



Energy

[Home](#)[Topics](#)[Data and analysis](#)[Funding](#)[Studies](#)[Publications](#)[Consultations](#)[Events](#)[News](#)

 An official website of the European Union [How do you know?](#)

PAGE CONTENTS

Energy poverty in the EU

EU policy and monitoring

EU Energy Poverty Observatory

EU projects tackling energy poverty

Documents

Related links

We all depend on energy in our everyday lives and need to have sufficient levels of heating, cooling and lighting in our homes to have a decent standard of living, but also to help guarantee our health.

Energy poverty in the EU

An EU-wide survey concluded that in 2020, 8% of the EU population said that they were unable to keep their home adequately warm. Energy poverty therefore remains a major challenge and lifting vulnerable citizens out of it is an urgent task for the EU and its members.

Energy poverty results from a combination of low income, high expenditure of disposable income on energy and poor energy efficiency, especially as regards the performance of buildings. People in inefficient buildings are more exposed to cold spells, heatwaves and other impacts of climate change. Inadequate comfort and sanitary conditions in housing and work environments, such as inadequate indoor temperatures, deficient air quality and exposure to harmful chemicals and materials, contribute to lower productivity, health problems and higher mortality and morbidity.

For decades, the EU has been facing an acute and persistent housing affordability challenge with an alarming number of Europeans being unable to afford rents or cover basic housing costs. Adverse effects on mental health can be particularly acute due to stress over unaffordable

energy bills. Given the wide range of socioeconomic factors surrounding general poverty, and challenges around housing tenure systems, the issue calls for a multi-faceted approach.

EU policy and monitoring

The EU is committed to tackling energy poverty by its roots and protecting vulnerable consumers, and made it a policy priority in the [Clean energy for all Europeans](#) package, adopted in 2019.

Significantly, EU countries are required to act appropriately to tackle energy poverty wherever it is identified. They are also required to protect vulnerable energy customers, in particular those in remote areas. EU countries are moreover under an obligation to assess the number of households in energy poverty and must establish and publish criteria underpinning this assessment.

Where EU countries identify a significant number of energy poor households, they must use their national energy and climate plans and long-term renovation strategies to set out an indicative objective for the reduction of energy poverty, a timeframe and relevant policies.

The Commission has further stepped up its ambition to tackle energy poverty and support EU countries in their efforts through the [Recommendation on energy poverty](#) (EU) 2020/1563, issued as part of the [renovation wave](#) package. The renovation wave is committed to use renovation as a lever to address energy poverty and access to healthy housing for all households.

The recommendation and its supporting staff working document provides guidance on appropriate indicators for measuring energy poverty and on the definition of a 'significant number of households in energy poverty'. It also contributes to the sharing of best practices between Member States and identifies the available EU level support through a mix of funding sources that allows national, regional and local authorities to use their full financial firepower, including grants and subsidised renovation to limit upfront investments for the most vulnerable, among others.

The responsibility of the EU to protect and empower energy consumers is endorsed by EU citizens, according to the [Special Eurobarometer 492](#) (2019). The poll shows that 89% of EU citizens agree that the EU

must ensure access to affordable energy, such as ensuring competitive market prices, in particular to reduce the number of people unable to pay their energy bills.

EU Energy Poverty Observatory

The Commission launched, in January 2018, the [Energy Poverty Observatory \(EPOV\)](#), which aims to support informed decision-making at local, regional and national level by providing a user-friendly and open-access resource. It promotes public engagement on the issue of energy poverty, as well as serve to disseminate information and good practice among public and private stakeholders. The first phase of the project ended in August 2020 and the observatory, including its revamped website, will be fully functional again in 2021.

To gain a comprehensive overview, EPOV has summarised key aspects of the situation on energy poverty in each Member State. Completed in February 2020, these [extended Member State reports](#) refer to the key indicators, policies and publications gathered by the observatory and are based on data collected by EUROSTAT.

In its third [EU report](#) from June 2020, EPOV provides a comprehensive analysis on current and coming measures on energy poverty across the EU, including on specific policies that have been developed in relation to the COVID-19 crisis. The report also focuses on how EU countries take into account energy poverty policies in their national energy and climate plans.

The Commission also facilitates the exchange of best practices regarding vulnerable energy consumers in the [Citizen's Energy Forum](#).

EU projects tackling energy poverty

Across Europe, various projects are developing innovative solutions to combat energy poverty. As part of the 2018 call of [Horizon 2020 Energy Efficiency](#), around EUR 6 million were granted to 3 projects addressing energy poverty, namely [STEP \(Solutions to Tackle Energy Poverty\)](#), [EmpowerMed](#) and [SocialWatt](#).

These projects share the same purpose, to alleviate energy poverty by

working with key actors, including utilities, consumer organisations or consumers themselves. They also share best practices to replicate successful schemes and issue policy recommendations.

Project developers work closely with networks of local actors and energy poor households to provide practical information and advice on low-cost energy efficiency solutions. This can in turn help improve energy access in a way that maximises both energy and financial savings.

There are many other projects that also receive EU funding, including through the European Investment Bank. The European Commission campaign site [EU protects](#) provides a few recent examples of what is done to fight energy poverty.

To guarantee that local social housing projects have access to all necessary technical capacity, the Commission will launch the Affordable Housing Initiative.

To address the specific challenges in rural and remote locations, the Commission will in 2021 come forward with a communication on the long-term vision for rural areas to analyse social and infrastructure aspects in rural areas and examine possible action in the short and medium-term.

In addition the EU Energy Poverty Observatory, the EU Building Stock Observatory, the Horizon Europe Mission on Cities and the EU Covenant of Mayors Office can further assist Member States in taking stock and identifying segments in need.

Documents

- [Recommendation on energy poverty](#) (EU) 2020/1563 | [Staff working document](#) SWD (2020) 960 final
- [Directive on common rules for the internal market for electricity](#) (EU) 2019/944
- [Towards an inclusive energy transition in the European Union: Confronting energy poverty amidst a global crisis](#) (June 2020)
- [Study: Energy poverty and vulnerable consumers in the energy sector across the EU](#) (May 2018)

Related links

- [Clean energy for all Europeans](#)
- [Energy performance of buildings](#)
- [Access to and use of energy services](#)
- [Your Europe website](#)
- [EU protects campaign site - energy poverty](#)

Published:

22 May 2019

Last update:

9 November 2021