Summary of short- and medium-term measures affecting the PRS

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Austria

A relief package directed towards households worth 1.7 billion EUR was announced on January 28th, 2022¹. Every household received 150 EUR as compensation for energy costs, an amount to be doubled for most affected households. Additionally, the mandatory green electricity levy, amounting to around 60-100 EUR per household, was paused for 2022².

Energy subsidies worth 2 billion EUR were announced on March 20th, 2022, including tax cuts and employee compensation³. Additionally, natural gas and electricity tariffs through mid-2023 will be cut by 90%, for a cost of 900 million EUR.

On June 14th 2022 the Austrian government announced additional measures. Particularly affected low-income groups will receive payments of 300 EUR⁴. A money-back bonus called "climate bonus" will be raised to 250 EUR for children and 500 EUR for adults together with an increase in tax deductions for the middle class.

On the 20th of July 2022 an electricity price cap for residents of 11 eurocents/kWh was agreed in Lower Austria to span for a year starting from September 2022⁵. It will cover around 80% of average household consumption and cost approximately 250 million EUR.

A third relief package was passed by the Austrian government in August 2022. This included: a general climate and inflation bonus of 500 EUR for the Austrian public, costing in total 2.8 billion EUR; a bonus of up to 500 EUR for pensioners and self-employed pensioners, costing in total 520 million EUR; a bonus for low-income families (including single meal payment options and compensatory allowances), costing in total 835 million EUR in the 2022-2023 period. All in all, of the short term 6.6 billion EUR package, 5.4 billion EUR are devoted to helping Austrian energy consumers.

An electricity price cap was introduced on September 21st, 2022, valid from December 2022 to June 2024. For private households consuming up to 2900 kWh, the price will be capped at 10 eurocents/kWh. The measure is expected to cost 2.7 billion EUR in 2023 and 1.1 billion EUR in 2024 approximately. On September 26th, the deadline to apply for and receive vouchers for the equivalisation of energy expenses was extended to the 31st of October 2022 and 31st of March 2023 respectively.

¹ https://www.derstandard.at/story/2000132914634/1-7-milliarden-entlastungspaket-fuer-steigende-energiepreise-fixiert

 $^{^2\} https://oecdecoscope.blog/2021/10/22/at-the-cross-roads-of-a-low-carbon-transition-what-can-we-learn-from-the-current-energy-crisis/$

³ https://www.bloomberg.com/news/articles/2022-03-20/austria-increases-energy-subsidies-to-offset-high-gas-

prices #: ```: text = The %20 latest %20 measures %20 include %20 a, employees %20 totaling %20400 %20 million %20 euros.

⁴ https://twitter.com/MagratheanTimes/status/1536633818802798593?s=20&t=MIUqle7uPnMBZofybf91KA

⁵ https://www.thelocal.at/20220720/cost-of-living-first-austrian-state-imposes-cap-on-electricity-prices/

⁶ https://www.bmf.gv.at/presse/pressemeldungen/2022/September/energiekostenausgleich-fristen.html

RRF:

According to the Austrian Recovery and Resilience Plan, the country will receive 3.75 billion EUR in grants⁷. Of this sum, 59% will be devoted to climate objectives. Specifically, 159 million EUR are assigned to the phase-out of oil and gas in private homes⁸. This corresponds to roughly 4.24% of the total sum of funds and will improve both the energy efficiency and poverty situation in the country.

⁷ https://www.bundeskanzleramt.gv.at/eu-aufbauplan/der-eu-aufbauplan.html

^{*} https://ec.europa.eu/info/business-economy-euro/recovery-coronavirus/recovery-and-resilience-facility/austrias-recovery-and-resilience-plan_en

Belgium

On October 12th 2021, the social energy tariff, introduced during the pandemic, was extended until the end of March 2022, with a total cost of 208 million EUR, targeting almost half a million households⁹. Additionally, from October 2021, the most energy vulnerable citizens can benefit from an 80 EUR deduction from their energy bill¹⁰, for a total cost of 72 million EUR¹¹. Moreover, in order to support households ineligible for the social tariff, a 16 million EUR fund for electricity and gas was established¹².

To keep revenues stable, certain taxes such as the green power certificates and federal contributions for gas and electricity are allowed to be replaced by excise duties¹³. The Belgian government also forbid unilateral contractual changes by energy providers, to prevent these from increasing energy prices¹⁴.

Another energy package, amounting to 1.1 billion EUR, was announced on February 1st, 2022. The main policy envisioned is to reduce the VAT for electricity from 21% to 6% from March to July¹⁵. This was thereafter pushed until the end of September¹⁶. Additionally, every household will be provided with a 100 EUR payment, oil-heated households will receive a 200 EUR check, and additional charge-reductions possible for low-income residents. On March 14th, 2022, the social tariff was extended until the end of September, as part of additional measures totalling up to 1.3 billion EUR. The extension of the social tariff itself, covering around 16% of Belgian households, will cost 600 million EUR for the period covered from January to September 2022¹⁷. This was further extended until the end of 2022 on June 18th, including a 6% VAT on gas and electricity, costing another 1.4 billion EUR¹⁸.

As part of the "Winter Plan" approved by the Belgian government on July 15th, 2022, a promotion of "responsible use of energy" among households is envisioned¹⁹.

The Council of Ministers approved a draft law on the 28^{th of} October 2022, permanently introducing VAT reductions for electricity, natural and district heating²⁰. Additionally, a draft Royal Decree was approved by the Council of Ministers extending the social tariff for the supply of natural gas and electricity to protected residential customers entitled to the BIM (increased insurance contribution) until the 1st of April 2023²¹. An advance on the reimbursement will be provided to protected residential

⁹ https://www.lecho.be/economie-politique/belgique/federal/budget-2022-ce-qu-il-faut-retenir-de-la-communication-du-gouvernement/10338191.html

 $^{^{\}tiny 10}\ https://www.rtbf.be/info/belgique/detail_budget-federal-2022-le-tarif-social-elargi-et-un-cheque-energiede-80-euros-pour-les-plus-fragiles?id=10858617$

 $^{^{\}scriptscriptstyle 11}$ https://www.lecho.be/economie-politique/belgique/federal/budget-2022-ce-qu-il-faut-retenir-de-lacommunication-du-gouvernement/10338191.html

¹² https://www.vrt.be/vrtnws/nl/2021/10/12/begrotingsakkoord-12-oktober-2021/

 $^{^{\}scriptscriptstyle 13}$ https://www.tijd.be/politiek-economie/belgie/algemeen/energiefactuur-wordt-tot-100-euro-lichter/10338146.html

¹⁴ https://www.lecho.be/monargent/analyse/budget/ce-que-change-l-accord-budgetaire-pour-votre-facture-d-energie/10338267.html

¹⁵ https://www.euractiv.com/section/electricity/news/belgium-to-cut-vat-on-electricity-in-response-to-energy-price-spike/

¹⁶ https://www.lesoir.be/429981/article/2022-03-15/energie-voici-les-mesures-du-gouvernement-pour-faire-face-la-hausse-du-prix-de

¹⁷ https://www.rtbf.be/article/elargissement-du-tarif-social-pour-lenergie-600-millions-deuros-le-cout-pour-letat-explose-cette-annee-10998183

¹⁸ https://www.rtbf.be/article/prix-de-l-energie-les-mesures-de-soutien-prolongees-jusqu-a-la-fin-2022-11015317

 $^{^{\}tiny 19}$ https://www.lecho.be/entreprises/energie/le-gouvernement-avance-un-plan-hiver-pour-lenergie/10402074.html

²⁰ https://news.belgium.be/fr/reforme-de-la-fiscalite-sur-la-facture-denergie

²¹ https://news.belgium.be/fr/energie-prolongation-du-tarif-social-pour-les-clients-residentiels-proteges

customers who do not fall under the BIM category. To conclude, the Council of Ministers also approved a draft law implementing a temporary solidarity contribution to affected households (and businesses) to be borne respectively by: registered oil companies in the refining sector with refining capacity in Belgium (totalling 400 million EUR in contributions), and registered oil companies defined as primary participants for diesel and petrol products in 2022 (totalling 200 million EUR in contributions)²².

RRF:

As part of the Recovery and Resilience Plan, the Belgian government received 5.9 billion EUR in grants²³. Of this sum, 50% is devoted for achieving climate objectives. A sum of 1.378 billion EUR, roughly 23.36% of the total budget, is set aside for the energy efficient renovation of buildings²⁴. This will contribute to improving both the energy efficiency and poverty situation in the country.

²² https://news.belgium.be/fr/contribution-de-solidarite-temporaire-charge-du-secteur-petrolier

²³ https://ec.europa.eu/info/business-economy-euro/recovery-coronavirus/recovery-and-resilience-facility/belgiums-recovery-and-resilience-plan_en

²⁴ https://dermine.belgium.be/sites/default/files/articles/FR%20-

^{%20}Plan%20national%20pour%20la%20reprise%20et%20la%20re%CC%81silience.pdf

Bulgaria

Several policies have been implemented to decrease the effects of price hikes, including price regulation and social measures.

Heating and power prices were frozen from December 16th, 2021, to March 2022 and for the electricity, the regulator (EWRC, Energy and Water Regulatory Commission) only approved 3.4% increase in prices for households. This means from 2.7 to 4.45 cents increase, depending on the region. Other policies include removal of "social commitment" fee levied on distribution companies, as well as the price premiums paid to "a significant part" of renewable energy producers²⁵.

Besides the plans for the gas diversification, other measures were also introduced with a total budget of 476 million EUR. These include a program to compensate businesses due to electricity price, putting a ceiling at 128 EUR for end users until end September 2022²⁶.

The Bulgarian government passed a series of aid packages totalling 1.1 billion EUR on May 16th, 2022, aimed at rising energy prices for consumers²⁷. Additionally, it froze energy prices for households using July 2021 as a threshold; discounted petrol prices by 13 eurocents per litre from July to end of December 2022; and scrapped excise duties on electricity, natural gas and methane²⁸.

RRF:

The Bulgarian Recovery and Resilience Plan will cost 6.27 billion EUR in grants²⁹. Of this sum, 59% will be devoted to achieving climate objectives. More specifically, 924 million EUR will be dedicated for improving the energy efficiency of private and public buildings and thus improving both energy efficiency and energy poverty²⁹. This corresponds to roughly 14.74% of the total budget.

