

ENERGY TRANSITION: EVERYBODY IS AFFECTED
SO **EVERYBODY SHOULD BE HEARD!**



FAIR ENERGY TRANSITION FOR ALL – HOW TO GET THERE?

EU Wide Recommendations

Based on dialogues with vulnerable citizens
in nine European countries and with experts

November 2022

www.fair-energy-transition.eu

**King Baudouin
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Foreword

Shifting Europe's energy use onto a sustainable footing, replacing fossil fuels with renewables and cutting waste, is an urgent priority for our planet. Spurred by a fuel supply crisis caused by war in the east, European governments have belatedly stepped up the pace of change.

Haste has not always been a good counsellor, however. Well-meaning policies aimed at promoting cleaner energy and efficiency have, at times, stoked social division and further eroded trust in European democracies, letting populists equate green with mean elitism.

This is the challenge: to further the European Union's energy transition without a public backlash that would not only jeopardise climate goals but risk the cohesion of our societies. It is a challenge taken up by a consortium of philanthropic foundations, moved to act, notably, after chaotic street protests against fuel duty hikes shook France in 2018-19.

The key to providing answers was to get out of the echo chambers of capital cities and into that Europe where tens of millions struggled daily, long before today's Kremlin-powered cost-of-living crisis, to heat their homes, get to work or take their children to school – to ask them what their energy problems are, and to work with them on potential fixes.

In two years of focus group research, involving 900 people from disadvantaged groups living in nine EU member states, the project – *Fair Energy Transition for All*, or *FETA* – has heard a clear message of understanding for the needs of the planet and a willingness to play their part among some of the poorest communities, urban, rural and in-between, across Belgium, Bulgaria, Denmark, Germany, Spain, France, Italy, the Netherlands, and Poland.

Informed by the listening exercise, carried out in community venues where vulnerable people were at ease to share their experiences using “energy diaries”, experts in each country drew up policies to help the disadvantaged through the transition. These proposals then faced a reality check in citizen forums, which led to revisions. To complement these national recommendations, specialists also compiled this set of proposals for action at EU level.

The project is spearheaded by the King Baudouin Foundation working with ifok, Climate Outreach, the European Policy Centre, and facilitators and policy experts in participating countries. National partners in FETA are Atanor and Levuur, ENEFFECT, the Danish Board of Technology (DBT), ifok, Museo Nazionale della Scienza e della Tecnologia Leonardo da Vinci, Berenschot and the University of Groningen, Missions Publiques, the Polish Foundation for Energy Efficiency (FEWE), Instituto Sindical de Trabajo, Ambiente y Salud (ISTAS).

The *FETA* consortium, led by the King Baudouin Foundation, with the Fondazione Cariplo, Deutsche Bundestiftung Umwelt, IKEA Foundation, Stiftung Mercator, the Network of European Foundations and the Open Society Foundations, submits these recommendations to the EU institutions in the firm belief that they can ensure Europe not only honours its commitment to the environment, not only preserves its social fabric in the face of profound disruption, but in doing so emerges a fairer and safer, more cohesive and more resilient community for the benefit of all who live here.

The King Baudouin Foundation and its partners would like to express their deep gratitude towards all the participants who have shared their experiences and ideas. They also thank all the national partners who have made it possible by preparing and managing the dialogues, in a challenging time of pandemic.

If you are interested in the national reports, a synthesis publication of all countries and further information on the project and the methodology, please check FETA's website: www.fair-energy-transition.eu ■

Executive Summary

The Fair Energy Transition for All (FETA) project, based on two years of listening deeply to the concerns and hopes of Europe's most vulnerable citizens on the transition to green energy, offers a blueprint for change across the continent that can ensure wide public support and spread the benefits of renewal to those living in or close to poverty.

The approval of those least able to absorb the transitional costs of giving up fossil fuels matters profoundly. Without it, we face failure. The sweeping structural changes that the energy transition requires have the potential for a mass popular backlash as policy dictates that businesses, communities and homes adapt with unprecedented speed. Enacting such a programme would be difficult at the best of times; in the aftermath of a pandemic, amid a war with Europe's biggest gas supplier that is fuelling a cost-of-living crisis, these are not the best of times. Yet making urgent energy savings, reducing waste and switching to a clean system with efficiency and renewable energy production at its core cannot be further delayed.

“A fair energy transition cannot be implemented by one party or one government alone - all institutions must pull together. And people have to give up their luxuries - only then can it work.”

The FETA project has shown that there is an understanding of the need to break with coal, oil and gas, and a willingness to play a part, even among the most vulnerable and disadvantaged in society. This is contingent, however, on the transition being seen to be fair. Vulnerable citizens are generally confused about how best to have an impact and where to find trustworthy information. Deeply mistrustful of politicians, they are sceptical about leaders' desire and ability to meet climate goals, let alone to do it in a way that is equitable for all. To avoid pushback, Europe's wealthy must not be seen to escape the need to change behaviour.

“Even if we change, we'll still be screwed! It's the same old song.”

