁶

Making matters worse, roughly 75% of the current EU building stock is energy inefficient, meaning that a large part of the energy we use goes to waste. With a focus on energy efficiency over a building’s lifecycle⁷, such energy losses can be minimised and energy bills can be reduced while greatly improving levels of comfort and quality of life. Retrofitting existing buildings to maximise their energy performance, putting energy efficiency first in new builds and employing sustainable building materials low in embodied-energy are thus key to improving our building stock while fighting global heating and energy poverty.

³ Definitions are currently under development at EU level.

⁴ Energy poverty definition according to Article 2(49) of the recast Energy Efficiency Directive

⁵ Vulnerable households definition according to Article 2(27) of the recast Energy Performance of Buildings Directive

⁶ Eero Ailio, Deputy Head of Unit DG Energy, during the launch event of new the new pillar on energy poverty of the Covenant of Mayors EU on 11 March 2022, URL: <https://www.youtube.com/watch?v=Rh7t5UgiTGg>

⁷ European Commission: Energy efficiency in buildings, URL: https://ec.europa.eu/info/news/focus-energy-efficiency-buildings-2020-lut-17_en

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RESOLUTION TEXT

Climate Alliance members acknowledge that:

While energy poverty is a European-wide if not global challenge, its local manifestations look different in each region and locality. For this reason as well, local and regional authorities have a critical role to play when it comes to fighting energy poverty and thus also in

- **producing sustainable energy**, for example by fostering energy cooperatives and energy communities^{8,9}
- **Influencing energy prices**, for example with municipal and regional facilities
- **boosting building energy efficiency**, for example by stimulating deep renovation
- and **making public transport accessible**, for example with appropriate local planning

It is with good reason that energy poverty has become a priority issue in local energy, transport and climate policy; integrating social criteria into our climate and energy policies is of the essence. In this regard, planning and decision making processes behind local and regional climate, energy and transport policies must be carried out in close cooperation with the departments responsible for social welfare services.¹⁰

Climate Alliance members hereby commit to show political leadership by:

- Aiming to eradicate energy poverty by 2050 at the latest, along with a commitment to climate neutrality by the same year.
- Examining their local contexts to diagnose energy poverty and identifying appropriate methodologies and indicators to properly monitor the impact of their actions.
- Developing and implementing policies and measures¹¹ to reduce the share of the local population suffering from energy poverty.
- Taking into account social aspects and developments in local energy and climate policies, including social welfare departments and involving local civil society in the elaboration of the necessary plans.

⁸ Barrio Solar, URL: <https://ecodes.org/hacemos/energia-y-personas/energia-comun//barrio-solar/barrio-solar-zaragoza-actur>

⁹ Energy Community in an energy poor neighbourhood (Torreblanca Illumina): https://projects2014-2020.interregeurope.eu/fileadmin/user_upload/tx_tevprojects/library/file_1650620827.pdf

¹⁰ Feel free to consult the Energy Poverty Advisor Hub ATLAS to scout for different inspirational case studies on how to address local energy poverty: https://energy-poverty.ec.europa.eu/discover/epah-atlas_en

¹¹ Taking into consideration the different aspects of energy poverty in relation to the geographical areas and climate conditions (e.g. winter measure or summer measures)

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- Going beyond behaviour-induced energy savings, drastically reducing the energy demand of the building stock through deep renovation and policies that put efficiency first.
- Speeding up a local transition to renewables on all levels and supporting citizen participation with enabling frameworks and social tariffs for households in energy poverty.
- Financing tailor-made solutions to tackle energy poverty in the short and long term, taking into account the different timing of actions, avoiding technical lock-ins.
- Increasing the renovation rate of buildings and ensuring that renovations are carried out with an eye to optimal energy performance and cost effectiveness over the building's lifecycle (and leading by example whenever possible).
- Elaborating a supportive political and financial framework for the renovation of rental buildings, social housing and households affected by energy poverty.
- Improving access to and frequency of public transport as a key link to essential health and educational services as well as to employment and recreational activities.

Climate Alliance members call upon European and national authorities to:

- Develop policies and measures to reduce our dependence on singular energy carriers or technologies, securing a diversity of renewable energy sources and technologies connected to regional and local characteristics.
- Provide an enabling national and European legislative framework for energy poverty alleviation.
- Strengthen the mandate of cities and towns when it comes to energy poverty, recognising municipalities as the level of government closest to vulnerable citizens and that best equipped to carry out tailored measures on the ground.
- Approve EU legislation and develop tailored national legal frameworks that protect tenants and homeowners in vulnerable situations with financial and legal instruments that tackle often cost, skill and labour intensive deep renovations.
- Equip and support communities with financial means, appropriate fiscal and administrative frameworks, as well as the right technical and human resources to disburse dedicated funds.

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THE CLIMATE ALLIANCE

For over 30 years, Climate Alliance member municipalities have been acting in partnership with indigenous rainforest peoples for the benefit of the global climate. With nearly 2,000 members spread across more than 25 European countries, Climate Alliance is Europe's largest city network dedicated to comprehensive and equitable climate action. Each member city, town and district has committed itself to continually cut greenhouse gas emissions, aiming for a 95% reduction by 2050 (as compared to 1990 levels) in line with IPCC recommendations. Recognising the impact our lifestyles can have on the world's most vulnerable people and places, Climate Alliance pairs local action with global responsibility. climatealliance.org