²⁵ https://sofiaglobe.com/2022/07/01/bulgaria-regulator-approves-3-4-hike-in-electricity-prices-for-household-consumers/

²⁶ https://www.bruegel.org/dataset/national-policies-shield-consumers-rising-energy-prices

²⁷ https://www.reuters.com/business/energy/europes-efforts-shield-households-energy-cost-spike-2022-03-21/

²⁸ https://www.reuters.com/business/energy/bulgarian-government-approves-plan-offset-high-energy-prices-2022-05-16/

²⁹ https://ec.europa.eu/info/sites/default/files/recoveryandresilience bulgaria factsheet en.pdf

Croatia

A package worth 636 million EUR aimed at mitigating the growth of energy prices was presented in February 2022³⁰. This package limited energy price increases to 9.6% for electricity and 20% for gas and addressed the most vulnerable consumers, estimated to be over 90,000³¹. Other government measures introduced include a permanent reduction of the VAT rate for gas and heat from 25% to 13%. Additionally, this was lowered to 5% from the beginning of April 2022 to the end of March 2023. All households utilising natural gas were eligible for subsidies³². The amount of support directly on the bill accounted to about 20% of the projected energy price. The total costs of such measure are envisioned to reach 600 million HRK (79.6 million EUR) to be financed by the sale of GHG emission units. On July 28th, 2022, the Croatian government adopted several guidelines directed towards saving energy from August 1st to March 31st, 2023; including advised household heating and cooling temperatures and cheaper electricity tariffs³³.

On August 8th, 2022, Croatia announced an aid package directed to energy consumers totalling 2 billion EUR³⁴. Exactly a month later, the government announced a second package, worth 21 billion HRK (2.8 billion EUR), introducing price caps on energy³⁵. Namely, households will pay 59 EUR/MWh and 88 EUR/MWh when consuming more than 2500 kW.

RRF:

As part of the Recovery and Resilience Plan, Croatia disposes of 6.3 billion EUR in grants³⁶. It is expected that 40.3% of the budget will be devoted to climate objectives and around 12.5% will be dedicated to improving energy efficiency and poverty. In fact, 789 million EUR were allocated to the energy efficiency and post-earthquake reconstruction of buildings³⁶.

³⁰ https://ceenergynews.com/finance/croatia-adopts-636-million-euros-package-to-mitigate-the-growth-of-energy-prices/

³¹ https://oenergetice.cz/komoditni-trhy/vlady-proti-cenam-energii-bojuji-snizenim-dph-zastropovanim-cen-nebo-prispevky

³² https://vlada.gov.hr/vijesti/predstavljen-paket-mjera-za-ublazavanje-rasta-cijena-energenata-vrijedan-4-8-milijardi-kuna/33907

³³ https://mingor.gov.hr/vijesti/usvojene-smjernice-za-ustedu-energije-u-republici-hrvatskoj/8903

³⁴ https://vlada.gov.hr/vijesti/vladin-paket-ukljucuje-mjere-pomoci-za-sve-segmente-drustva/36022

³⁵ https://www.euractiv.com/section/energy-environment/news/croatia-unveils-plan-to-cap-energy-and-food-prices/

³⁶ https://ec.europa.eu/info/business-economy-euro/recovery-coronavirus/recovery-and-resilience-facility/croatias-recovery-and-resilience-plan_en

Cyprus

The Cypriot government announced on September 17th, 2021, a 10% discount on electricity bills for all households from November to February³⁷. Furthermore, on November 4th, 2022 the Cypriot cabinet approved a VAT reduction from 19% to 5% on electricity bills for six months for the most vulnerable income-groups³⁸. On July 28th, 2022 the government announced that it would absorb 25% of the foreseen rise in autumn energy bills³⁹. Additionally, vulnerable consumers were promised by finance minister Petrides to be completely shielded from rising energy costs and that consumers would get a subsidy, in between 50% and 80% of consumption, as to encourage energy use reductions. These new measures would apply to almost 500,000 households.

RRF:

According to the Recovery and Resilience Plan, 1.006 billion EUR in grants and 0.2 billion EUR in loans will be available for Cyprus⁴⁰. Of this sum, 41% will be dedicated to achieving climate objectives and roughly 7.4% will be allocated to improving energy efficiency and poverty. In fact, 89 million EUR were devoted to promoting energy efficiency, renewables and combating energy poverty⁴⁰.

³⁷ https://cyprus-mail.com/2021/09/17/electricity-bills-to-be-slashed-by-10-for-next-four-months/

³⁸ https://cyprus-mail.com/2021/11/04/cabinet-cuts-vat-on-electricity-bills-for-vulnerable-groups/

³⁹ https://www.reuters.com/article/cyprus-energy-bills-idUKL8N2Z94FF

⁴⁰ https://ec.europa.eu/info/business-economy-euro/recovery-coronavirus/recovery-and-resilience-facility/cyprus-recovery-and-resilience-plan_en

Czechia

As previously mentioned, 3 bcm/year of natural gas were secured from the Czech government from a Dutch floating LNG terminal starting from September 2022. However, efforts to reduce adversities building from energy price hikes had already started at the end of 2021. Indeed, on December 29th, 2021, the Czech government had approved the "Aid to households and entrepreneurs act" focused on helping both low-income households and entrepreneurs being affected by the surge in energy prices⁴¹. Similarly, the government had also announced it would exempt households from energy fees in case the consumed electricity stemmed from renewables⁴². On June 2022, the Czech government set aside 1.1 billion EUR to aid households with energy bills during the heating season⁴³. This financial aid will be passed from the State to consumers by paying in full the surcharge of renewables starting from October 2022 to December 2023. The Energy Act was amended to introduce a discount of around 650 EUR for households, which will see this credit directly on their bill. Additionally, households relying on electricity for their house needs, will receive 530 EUR; whereas those relying on gas for heating will receive 650 EUR. All these measures are accounted in the 1.1 billion budget previously mentioned.

On September 27th 2022, a price cap for electricity and gas, costing 100 billion CZK (4 billion EUR) was approved⁴⁴. Namely, prices were capped at 6 CZK/kWh (24 eurocents/kWh) for electricity and 3 CZK (12 eurocents) for gas, with the changes having to be introduced from November deposit payments⁴⁵.

In November 2022, the state budget draft bill for 2023 was first released, envisioning an allocation of 200 billion CZK (8.2 billion EUR) for various aid measures for households and companies⁴⁶.

RRF:

As part of the Recovery and Resilience Plan, Czechia achieved 7 billion EUR in grants⁴⁷. Of the total sum, 42% will be devoted to achieving climate objectives and 20% specifically for investments in energy efficiency. In fact, 1.4 billion EUR will be allocated for financing large-scale renovation programmes to increase the energy efficiency of both public and residential buildings, including childcare and long-term care facilities⁴⁷.

 $^{^{\}tiny 41}\ https://www.komora.cz/files/uploads/2021/12/Pomoc-domacnostem-a-podnikatelum-zasazenym-rustem-energii.pdf$

⁴² https://www.mfcr.cz/cs/aktualne/tiskove-zpravy/2021/nulove-dph-na-elektrickou-energii-a-plyn-43273

⁴³ https://ct24.ceskatelevize.cz/domaci/3510515-vlada-na-energetickou-pomoc-lidem-a-firmam-vyhradi-66-miliard

 $^{^{44}\} https://www.ceskenoviny.cz/zpravy/vlada-bude-rozhodovat-o-rozpoctu-rustu-duchodu-i-prispevku-propestouny/2262144$

⁴⁵ https://www.reuters.com/business/energy/czech-government-approves-electricity-gas-price-cap-2022-09-12/

⁴⁶ https://www.bloomberg.com/news/articles/2022-11-04/czechs-slap-windfall-tax-on-energy-firms-banks-to-help-budget

⁴⁷ https://ec.europa.eu/info/business-economy-euro/recovery-coronavirus/recovery-and-resilience-facility/czechias-recovery-and-resilience-plan_en

Denmark

On February 2022 the Danish government enforced the so-called "heat cheque", a measure envisioned to help 320,000 of the hardest-hit households by the energy crisis with a tax-free payment⁴⁸, with an estimated value of 800 EUR⁴⁹. On top of the existing scheme, 13.4 million EUR were added to the budget⁵⁰. Nonetheless, by August 2022 the heat cheque was assigned to 400,000 households with a larger check, increasing the envisioned costs by 190 million EUR amounting to a total sum of 320 million EUR⁵¹. Other measures include a 33.6 million EUR fund outlined to support the replacement of individual gas heating systems⁵². On June 28th 2022, an energy saving campaign was launched by the Danish Energy Agency (DEA) urging all households to save on gas and electricity⁵³.

A bill providing additional financial support for several disadvantaged citizens (such as elders and disabled citizens) was passed on September 8th, 2022⁵⁴ and entered into force on September 14th, 2022⁵⁵. On September 14th, 2022, the Danish government proposed a measure allowing consumers to avoid additional energy costs incurred when compared to bills pertaining to the past year⁵⁶. Such measure is envisioned to cost around 45 billion DKK (6 billion EUR). A package worth 5.05 billion DKK (0.68 billion EUR) was agreed on September 23rd to support households, including some price freeze policy measures⁵⁷.

The general electricity tax was reduced, in October 2022, by 50 eurocents/kWh. Additionally, this will be reduced to the EU's minimum rate (11 eurocents/kWh) in the first half of 2023. On October 15th, a price ceiling on surplus heat was provisionally set at 93 DKK/GJ, expected to enter into force on January 1st 2023^{ss}.

RRF:

As part of the Resilience and Recovery Plan, Denmark will be provided with 1.5 billion EUR in grants, of which 59% will be dedicated to achieving climate objectives⁵⁹. Energy efficiency measures will account for 235 million EUR, nearly 15.7% of the total budget. This will contribute to improving both energy efficiency and poverty.

⁴⁸ https://finans.dk/politik/ECE13672463/regeringen-vil-give-en-skattefri-check-til-familier-med-hoeje-varmeregninger/?ctxref=ext

⁴⁹ https://www.reuters.com/business/energy/europes-efforts-shield-households-energy-cost-spike-2022-03-21/

 $^{^{50}\} https://www.theguardian.com/business/2022/jan/31/as-uk-households-feel-pressure-how-are-other-european-countries-tackling-energy-crisis$

⁵¹ https://www.berlingske.dk/politik/6000-kroner-i-varmecheck-er-udbetalt-til-400000-husstande

⁵² https://oecdecoscope.blog/2021/10/22/at-the-cross-roads-of-a-low-carbon-transition-what-can-we-learn-from-the-current-energy-crisis/

⁵³ https://www.bloomberg.com/news/articles/2022-06-28/danes-urged-to-take-shorter-showers-as-energy-crisis-worsens

⁵⁴ https://bm.dk/nyheder-presse/pressemeddelelser/2022/09/lovforslag-om-kompensation-for-stigende-energipriser-er-nu-vedtaget/

⁵⁵ https://www.ft.dk/samling/20211/lovforslag/I206/index.htm

⁵⁶ https://www.bloomberg.com/news/articles/2022-09-14/denmark-proposes-postponing-energy-bill-payments-as-prices-surge

⁵⁷ https://www.reuters.com/markets/europe/denmark-soften-impact-high-energy-prices-2022-09-23/

⁵⁸ https://ens.dk/presse/energistyrelsen-udmelder-prisloft-overskudsvarme-2023

⁵⁹ https://ec.europa.eu/info/business-economy-euro/recovery-coronavirus/recovery-and-resilience-facility/denmarks-recovery-and-resilience-plan_en

Estonia

Between September 2021 and March 2022, low-income groups could benefit from discounted electricity prices⁶⁰. Thereafter, from October 2021 to March 2022, all electricity consumers had their network fees halved. The total costs of these measures were envisioned to amount to around 100 million EUR⁶¹. At the end of 2021, the recipient group of such measures was extended to households where the first earner had an income lower than 1,126 EUR⁶². Thus, the total number of households receiving such benefits increased to 380,000 households with estimated total costs of 79 million EUR to be covered by funds obtained by the sale of carbon credits. A cap on electricity of 12 eurocents/kWh and on gas of 65 EUR/MWh for households was approved on January 25th, 2022⁶³ and implemented from January to March.

According to the draft state budget for 2023, announced on September 22nd 2022, an energy subsidy equal to 50 EUR/MWh of electricity will be implemented for households, covering 80% of price increases going above 80 EUR/MWh (however, households are eligible for this only if they consume less than 2.6 MWh)⁶⁴. This measure is envisioned to be applied until the end of March 2023 costing 4.2 million EUR for October 2022 alone⁶⁵.

RRF:

Estonia's Recovery and Resilience Plan will be financed by 969.3 million EUR in grants. Measures for achieving climate objectives will be allocated 42% of the total budget⁶⁶. A sum of 92 million EUR will be devoted for sustainable energy and energy efficiency, with measures to facilitate and support energy-efficient renovations of 2,680 dwellings⁶⁶. This roughly corresponds to 9.5% of the total budget and will improve both energy efficiency and poverty.

⁶⁰ https://oecdecoscope.blog/2021/10/22/at-the-cross-roads-of-a-low-carbon-transition-what-can-we-learn-from-the-current-energy-crisis/

⁶¹ https://arileht.delfi.ee/artikkel/94859291/madala-sissetulekuga-isikuile-huvitatakse-elektri-hinnatous-tagasiulatuvalt-koigile-tarbijatele-langetatakse-vorgutasusid

⁶² https://www.leta.lv/es/item/A64CCD48-2245-425B-9AF1-A39A577DD087/jaunumi:feature/#i

⁶³ https://www.leta.lv/es/item/A64CCD48-2245-425B-9AF1-A39A577DD087/jaunumi:feature/#i

⁶⁴ https://www.valitsus.ee/uudised/valitsuse-pressikonverents-22-september-2022

⁶⁵ https://news.err.ee/1608796663/gas-bill-support-will-cost-state-over-4-million-for-october

⁶⁶ https://ec.europa.eu/info/sites/default/files/factsheet-estonia en.pdf

Finland

At the beginning of September 2022, the government released its first draft state budget for 2023, proposing a reduction on the sale of electricity from 24% to 10% between January and the end of April 2023⁶⁷. This will result in VAT losses of 290 million EUR for the government. Low-income households facing electricity bills exceeding 400 EUR will be entitled to have 60% of its bill to be covered by subsidies between January and end of April 2023⁶⁸. Such allowance is foreseen to affect 252000 households and resulting in a tax revenue loss of 265 million EUR. On October 28th 2022, the Finnish parliament approved an amendment to the Income Tax Act to temporarily add tax credit provisions related to the household's electricity bills⁶⁹. An electricity subsidy for households, costing 85 million EUR, was proposed on November 17th 2022 by the government to the Parliament⁷⁰

RRF:

As part of the Recovery and Resilience Plan, Finland will dispose of 2.1 billion EUR in grants, of which 50% will be dedicated to supporting climate objectives. To support low-carbon heating of buildings by replacing oil boilers with low-or zero-carbon heating systems, 70 million EUR will be available⁷¹. This is roughly 3.3% of the budget dedicated to improving energy efficiency and poverty.

⁶⁷

https://budjetti.vm.fi/indox/sisalto.jsp?year=2023&lang=fi&maindoc=/2023/tae/hallituksenEsitys/hallituksenEsitys/hallituksenEsitys/situksenEsitys/hallitukse

⁶⁸ https://vm.fi/-/kotitalouksille-tukea-suuriin-sahkolaskuihin

⁶⁹ https://vm.fi/paatos?decisionId=0900908f807ebdeb

⁷⁰ https://vm.fi/-/10616/hallitus-ehdottaa-taydennyksia-vuoden-2023-talousarvioesitykseen

 $^{^{71}\} https://ec.europa.eu/info/business-economy-euro/recovery-coronavirus/recovery-and-resilience-facility/finlands-recovery-and-resilience-plan_en$

France

On September 15th 2021, a one-off payment worth 100 EUR was announced for the 5.8 million households that were already receiving energy vouchers⁷². This was extended to everyone earning less than 2000 EUR per month net (approximately 38 million people) on October 21st₇₃. Additionally, the price cap on gas initially announced to last until April 2022⁷⁴, was extended until the end of 2023. It was estimated that these pay-outs would cost the state around 3.8 billion EUR⁷⁵.

On December 9th, 2021, the state started discussion with the main electricity supplier *Électricité de France* (EDF) to reduce the market link in the formula; the ultimate goal being limiting the increase in regulated tariffs to 4% for the whole of 2022⁷⁶, as these tariffs represent about 70% of the residential electricity retail market⁷⁷. As of the end of January 2022, estimated total costs incurred by the state to implement such measures ranged from 8 to 15.5 billion EUR⁷⁸⁷⁹.

The electricity tax for households was reduced from 22.5 EUR to 1 EUR by the government from February 2022 to January 2023[®]. This measure was said to have increased total costs incurred by the state to as much as 25 to 26 billion EUR.

A support package for households utilising heating oil was approved on July 27th, 2022 costing 230 million EUR. On August 4th, another relief package was passed worth approximately 20 billion EUR⁸¹. This package reaffirmed the freeze of gas prices, offered a new set of subsidies, and a one-time backto-school payment for low-income families of 100 EUR per parent and 50 EUR per child.

On September 14th 2022, the French government announced a new package, limiting the increase in electricity and gas prices at 15%; limited the average increase for households heating with electricity to 20 EUR per month, 25 EUR per month for those heating with gas; and a support of up to 200 EUR for those heating with oil or wood. The energy bill support will cost 1.8 billion EUR and benefit 12 million households.

The "Energy Sobriety" plan was presented by the government on October 6th, 2022⁸². This plan aims to reduced energy consumption over the next two years by 10% compared to 2019 through a variety of different policy measures, including financial support for households willing to improve their

⁷² https://www.reuters.com/business/energy/europe-tries-soften-blow-surging-power-gas-prices-2021-09-22/

⁷³ https://www.leparisien.fr/economie/prix-des-carburants-jean-castex-annonce-une-indemnite-inflation-de-100-euros-pour-ceux-gagnant-moins-de-2000-euros-net-par-mois-21-10-2021-

⁵J3NT722UREXHO7VTUTWG3RVN4.php

⁷⁴ https://www.france24.com/fr/info-en-continu/20210930-france-le-gouvernement-va-bloquer-les-prix-du-gaz-jusqu-en-avril-annonce-jean-castex

⁷⁵ https://www.reuters.com/article/france-economy-budget-idUSKBN2HC11C

⁷⁶ https://www.reuters.com/article/france-energie-edf-

idFRKBN2IO12C#: ``: text=The%20 new%20 plan%20 envisaged%20 follows%20 Prime%20 Minister%20 Jean%20 Castex%27s%20 promise%20 to %20 the%20 increase%20 in %20 regulated%20 tariffs%20 (TRV)%20 to %20 4%25%20 in %20 February%20 and %20 for %20 the%20 whole%20 of %20 20 22.

⁷⁷ https://iea.blob.core.windows.net/assets/7b3b4b9d-6db3-4dcf-a0a5-a9993d7dd1d6/France2021.pdf

⁷⁸ https://www.theguardian.com/business/2022/jan/31/as-uk-households-feel-pressure-how-are-other-european-countries-tackling-energy-crisis

⁷⁹ https://www.lemonde.fr/politique/article/2022/01/26/budget-bercy-a-deja-les-yeux-rives-sur-2027_6111118_823448.html

 $^{^{80}\} https://www.latribune.fr/entreprises-finance/industrie/energie-environnement/la-taxe-sur-l-electricite-reduite-au-minimum-903013.html$

^{*1} https://www.gouvernement.fr/les-priorites/pouvoir-d-achat#fr-sidemenu__link-bd033aa9-c2b1-4c1c-bf03-116fcded4ffc

⁸² https://www.ecologie.gouv.fr/sites/default/files/dp-plan-sobriete.pdf

heating systems, reimbursement of public transport and bonuses offered to households by energy companies. On November 8th, a subsidy for households heating with wood was voted, costing an estimated 230 million EUR⁸³.

RRF:

As part of the Recovery and Resilience Plan, France has deployed 39.4 billion EUR in grants, of which 46% to be devoted for achieving climate objectives⁸⁴. In total, 5.825 billion EUR will be assigned for building energy renovation, corresponding to roughly 15% of the total budget. More specifically, 3.8 billion EUR will be assigned to renovating public buildings, 0.5 billion EUR for renovating social housing, 0.12 billion EUR for renovating the TPE-PME, and 1.405 billion EUR for renovating private dwellings (MaPrimeRénov)⁸⁵. The latter will be allocated to dwelling owners as to finance insulation, ventilation, heating or energy audit works for single-family houses or apartments in collective housing, tackling an estimated 400,000 households⁸⁴.

⁸³ https://www.francetvinfo.fr/economie/energie/prix-de-l-energie-l-assemblee-nationale-adopte-une-aide-pour-les-menages-se-chauffant-au-bois_5465554.html

⁸⁴ https://ec.europa.eu/info/business-economy-euro/recovery-coronavirus/recovery-and-resilience-facility/frances-recovery-and-resilience-plan_en

⁸⁵ https://www.economie.gouv.fr/files/files/directions_services/plan-de-relance/PNRR%20Francais.pdf

Germany

At the start of 2022, the government reduced a levy on the price of electricity from 6.5 to 3.72 eurocents/kWh on the wholesale price⁸⁶. This measure will cost the government 3.3 billion EUR. Additionally, targeted measures aimed at low-income groups were also announced in January. Indeed, the state also offered a package worth 130 million EUR of one-time grants to low-income households⁸⁷. In July 2022, the previously mentioned levy on the price of electricity was removed altogether, with estimated savings of 300 EUR per average family compared to 2021⁸⁸. Electricity prices for households in Germany were the highest in Europe, with estimates showing that an estimated 4.2 million households would see their electricity bills rise by 63.7% on average in 2022 while gas would increase by 62.3%⁸⁹.

On March 24th several measures to counter the energy crisis were passed for a total sum of 15 billion EUR. These included a new measure aimed at replacing gas boilers with heat pumps, increasing the energy efficiency standard for new buildings to KfW55 by 2023, obligating newly installed heating systems to have 65% renewables by 2024 and increasing the production of biogas⁵⁰. Following the government bailout of utility company Uniper in July 2022, costing 17 billion EUR⁵¹, the government warned that utilities will be allowed to pass on the increase in energy costs, due to a new imposed levy on energy, to consumers starting from October⁵². This could add as much as 1000 EUR per year to the living costs of German households.

On September 4th, 2022 an additional relief package was announced to counter rising energy prices but also inflation, worth 65 billion EUR⁹³. However, a second package totalling 200 billion EUR was announced on September 29th⁹⁴. In this package, a "gas price brake" was envisioned, as to reduce average gas prices, that would cost between 15 to 24 billion EUR when applied to households alone⁹⁵. Additionally, the package envisages to fully nationalise Uniper, bringing the price up from the previous 17 billion EUR to now 30 billion EUR.

On October 10th, 2022, a short-term plan to counter rising gas prices was presented by the expert group formed by the German government; advising to cover one month's gas bill in December, and starting from spring, subsidise 80% of the normal September consumption at 12 eurocents per kWh⁹⁶. This will cost 91 billion EUR of the 200 set apart in the previous package, with 66 billion EUR dedicated just to consumers and small and medium sized firms.

⁸⁶ https://www.bundesregierung.de/breg-de/suche/eeg-umlage-1754214

⁸⁷ https://www.theguardian.com/business/2022/jan/31/as-uk-households-feel-pressure-how-are-other-european-countries-tackling-energy-crisis

⁸⁸ https://www.bundesregierung.de/breg-de/suche/eeg-umlage-faellt-weg-2011728

^{**} https://www.reuters.com/business/sustainable-business/german-finmin-adds-his-voice-calls-early-end-green-energy-levy-2022-01-30/

⁹⁰ https://www.bloomberg.com/news/articles/2022-03-24/germany-to-cut-fuel-tax-to-help-ease-burden-of-energy-prices

 $^{^{91}\} https://www.bloomberg.com/news/articles/2022-07-22/germany-bails-out-uniper-in-fallout-from-russiangas-squeeze$

⁹² https://www.bloomberg.com/news/articles/2022-07-28/german-consumers-face-gas-bill-surge-with-move-to-pass-on-costs

⁹³ https://newsingermany.com/coalition-adopts-comprehensive-relief-package-2/

⁹⁴ https://www.bruegel.org/blog-post/germanys-gas-price-defence-shield-problems-and-redeeming-features

⁹⁵ https://www.reuters.com/business/energy/german-gas-price-brake-cost-between-15-bln-24-bln-euros-newspaper-2022-09-29/

⁹⁶ https://www.euractiv.com/section/energy/news/german-experts-release-e91-billion-plan-to-curb-gas-prices/

A new package to constrain energy prices was reported on November 22nd, 2022 costing another 54 billion EUR⁹⁷. According to this, the gas consumption within private households will be capped at 12 eurocents/kWh for 80% of last year's consumption and the price of power will be capped at 40 eurocents/kWh. These caps will last until April 2024.

RRF:

The German Recovery and Resilience Plan has a total budget of 25.6 billion EUR in grants, with 42% of this sum dedicated to tackling climate objectives⁹⁸. Additionally, 2.5 billion EUR are allocated for improving the energy efficiency in residential buildings, or roughly 10% of the total budget. Such measures will also improve energy poverty in the country.

97 https://www.bloomberg.com/news/articles/2022-11-22/germany-moves-to-rein-in-surging-gas-power-

costs-from-january?leadSource=uverify%20wall

⁹⁸ https://ec.europa.eu/info/business-economy-euro/recovery-coronavirus/recovery-and-resilience-facility/germanys-recovery-and-resilience-plan_en

Greece

Since mid-September 2021, the Greek government has been providing subsidies on electricity bills to the majority of its population. On January 7th, 2022, the subsidy for households was increased to 42 EUR for the first 300 kWh consumed. Similarly, for households being part of the Social Housing Tariff (CTO), the same subsidy amounted to 180 EUR/MWh. Additionally, the Public Power Corporation expanded its discount policy as to fully include the energy price rise for the average household presenting up to 600 kWh of consumption per month. Concurrently, heating allowances caps and inclusion criteria were enlarged as to include an estimated number of over 1 million beneficiaries. For the month of January 2022, natural gas was subsidised for households at 20 EUR/MWh in addition to implementing VAT subsidies too. This package alone is estimated to have cost 400 million EUR. Whereas when considering all the power and gas subsidies implemented since September, the price increases up to 2.5 billion EUR99. An additional estimated aid of 1.1 billion EUR, including a fuel rebate for low-income households, was devoted to the cause by the Greek government¹⁰⁰. On May 5th, 2022, an additional package aimed at helping households cope with the energy crisis was announced with an estimated value of 3.2 billion EUR101. Finally, a reimbursement of up to 60% of all the electricity surcharges customers with an annual income of up to 45,000 EUR experienced in the period from December 2021 to May 2022 was announced, in addition to a price cap on wholesale electricity.

On July 5th, 2022, the Greek government extended the subsidies for households for the month of July, costing 700 million EUR¹⁰². The subsidies include 200 EUR/MWh per household to cover 84% of the rising energy bills. Thereafter, on August 24th the subsidies were again extended, with households receiving 639 EUR/MWh covering 94% of energy price rises, with the total cost just for September estimated at 1.9 billion EUR¹⁰³.

On September 21st, the Greek government set out to pay an additional 1.1 billion EUR to help both households and businesses¹⁰⁴. Specifically, households with a monthly consumption of up to 500 kWh, will receive 436 EUR/MWh, addressing the majority of households and compensating about 90% of the rise in energy bills. Whereas for those consuming above 501 kWh, the subsidies will compensate 70-80% of energy price rises. Additionally, for consumers cutting their average daily consumption by 15% year on year, an extra 50 EUR/MWh is devoted.

RRF:

As part of the Recovery and Resilience Plan, Greece has a total budget of 30.5 billion EUR, divided between 17.8 billion EUR in grants and 12.7 billion EUR in loans¹⁰⁵. Of this sum, 37.5% will be devoted to climate objectives, with 1.3 billion EUR allocated to improving the buildings energy efficiency by renovating more than 100,000 households¹⁰⁵. This measure targets low-income groups and thus energy poverty and corresponds to roughly 4.3% of the total budget.

⁹⁹ https://www.reuters.com/business/energy/europes-efforts-shield-households-energy-cost-spike-2022-03-21/

¹⁰⁰ https://english.news.cn/europe/20220317/c8b02b4044f74325a8590e08b6c5cbf0/c.html

¹⁰¹ https://www.euronews.com/next/2022/05/06/ukraine-crisis-greece-energy

¹⁰² https://www.reuters.com/business/energy/greece-launches-more-energy-subsidies-curb-unbearable-power-costs-minister-2022-07-05/

¹⁰³ https://www.ekathimerini.com/economy/1191634/greek-power-subsidies-to-reach-1-9-billion-euros-in-september-energy-minister-says/

https://www.reuters.com/business/energy/greece-extends-energy-bill-subsidies-ahead-winter-battle-2022-09-21/

¹⁰⁵ https://ec.europa.eu/info/system/files/greece-recovery-resilience-factsheet en.pdf

A targeted programme is foreseen for the energy renovation of the residential buildings. A quantitative energy saving target was defined equal to of 213 ktoe of new savings per year. Eligible renovations include: a) energy savings: replacement of household frames (windows/doors etc.), installation / upgrading of thermal insulation, Heating / cooling system upgrade, hot water system using Renewable Energy Sources RES or heat pumps and b) new smart technologies and systems of energy production (thermal and/or electricity). The investment will be implemented in 3 phases, while a sub-program will be addressed to the support of energy poor households; the total budget is 3,095 million € and 1,554 million € (1,253 million € excluding VAT) will be covered by RRF fund through grants. The first phase is already in progress, while the whole project will be completed in 2025.

Hungary

To face the current spikes in energy prices, Hungary has extended price caps on fuels and food by 3 months until the end of 2022 to protect households from rising costs. The Government will prepare a support scheme for energy-intensive small businesses, covering half of the increase in their energy bills compared with last year's levels¹⁰⁶.

The Hungarian government has also decided to provide a support scheme for energy-intensive small businesses, covering half of the increase in their energy bills compared with last year's levels to help them improve their energy efficiency and cut costs¹⁰⁷.

Furthermore, the government has mandated public institutions and state-owned companies to cut their gas consumption by 25% as an energy-saving measure. In order to ensure that this target can be reached, all budgetary entities of the cultural and innovation ministry will prepare an energy conservation action plan by September 2022¹⁰⁸.

RRF:

The European Commission has rejected the proposed Recovery and Resilience Plan over concerns of the correct implementation of the Rule of Law in the country¹⁰⁹.

¹⁰⁶ https://www.euronews.com/next/2022/09/18/hungary-economy-price-caps

¹⁰⁷ https://tradingeconomics.com/hungary/at-risk-of-poverty-rate-owner-eurostat-data.html

¹⁰⁸ dailynewshungary.com https://dailynewshungary.com/cultural-and-innovation-ministry-preparing-energy-conservation-plan

 $^{^{109}}$ https://www.euronews.com/my-europe/2022/06/16/hungary-ready-for-compromises-with-brussels-to-unblock-recovery-funds

Ireland

In the first half of 2021, Ireland presented the highest household electricity prices excluding taxes¹¹⁰. Thus, when presenting the 2022 energy budget, on October 12th 2021 a 30% tax rebate on vouched heat and electricity expenses was introduced¹¹¹. Additionally, over 200 million EUR were spent on residential and community retrofit schemes, upgrading a total of 22,000 households. Those at risk of energy poverty received free upgrades and a low-cost loan scheme was introduced for residential retrofitting¹¹².

On December 14th, 2021, the Irish government had approved a 215 million EUR scheme to credit all domestic electricity consumers with a 100 EUR one-off payment in 2022¹¹³. In March 2022, this credit payment was doubled, as did the total funding, and the time period was extended until April 2022¹¹⁴.

As part of its new state budget for 2023, the Irish government envisioned a benefit scheme consisting of providing each household with 550.47 EUR credit on their electricity account from November 2022 to April 2023, costing an approximate 1.2 billion EUR¹¹⁵.

RRF:

The Irish Recovery and Resilience Plan is supported by 989 million EUR in grants, of which 42% will be devoted to implement climate investments and reforms. In total, 155 million EUR were targeted for improving energy efficiency in residential and public buildings and thus energy poverty, corresponding to roughly 15.7% of the total budget¹¹⁶. More specifically, 40 million EUR will be dedicated to de-risking a low-cost residential retrofit loan scheme, 55 million EUR for accelerating the decarbonisation of the enterprise sector and 60 million EUR for the public sector retrofit pathfinder project and public sector buildings' energy retrofit programme¹¹⁷.

¹¹⁰ https://www.independent.ie/business/irish/price-caps-on-the-table-as-irish-energy-prices-far-exceed-eu-average-40969591.html

¹¹¹ https://www.bbc.com/news/world-europe-58877189

https://www.gov.ie/ga/preasraitis/58f78-858-million-in-budget-2022-to-support-the-transition-to-a-climate-neutral-circular-and-connected-economy-and-society/

https://www.gov.ie/en/press-release/9d850-100-payment-to-all-domestic-electricity-accounts-approved-by-cabinet/

https://www.gov.ie/en/press-release/4323e-minister-ryan-has-welcomed-the-signing-of-the-legislation-needed-for-the-governments-electricity-costs-emergency-benefit-scheme/

¹¹⁵ https://www.oireachtas.ie/en/debates/debate/dail/2022-11-

^{16/8/#:~:}text=In%20response%20to%20rising%20energy,households%20with%20their%20energy%20costs.

¹¹⁶ https://ec.europa.eu/info/business-economy-euro/recovery-coronavirus/recovery-and-resilience-facility/irelands-recovery-and-resilience-plan_en

¹¹⁷ https://www.gov.ie/en/publication/d4939-national-recovery-and-resilience-plan-2021/

Italy

For the last quarter of 2021, the VAT on gas bills was at 10% or 22% depending on consumption. The "social bonus" for low-income groups was strengthened and 450 million EUR were allocated for this. Additionally, for around 29 million domestic consumers, the rates related to general system charges were set at zero during the last quarter of 2021¹¹⁸. On December 9th, 2021, the initial planned budget of 2.8 billion EUR for 2022 was further supplemented with another billion EUR¹¹⁹. The division of the budget between different purposes was outlined on December 18th accordingly: 1.8 billion EUR to be used for eliminating system charges for electricity users; 480 million EUR to cancel charges on gas bills for all users; continued reduction of the VAT on natural gas to 5% for civil and industrial users for an estimated revenue loss of 608 million EUR; and finally 912 million EUR for increasing the social bonus as to compensate for new increases¹²⁰. Additionally, consumers can pay their energy bills in instalments for the whole of 2022. On January 21st 2022, additional measures to counter high bills were announced increasing the budget from an envisioned 3.8 billion to 5.5 billion EUR for the first quarter of 2022 alone¹²¹. State support for vulnerable households was expected reach 8.5 billion EUR through March 2022¹²².

On March 19th, 2022 a 4.4 billion EUR worth package was approved to enlarge the social bonus to 5.2 million households, increasing the total amount of money spent since September 2021 to 20.4 billion EUR¹²³. On April 21st an extra spending of 8 billion EUR was approved, with 5.5 billion EUR directed towards countering rising energy prices by keeping electricity bills to zero throughout summers and fixing VAT on gas bills at 5%¹²⁴. Additionally, the social bonus for electricity was extended to all lowincome households.

Yet another package of measures was outlined on May 2nd, 2022 worth 14 billion EUR to help both families and businesses¹²⁵. A one-off payment of 200 EUR was delineated for 28 million workers and pensioners with an income level lower of 35,000 EUR per year. The Superbonus (a 110% tax credit on energy efficiency improvements for buildings) and the social bonus for energy expenses (regarding families with an income lower than 12,000 EUR) were extended until the end of September. The decree allocates 3 billion EUR for 2022, 2.5 billion EUR for 2023 and 1.5 billion EUR for every year from 2024 to 2026.

By the end of June 2022, a new decree worth 3 billion EUR was passed to stabilise increases in energy bills¹²⁶. Most of the budget will be spent on continuing previously adopted measures. The decree

https://tg24.sky.it/politica/2021/09/23/aumento-bollette-decreto#00

 $^{^{119}\} https://www.corriere.it/economia/casa/21_dicembre_09/miliardo-contro-caro-bollette-e6846496-592f-11ec-95ed-0f7dcc6ae2dd.shtml$

¹²⁰ https://www.ilsole24ore.com/art/bollette-piano-rate-10-mesi-le-famiglie-difficolta-AE6FdT3

¹²¹ https://www.ilsole24ore.com/art/alle-bollette-4-miliardi-ristori-13-ecco-misure-cdm-

AEDnLL9#U40904022809doB

¹²² https://www.theguardian.com/business/2022/jan/31/as-uk-households-feel-pressure-how-are-other-european-countries-tackling-energy-crisis

 $^{^{123}\} https://www.ansa.it/sito/notizie/mondo/2022/03/18/cdm-aiuti-a-famiglie-e-imprese-per-4.4-miliar dibenzina-giu-di-25-cent_462fc67f-e32b-4155-b12b-4825b6fea0d4.html$

https://www.corriere.it/economia/consumi/22_aprile_21/bollette-via-libera-sostegni-55-miliardi-contro-caro-energia-452551a4-c190-11ec-b24b-141a4aa112a9.shtml

https://www.corriere.it/economia/aziende/cards/bonus-sociale-retroattivo-taglio-accise-fino-all-8-luglio-200-euro-redditi-bassi-cosa-c-decreto-aiuti/superbonus-110percento-le-villette-valido-fino-30-settembre.shtml

https://www.corriere.it/economia/consumi/22_giugno_30/bollette-nuove-misure-contro-caro-energia-3-miliardi-euro-fino-settembre-64f3765c-f87f-11ec-945e-5641b5c99a2d.shtml

further regulates the social bonus, maintaining the expenditures of subsidised consumers unchanged from the previous quarter. The draft-bill "Aiuti bis" was delineated a month later for a value of 15 billion EUR, with 2 extra billion EUR of additional measures¹²⁷. More than 6 billion EUR will be used just to cover the extension of previously implemented measures. Namely, 1.05 billion EUR to continue the 5% VAT on gas and reducing fuel levies by 30 eurocents/litre and 5 billion EUR for cancelling off taxes on energy bills. In addition, energy companies are prohibited from unilaterally modifying energy prices until October 31st, 2022. Furthermore, the tax-free limit on company bonuses was increased to 516 EUR if used for paying household energy expenditures. Lastly, 6.5 billion EUR were dedicated to providing workers and pensioners that did not receive it in spring with the 200 EUR one-off payment and a 2% inflation increment for pensioners with an income equal or lower than 35,000 EUR. Similarly, workers with an income lower or equal than 35,000 EUR will have a tax discount of 1.2% on their wages until the end of 2022, for a government cost of 1.2 billion EUR. The Aiuti bis package was approved by the Senate on September 13th for an overall budget of 17 instead of the planned 15 billion EUR¹²⁸. New measures in the package included the extension of smart working for vulnerable workers and parents.

On September 16th 2022, the "Aiuti ter" decree was approved by the government, with a value of 14 billion EUR¹²⁹. The latter increased the audience for the "social electric and gas bonus" of 150 EUR by raising the max income level to be eligible to 20,000 EUR per year and thus reaching 22 million people¹³⁰. Overall, the previous Aiuti decree fund was increased by 10 million euros for 2022.

On November 22nd, the new government under Giorgia Meloni signed the new 2023 budget law worth 35 billion EUR, of which 21 billion are devoted to helping households and firms suffering from the energy crisis¹³¹. This bill will extend the zero system charges for electricity users, which represents more or less 20% of all the devoted funding. Additionally, 150 EUR will be given in the form of payments to low-income households. Finally, a national price ceiling on energy produced from renewables was proposed by the minister of environment and energy, fixing the latter at 180 EUR/MWh.

RRF:

As part of the Recovery and Resilience Plan, Italy disposes of 68.9 billion EUR in grants and 122.6 billion EUR in loans for a total value of 191.5 billion EUR¹³². Of this sum, 37.5% is envisioned to be dedicated to climate objectives, with 15.36 billion EUR being dedicated to investments in energy efficiency both in residential and public buildings, corresponding to roughly 8% of the total budget. More specifically, 1.21 billion EUR are allocated to the renovation of public buildings (0.8 billion EUR for school buildings and 0.41 billion EUR for judicial buildings); 13.95 billion EUR for energy and seismic improved efficiency of residential private and public buildings; and 0.2 billion EUR for developing district heating systems¹³³

¹²⁷ https://www.corriere.it/economia/consumi/cards/decreto-aiuti-bis-14-miliardi-taglio-cuneo-bollette-pensioni-misure/gas-tutela-clienti-vulnerabili.shtml

¹²⁸ https://tg24.sky.it/economia/2022/09/13/decreto-aiuti-bis-2022#06

¹²⁹ https://www.ansa.it/sito/notizie/politica/2022/09/16/governo-conferenza-stampa-di-draghi-sul-decreto-aiuti-ter.-io-disponibile-a-un-secondo-mandato-no e7a78104-9ec2-43b4-a3d1-e35e20f49570.html

¹³⁰ https://www.corriere.it/economia/finanza/22_settembre_16/bonus-150-euro-novembre-dipendentipensionati-autonomi-chi-ne-ha-diritto-35e7bf38-35bc-11ed-a61e-565e99394797.shtml

¹³¹ https://www.corriere.it/economia/consumi/cards/bollette-21-miliardi-calmierare-luce-gas-ma-scende-taglio-accise-carburanti/gas-l-iva-resta-abbassata-5percento.shtml

¹³² https://ec.europa.eu/info/business-economy-euro/recovery-coronavirus/recovery-and-resilience-facility/italys-recovery-and-resilience-plan_en

¹³³ https://www.governo.it/sites/governo.it/files/PNRR.pdf

Latvia

Starting from November 2021, the 150,000 most vulnerable households received between 15 to 20 EUR per month until the end of 2022 to pay their electricity or gas bills¹³⁴. On November 30th, 2022 the Cabinet of Ministers supported a proposal reducing the country's mandatory procurement component to 7.55 EUR/MWh from 17 EUR/MWh¹³⁵. Residents aged 60 or older and disabled citizens have been receiving monthly subsidies of 20 EUR per month, whereas households with children have been receiving 50 EUR per child, since November 2021 until the end of 2022.

The Latvian government passed a legislation in January 2022 as to compensate gas consumers for rising energy costs: anyone consuming more than 250 m³ of gas will be automatically compensated for the price rise over the January to April 2022 heating period¹³6, with a total cost of 450 million EUR¹³7. In August 2022, amendments were passed to the Law on Measures to Reduce the Extreme Increase in Energy Prices aimed at covering the increase in heat supply and heating costs for households¹³8. The total cost of such measure is envisioned to be 442 million EUR.

RRF:

The Latvian Recovery and Resilience Plan features a total sum of 1.8 billion EUR in grants, of which 38% to be devoted to climate objectives. Investments in energy efficiency of private and public buildings are envisioned for a value of 248 million EUR, roughly 13.8% of the total budget¹³⁹. This will improve both the energy efficiency and poverty within the country.

¹³⁴ https://www.elektrum.lv/lv/majai/atbalsts-norekiniem-par-elektribu/atbalsts-norekiniem-par-elektribu/

¹³⁵ https://lvportals.lv/norises/335874-spriedze-energijas-tirgu-2021

¹³⁶ https://lg.lv/en/news/valsts-atbalsts

¹³⁷ https://www.leta.lv/es/item/A64CCD48-2245-425B-9AF1-A39A577DD087/jaunumi:feature/#i

¹³⁸ https://likumi.lv/ta/id/329532-energoresursu-cenu-arkarteja-pieauguma-samazinajuma-pasakumu-likums

¹³⁹ https://ec.europa.eu/info/business-economy-euro/recovery-coronavirus/recovery-and-resilience-facility/latvias-recovery-and-resilience-plan en

Lithuania

On October 14th, the Lithuanian government announced that the increase in heating and gas prices will be spread over 5 years¹⁴⁰. Additionally, a new legislation was passed enabling around 110,000 people to apply for heating subsidies¹⁴¹¹⁴². To aid in absorbing the energy price shock, the government allocated 570 million EUR to compensate a share of gas and electricity prices paid by consumers. Other measures include targeting minimum wage citizens and the elderly by increasing social benefits and implementing heating compensations. As part of this government plan, 277 million EUR were dedicated to modernising multi-apartment buildings¹⁴³.

RRF:

The Lithuanian Recovery and Resilience Plan will be financed by 2.2 billion EUR in grants, with 38% directed towards climate objectives. Specifically, 218 million EUR (approximately 10% of the total budget) will be directed towards accelerating the renovation of buildings, by supporting the production of elements for renovation from organic materials and financially supporting citizens renovating their buildings¹⁴⁴.

¹⁴⁰ https://www.lrt.lt/naujienos/verslas/4/1520389/seimas-linkes-palaikyti-siulomas-priemones-kurios-leistu-sumazinti-elektros-duju-sildymo-kainu-augima

¹⁴¹ https://bnn-news.com/bnn-analyses-insane-heating-bills-startle-vilnius-residents-231790

¹⁴² https://www.leta.lv/es/item/A64CCD48-2245-425B-9AF1-A39A577DD087/jaunumi:feature/#i

¹⁴³ https://www.eib.org/en/press/all/2022-204-lithuania-total-financing-for-energy-efficiency-loans-with-siauliu-bankas-reaches-eur1-billion

¹⁴⁴ https://ec.europa.eu/info/sites/default/files/com-2021-386-lithuania_factsheet_en.pdf

Luxembourg

On the start of 2022, the Luxembourgish government increased by 200 EUR the cost-of-living allowance to further shield vulnerable consumers from energy price spikes¹⁴⁵. In February 2022, a new 75 million EUR-worth package was approved, including the following measures: firstly, a one-off payment with a ceiling of 400 EUR was introduced for low-income households (those already benefitting from the cost-of-living allowance and those whose income is up to 25% higher than the latter); secondly, electricity prices were stabilised through state intervention; thirdly, gas network costs were temporarily covered by the state, costing approximately 500 EUR per household¹⁴⁶. Other measures were introduced to aid vulnerable consumers, such as: support schemes, tax credits and a reduction of 7.5 eurocents/litre of fuel (diesel, petrol) or heating oil until the end of 2022. Housing measures were revised or introduced, a temporary rent freeze until December 2022 is in place, higher rent subsidies for large families were introduced and financial support schemes to renovate first houses have been revised.

On September 28th, 2022, the Luxembourgish government signed a new law where, in order to support households, a price cap on gas prices at 15% maximum increase was included, in addition to a total price freeze on electricity prices in all of 2023. When considering the fuel sector, a 15 eurocent reduction on heating oil prices and a general reduction of VAT was introduced. Furthermore, energy bonuses ranging from 200 to 400 EUR were given to eligible households.

RRF:

As part of its Recovery and Resilience Plan, Luxembourg has been financed by 93 million EUR in grants, of which 61% will be dedicated to achieving climate objectives¹⁴⁷. Nonetheless, energy efficiency is only mentioned in the context of the transport sector within the Plan, and not within the residential sector¹⁴⁸.

¹⁴⁵ https://legilux.public.lu/eli/etat/leg/rgc/2021/11/19/a828/jo

 $^{^{146}\} https://gouvernement.lu/dam-assets/documents/actualites/2022/04-avril/27-backes-psc/lu-programme-de-stabilite-et-de-croissance-2022.pdf$

¹⁴⁷ https://ec.europa.eu/info/business-economy-euro/recovery-coronavirus/recovery-and-resilience-facility/luxembourgs-recovery-and-resilience-plan_en

¹⁴⁸ https://ec.europa.eu/info/sites/default/files/recovery_and_resilience_plan_for_luxembourg_fr.pdf

Malta

The Maltese government mandated the main energy provider in the country to freeze its prices at their 2014 level¹⁴⁹. To keep the energy provider's operations financially feasible, the government has compensated it with 200 million EUR in 2021 and the same amount has been allocated for 2022¹⁵⁰.

RRF:

The Maltese government disposes of 316.4 million EUR in grants as part of the Recovery and Resilience Plan. Of this sum, 53.8% will be devoted to achieving climate objectives, and more specifically 60 million EUR will be dedicated to energy efficiency renovations and greening of private and public buildings¹⁵¹. This corresponds to roughly 19% of the total budget and will contribute to improving both energy efficiency and poverty in the country.

¹⁴⁹ https://timesofmalta.com/articles/view/no-plans-to-raise-energy-tariffs-minister-pledges.951163

¹⁵⁰ https://timesofmalta.com/articles/view/government-is-stepping-in-every-month-to-cover-enemalta-losses.950599

¹⁵¹ https://ec.europa.eu/info/sites/default/files/factsheet-malta_en_0.pdf

Netherlands

In 2022, the Dutch government reduced the energy tax for households, costing it around 2.7 billion EUR¹⁵². Additionally, 150 million EUR were made available at a municipality level to support vulnerable households and/or help them insulate better their dwellings. On March 21st, 2022, it was agreed to raise the one-off energy allowance (energietoeslag) for people receiving social assistance from 200 to 800 EUR. Contemporarily, the VAT on energy was lowered from 21% to 9% from the start of April to the end of the year, costing another 2.8 billion EUR¹⁵³. On September 20th, the Dutch government announced that it would impose a price cap on electricity starting from January 2023, restricting the price of the latter to the average price in January 2022, in addition to increasing the minimum wage by 10% to deal with inflation¹⁵⁴. These additional measures will cost around 15.5 billion EUR¹⁵⁵. As part of the package, energy taxes will be reduced costing the government 5.4 billion EUR, and one-off benefits of 1300 EUR will be given to vulnerable households, costing 1.4 billion EUR.

On October 4th, the price cap on energy was agreed, namely locking the price of electricity at 40 eurocents per kWh and the price of gas at 1.45 EUR/m³156. The measure will cost around 23.5 billion EUR. Additionally, for November and December 2022, households received a 190 EUR compensation per month.

RRF:

The Dutch Recovery and Resilience Plan will be supported by 4.7 billion EUR in grants, of which 48% will be dedicated to achieving climate objectives. In total, 849 million EUR, or roughly 18% of the total budget will be devoted to improving energy efficiency measures and thus improving also energy poverty¹⁵⁷. More specifically, 225 million EUR will be allocated to public sector real estate, and 624 million EUR for the investment subsidy for the sustainable energy and energy savings (ISDE), which delivers grants for investments in solar boilers, insulation, small-scale heat pumps and heat connections to improve energy efficiency¹⁵⁷.

¹⁵² https://www.rijksoverheid.nl/onderwerpen/energie-thuis/maatregelen-stijgende-energierekening

 $^{^{153}\} https://www.government.nl/latest/news/2022/03/21/measures-to-cushion-impact-of-rising-energy-prices-and-inflation$

¹⁵⁴ https://www.euronews.com/next/2022/09/19/netherlands-energy-government

¹⁵⁵ https://www.bloomberg.com/news/articles/2022-09-20/dutch-present-16-billion-plan-to-ease-the-pain-of-energy-crisis

¹⁵⁶ https://www.reuters.com/business/energy/dutch-government-expects-spend-23-bln-energy-price-cap-2022-10-04/

¹⁵⁷ https://ec.europa.eu/info/business-economy-euro/recovery-coronavirus/recovery-and-resilience-facility/recovery-and-resilience-plan-netherlands_en

Poland

Poland is still in the process of liberalising its natural gas market, which is highly concentrated with a very low level of competition at the wholesale and retail levels. The state-owned oil and gas company PGNiG has a dominant position across Poland's entire gas sector. Most regulation of natural gas prices ended in 2017, the regulation of gas prices for household consumers was set to end in December 2023 but was prolonged until 2027 because of government concerns over price volatility¹⁵⁸.

Poland will offer households a one-off payment of 3,000 zlotys (\$636) to help cover the rising cost of coal amid surging energy prices prompted mainly by the war in neighbouring Ukraine, Polish households and heating plants in smaller towns mostly used Russian coal on account of its high quality, but imports were banned by Warsaw in April in response to Russia's invasion of Ukraine¹⁵⁹.

On September 13th, 2022, plans to cap electricity prices in 2023 at 2022 levels were announced for the first 2000 kWh consumed for all households, with special conditions for large families and/or those with people with disabilities¹⁵⁰. These were confirmed on October 11th to be 785 PLN/MWh (16 eurocents per kWh) for small and medium-sized enterprises and other public buildings; whereas for households the cap was set at 699 PLN/MWh (14 eurocents/kWh)¹⁶¹. Additionally, allowances ranging from 1000 PLN (208 EUR) to 1500 PLN (312 EUR) were also announced¹⁶². Approximately 23 billion PLN (4.8 billion EUR) were devoted to these measures. The law also mandates customers to receive a 10% discount on their electricity bills in 2024 if they reduced their consumption by at least 10% from October 1st, 2022 to December 31st, 2023 when compared to the period between October 1st, 2021 and December 31st, 2022¹⁶³.

RRF:

The Polish government disposes of 23.9 billion EUR in grants and 11.5 billion EUR in loans for a total of 35.4 billion EUR for the Recovery and Resilience Plan, of which 42.7% will be dedicated to completing climate objectives. The plan also allocates 3.5 billion EUR in energy-efficient renovation of buildings, or roughly 10% of the total budget¹⁶⁴. Such improvement would also improve energy poverty as a consequence.

¹⁵⁸ http://swaid.stat.gov.pl/EN/Ceny dashboards/Raporty predefiniowane/RAP DBD CEN 9.aspx

https://www.reuters.com/business/energy/poland-boost-coal-imports-subsidies-amid-russia-sanctions-2022-07-18/

¹⁶⁰ https://www.reuters.com/world/europe/poland-freeze-electricity-prices-households-2023-2022-09-13/

¹⁶¹ https://businessinsider.com.pl/twoje-pieniadze/maksymalna-cena-pradu-dla-firm-morawiecki-oglosil-szczegoly/tkdjx61

¹⁶² https://dignitynews.eu/en/government-adopted-a-bill-to-freeze-electricity-prices/

¹⁶³ https://china-cee.eu/2022/10/26/poland-social-briefing-the-actions-of-the-polish-government-in-the-face-of-the-energy-crisis/

https://ec.europa.eu/info/business-economy-euro/recovery-coronavirus/recovery-and-resilience-facility/recovery-and-resilience-plan-poland_en

Portugal

On October 15th, 2021, the Portuguese national regulatory authority announced it would incorporate the measures proposed by the government, decreasing the network tariffs by more than 50% for households, with the regulated tariff for households decreasing by 0.2% if compared with the 2021 average tariff¹⁶⁵. In Portugal, economically vulnerable consumers are entitled to a discount of 33.8% by means of a social tariff for the supply of both gas and electricity, regardless of whether they are in the liberalised or regulated market¹⁶⁶. Vulnerable households are also exempt from two of the three additional taxes and fees applied to electricity bills, namely: the "special consumption tax" (IEC) and (partially) the audio-visual (CAV) tax. In April 2022, the government introduced a new subsidy concerning the purchase of gas bottles, affecting approximately 762,320 people with a maximum "fund ceiling" of 4 million EUR¹⁶⁷.

On April 26th, 2022, the European Commission agreed on a price cap for gas for Portugal (and Spain) at 50 EUR/MWh for the next 12 months. Such measure was expected to result in bills being halved for about 40% of the Portuguese (and Spanish) population with regulated rates. Moreover, on June 8th, the European Commission approved a 2.1 billion EUR subsidy for Portugal to impose a price cap on gas at 40 EUR/MWh during the first 6 months of the implementation of the measure. The price cap will thereafter be increased by 5 EUR per month, resulting in a price cap of 70 EUR/MWh in the twelfth month. On June 22nd, a 60 EUR worth family check was announced for all households benefitting from the social energy tariff with a budgeted cost of 64 million EUR. Additionally, on September 5th it was announced that another 2.4 billion EUR will be spent by the government to support low-income groups. Namely, 125 EUR will be sent to each energy consumer presenting an income lower than 2,700 EUR per month, with an additional 50 EUR per dependent. Pensioners will receive a lump-sum amounting to half a month's pension and the VAT on electricity will be reduced from 13% to 6%. Additionally, the gas tariff was reduced, with the total bill of measures to shield citizens from the energy crisis increasing to 4.1 billion EUR¹⁵⁸.

In its 2023 budget published in October 2022, among other measures, it was also mentioned that consumers currently in the un-regulated market gas market could return to the regulated one; a measure foreseen to cost the state 600 million EUR¹⁶⁹.

RRF:

As part of its Recovery and Resilience Plan, Portugal was financed by 13.9 billion EUR in grants and 2.7 billion EUR in loans for a total of 16.6 billion EUR 170 . Of this sum, 38% are dedicated to achieving climate objectives. More specifically, 300 million EUR are devoted to improving the energy-efficiency of residential buildings. This corresponds to roughly 1.8% of the total budget and will improve energy poverty in the country.

¹⁶⁵ https://www.erse.pt/media/2jyhgc5f/comunicado-proposta-tarifas-ele-2022.pdf

https://www.erse.pt/media/hrueed2g/tarifa-social_eletricidade-e-g%C3%A1s-folheto.pdf

¹⁶⁷ https://eco.sapo.pt/2022/03/29/apoio-de-10-euros-mensais-por-garrafa-de-gas-vai-durar-pelo-menos-tres-meses/

¹⁶⁸ https://www.portugal.gov.pt/pt/gc23/comunicacao/noticia?i=familias-primeiro-perguntas-e-respostas#1

https://www.dgo.gov.pt/politicaorcamental/OrcamentodeEstado/2023/Proposta%20do%20Or%C3%A7ament o/Documentos%20do%20OE/OE2023_Relatorio.pdf

¹⁷⁰ https://ec.europa.eu/info/business-economy-euro/recovery-coronavirus/recovery-and-resilience-facility/portugals-recovery-and-resilience-plan_en

Romania

The Romanian government announced on October 4th, 2021, compensations for both electricity and gas bills. These measures lasted from November 1st 2021 to March 31st 2022, affecting approximately 85% of the Romanian population¹⁷¹. On March 20th 2022, a price ceiling on electricity and gas prices was imposed. Initially planned to last for 1 year, this was extended on September 1st 2022 to last until the end of August 2023, costing 1 billion lei (202 million EUR) per month¹⁷². Electricity prices were capped according to the following scheme: 13.7 eurocents/kWh for households consuming up to 100 kWh/month; 16.1 eurocents/kWh for households consuming 100-300 kWh/month; 20 eurocents/kWh for households consuming more¹⁷³. Concerning gas prices: 6.3 eurocents/kWh for households consuming up to 1200 m³. The measure is expected to cost around 2.9 billion EUR, of which 1.86 only for the cap on electricity prices. Additionally, on April 11th, 2022, the Romanian government announced a series of grants and vouchers worth 3.5 billion EUR to help vulnerable households and industries. Half of this fund will be covered by EU funds¹⁷⁴.

RRF:

According to the Recovery and Resilience Plan for Romania¹⁷⁵, a total of 14.24 billion EUR in grants and 14.94 billion EUR in loans will be devoted to the cause. Of these 29.18 billion EUR, 41% are set apart for the green transition. In particular, 2.7 billion EUR will be invested in the energy efficiency of buildings and 855 million EUR for clean energy production. This will directly impact both energy efficiency and energy poverty and thus it can be concluded that around 12.2% of the total funding of the Plan will be dedicated to energy efficiency and energy poverty.

¹⁷¹ https://www.libertatea.ro/stiri/guvernul-a-aprobat-compensarea-facturilor-la-energie-si-gaze-pentru-consumatorii-casnici-care-sunt-sumele-suportate-de-stat-3767484

¹⁷² https://www.euractiv.com/section/energy-environment/news/romania-extends-energy-price-caps-by-a-year/

¹⁷³ https://www.enerdata.net/publications/daily-energy-news/romania-extends-cap-electricity-and-gas-prices-end-2022.html

¹⁷⁴ https://www.euronews.com/next/2022/04/11/romania-government-economy

https://ec.europa.eu/info/business-economy-euro/recovery-coronavirus/recovery-and-resilience-facility/recovery-and-resilience-plan-romania_en

Slovakia

In February 2022, the Slovak government reached an agreement with power utility Slovenské elektrárny to guarantee a stable electricity price of 61.21 EUR/MWh (excluding VAT) until 2024 for a total volume of 6.15 TWh/year. This should cover the total yearly energy consumption of households. Additionally, the government also withdrew a bill proposing extra taxes on electricity produced by nuclear power¹⁷⁶. The total value of the deal reached by the two sides is claimed to have a value of around 850 million EUR¹⁷⁷. It is expected that each household will save around 500 EUR, which would amount to total savings of 1 billion EUR, including VAT, until 2024¹⁷⁸.

An energy price cap was announced on October 25th, 2022 for companies and businesses; namely, 199 EUR/MWh for electricity and 99 EUR/MWh for gas, starting from November 2022¹⁷⁹. This measure alone should cost 500 million EUR and last until March 2023.

RRF:

The Slovakian Recovery and Resilience Plan is financed by 6.3 billion EUR in grants and 43% of the total budget is devoted to achieving climate objectives. More specifically, 528 million EUR (roughly 8.4% of the total budget) will be allocated to improving the energy efficiency performance of buildings, resulting in the renovation of 30,000 households and an average of at least 30% primary energy savings, greatly improving energy poverty figures in the country as well¹⁸⁰.

¹⁷⁶ https://www.enerdata.net/publications/daily-energy-news/slovakias-se-agrees-cap-electricity-prices-households-until-2024.html

¹⁷⁷ https://world-nuclear-news.org/Articles/Slovak-agreement-reached-on-measures-to-limit-ener

¹⁷⁸ https://e.dennikn.sk/minuta/2723356

¹⁷⁹ https://www.euractiv.com/section/energy-environment/news/slovak-government-to-cap-energy-prices-for-businesses/

¹⁸⁰ https://ec.europa.eu/info/business-economy-euro/recovery-coronavirus/recovery-and-resilience-facility/slovakias-recovery-and-resilience-plan_en

Slovenia

The government provided its low-income citizens a one-off energy voucher of 150 EUR (around 621,000 people) and 200 EUR for large families in January 2022¹⁸¹¹⁸². A budget of 106 million EUR was allocated for this¹⁸³. Additionally, households were exempt from paying electricity bills, and excise duties on electricity were lowered from the start of February until the end of April. The government capped the price of electricity and gas for households for one year in September¹⁸⁴. Until May 2023, a reduced VAT rate of 9.5% will apply to the supply of natural gas, electricity, district heating and firewood. Furthermore, a 35 million EUR-worth direct relief to the poorest households has been announced¹⁸⁵.

RRF:

Slovenia was granted 1.8 billion EUR in grants and 0.7 billion EUR in loans for a total of 2.5 billion EUR to finance its Recovery and Resilience Plan. Of this sum, 42% of funds will be directed to climate objectives. More specifically, 230 million EUR will be devoted to energy efficiency and seismic renovation of buildings, corresponding to roughly 9.2% of the total budget¹⁸⁶. Such improvements will also benefit the country from an energy poverty perspective.

¹⁸¹ https://www.delo.si/novice/slovenija/danes-in-v-cetrtek-nakazilo-po-150-evrov/

https://www.sueddeutsche.de/wirtschaft/energie-so-gehen-europaeische-laender-gegen-hohe-energiepreise-vor-dpa.urn-newsml-dpa-com-20090101-220425-99-31784

¹⁸³ https://www.primorske.si/slovenija/vlada-najranljivejsim-namenja-energetski-solidarno

¹⁸⁴ https://www.gov.si/en/news/2022-07-14-8th-government-session/

¹⁸⁵ https://www.euractiv.com/section/energy-environment/news/slovenia-to-reduce-vat-on-energy/

https://ec.europa.eu/info/business-economy-euro/recovery-coronavirus/recovery-and-resilience-facility/slovenias-recovery-and-resilience-plan_en

Spain

On October 26th, 2021, a new Royal Decree Law 23/2021 was adopted ¹⁸⁷. This increased the social bonus applicable to vulnerable consumers from 25% to 60% and from 40% to 70% for the severely vulnerable until March 31st, 2022. Additionally, the budget for the thermal social bonus was doubled, rising to 202.5 million EUR to help vulnerable households ¹⁸⁸. Further measures were approved by the government on March 29th, 2022 in the form of the "National Response Plan for the consequences of the war in Ukraine", with a budget of additional 6 billion EUR in direct aid and rebates combined with 10 billion EUR in credits ¹⁸⁹. As part of the plan, the Social Electricity Voucher was envisioned to be renewed and made more flexible.

On April 26th, 2022, the European Commission agreed on a price cap for gas for Spain (and Portugal) at 50 EUR/MWh for the next 12 months. Such measure was expected to result in bills being halved for about 40% of the Spanish (and Portuguese) population with regulated rates¹⁹⁰. Moreover, on June 8th, the European Commission approved a 6.3 billion EUR subsidy for Spain to impose a price cap on gas at 40 EUR/MWh during the first 6 months of the implementation of the measure¹⁹¹. The price cap will thereafter be increased by 5 EUR per month, resulting in a price cap of 70 EUR/MWh in the twelfth month. On June 25th, the VAT rate on electricity was reduced from 10% to 5%, the cap on rent increases was extended, a 200 EUR subsidy for low incomes was approved and non-contributory pensions were raised by 15%¹⁹². This package involves a budgetary effort of more than 9 billion EUR split between expenditures and revenue reductions due to tax cuts.

On October 13th, 2022, a new 3 billion EUR-worth package was announced targeting vulnerable energy consumers, benefitting approximately 1.7 million households¹⁹³. As part of the package, the amount of energy eligible for a discount, as part of the social energy bonus, will be increased by 15%; depending on the income level, the social energy bonus will be increased by 65% or 80%; and a new category of consumers (1.5 million households), defined as "temporary", will be entitled to a 40% discount on their energy bills. The thermal bonus will be reinforced in 2022 and 2023 for vulnerable households, raising the minimum subsidy to 40 EUR and doubling the average subsidy to 375 EUR per household.

¹⁸⁷ https://cms.law/en/media/local/cms-asl/files/publications/publications/cms-analysis-royal-decree-law-23-2021?v=1

https://elpais.com/economia/2021-10-26/el-gobierno-aprueba-una-ayuda-de-90-euros-para-calefaccion-en-los-hogares-vulnerables-y-duplica-el-bono-social-electrico.html

¹⁸⁹ https://www.lamoncloa.gob.es/lang/en/gobierno/councilministers/Paginas/2022/20220329_council.aspx ¹⁹⁰ https://www.euronews.com/my-europe/2022/04/26/brussels-agrees-to-iberian-exception-allowing-spain-and-portugal-to-cap-electricity-prices

¹⁹¹ https://www.politico.eu/wp-content/uploads/2022/06/08/Press-release-State-aid-Commission-approves-Spanish-and-Portuguese-measure-to-lower-electricity-prices-amid-energy-crisis24.pdf

 $^{^{\}tiny{192}}$ https://www.lamoncloa.gob.es/lang/en/gobierno/councilministers/Paginas/2022/20220625_council-extr.aspx

https://www.euractiv.com/section/energy/news/spain-launches-e3-billion-package-to-help-households-with-energy-bills/

RRF:

The Spanish Recovery and Resilience Plan is financed by 69.5 billion EUR in grants, with 40% of funds devoted to supporting climate objectives¹⁹⁴. In total, 7.8 billion EUR were directed towards the energy efficiency of public and private buildings including new social housing, representing 5% of the total budget. More specifically, 3.4 billion EUR were allocated to the refurbishment of residential buildings, to reach a primary energy demand reduction of at least 30%¹⁹⁵.

¹⁹⁴ https://ec.europa.eu/info/business-economy-euro/recovery-coronavirus/recovery-and-resilience-facility/spains-recovery-and-resilience-plan_en

https://ec.europa.eu/info/system/files/spain-recovery-resilience-factsheet_en.pdf

Sweden

On January 13th, 2022, the allotment of 590 million EUR to help the households most affected by rising electricity was announced by the Swedish Finance Minister¹⁹⁶. Those consuming more than 2,000 kWh/month (1.8 million households) will receive a 195 EUR compensation for the months of December, January and February¹⁹⁷. This was extended to March (for an extra cost of 86 million EUR) on March 21st₁₉₈. Additionally, the housing allowance for families with children was increased from July to December 2022, amounting to at most 128 EUR per month, costing an estimated 48 million EUR.

RRF:

The Swedish Recovery and Resilience Plan is financed by 3.3 billion EUR in grants, with 44% of the total budget to support climate objectives¹⁹⁹. Neither on the EU website or the related factsheet could there be found energy efficiency being mentioned within the residential sector²⁰⁰.

¹⁹⁶ https://www.lecho.be/economie-politique/belgique/general/reductions-de-taxes-et-cheques-aux-menages-au-menu-a-travers-l-europe/10359580

¹⁹⁷ https://www.theguardian.com/business/2022/jan/31/as-uk-households-feel-pressure-how-are-other-european-countries-tackling-energy-crisis

¹⁹⁸ https://www.government.se/press-releases/2022/03/government-presents-package-of-measures-to-address-rising-fuel-and-electricity-prices-as-a-result-of-the-invasion-of-ukraine/

 $^{^{\}tiny{199}}$ https://ec.europa.eu/info/business-economy-euro/recovery-coronavirus/recovery-and-resilience-facility/recovery-and-resilience-plan-sweden_en

²⁰⁰ https://ec.europa.eu/info/sites/default/files/factsheet_en_assessment_final_0.pdf