As vital as it is in itself, the energy transition also offers European society many opportunities – if managed well. Eradicating energy poverty, reducing inequalities, providing jobs, improving EU competitiveness, strengthening our democratic institutions, and improving the resilience and economic security of the Union: with planning, coordination and monitoring, this can be the moment to begin a new, sustainable, resilient and equitable chapter. There is public acceptance of the need for sacrifices. However, to maintain and build this support, fairness and equity must be shown to be as much the ambition of the transition as its other aims.

FETA proposes an array of measures and tools for government at every level:

- Fairness and well-being must be placed visibly at the heart of policy, reinforced by EU fiscal rules, financial support and convergence criteria, with special and well-coordinated efforts made to protect those facing energy poverty and to curb conspicuous energy consumption by a privileged few.
- Communication must be clear and frank, emphasising community as well as practical demonstrations of new ways of living; advice and training must be easily available to let the most vulnerable share in new opportunities; and voters should be engaged – and listened to – through citizens' assemblies.
- Many models must be developed to shift transport in town and country toward low-emissions options, including electric public transport and cycling, with special attention paid to those in rural hardship; steps should also be taken to break habits of personal car ownership, even of electric cars.
- In housing, long-term financial support should target those least able to afford insulation and new heating systems; rules should encourage owners, including landlords, to invest. Residents, including tenants and the most vulnerable, should be helped to take part in collective energy generation. ■

Introduction

A successful energy transition requires effectively decarbonising our economy without sacrificing social cohesion, widening inequalities or leaving workers without credible employment alternatives. It must consider and respond to the needs of those it affects the most. It can only succeed in the long term if it maintains wide support across society.

A just transition also involves maximising the social and economic opportunities of climate action, while minimising and carefully managing any challenges – including through effective dialogue with all groups affected, and with respect for fundamental labour principles and rights.¹

An energy transition that is fair for all should:

- ensure that the benefits, ills, burdens, costs and risks associated with particular policy decisions and actions are distributed according to needs and abilities, reflecting solidarity between all parts of society (distributional justice);
- guarantee that the participatory processes in decision-making and governance of the transition are inclusive and that participants can wield real influence (procedural justice);
- and acknowledge and respect the rights, needs, values, understandings and customs of the groups involved in or affected by the transition (recognition justice).²

The **Fair Energy Transition for All** project has involved 917 citizens and over 120 experts from all over Europe over the course of 2021 and 2022. It operated across nine EU member states (Belgium, Bulgaria, Denmark, France, Italy, Germany, Netherlands, Poland and Spain) to understand the hopes, fears and expectations of people who are economically vulnerable and/or socially disadvantaged with regard to the energy transition.

For the purposes of this project, the term ‘vulnerable people’ refers to those groups who are socially or economically disadvantaged and whose interests are often insufficiently represented in policy-making. This includes unemployed people, low-income earners, single parents, young people or elderly citizens, as well as workers threatened with the loss of their jobs due to the transition. These groups tend to suffer the negative effects of environmental policies far more than others and are often excluded from most of the benefits.

While the term “fair” is often used to refer to the ability to make judgments without reference to one’s feelings or interests, the term “just” is usually used with reference to a standard of rightness, working within the confines of what is viewed as morally or ethically correct.³ However, in the context of this project, the terms “fair transition” and “just transition” are used interchangeably and refer to a “socially just transition”, in which the substantial benefits but also burdens of the clean energy transition are shared widely, with the broadest shoulders bearing the greatest burden, and with support provided for those who may lose out.

“Everyone has the right to live with dignity; having to choose between basic necessities, having to choose what to do without, is not OK”.

In all nine participating countries, up to 10 focus groups were organised. The detailed methodology can be found on the project website www.fair-energy-transition.eu. The goal of these workshops was to understand the challenges faced by marginalised and economically disadvantaged groups in their everyday lives and to understand what they think about the proposed energy transition in their country, and whether or not they feel those changes are fair. The focus groups reflected the urban, rural and peripheral regions of each country. In total, 93 focus groups took place.

1 International Labour Organisation, “[Frequently Asked Questions on just transition](#)”, (accessed on 26 September 2022)

2 Williams, Stephen and Andréanne Doyon (2019), “Justice in energy transitions”, *Environmental Innovation and Societal Transitions*, Volume 31, pp. 144-153

3 Velasquez, Manuel; Claire Andre; Thomas Shanks; S.J.; Michael J. Meyer, (2014) “[Justice and fairness](#)”, Markkula Center for Applied Ethics, Santa Clara University, (accessed on 26th September 2022)

They were asked:

- > What do you like about the place where you live?
- > What are the most important issues your country is facing at the moment?
- > How does climate change affect you in your everyday life?
- > How do you use energy in your life? In your home? For transport?

The second part of the workshop was centred around an energy diary which described potential energy scenarios in 2030. The two main topics discussed were housing and transport. For the last part of the focus groups, we asked the participants who they thought should be paying for the energy transition and who they trust to deliver a fair energy transition.

The **results of these focus groups** were then discussed by stakeholders and policy-makers at national level and at European level in expert meetings. The results of the focus groups are presented in the Annex. The EU Task Force included representatives from academia, policy-making, civil society and trade unions. Task Force members were asked to use their expertise to transform the expectations and concerns of citizens into actionable policy recommendations.

The policy recommendations that were drafted by experts were then reviewed and prioritised in a Fair Energy Forum in each of the member states involved. Each forum comprised representatives of the original focus groups or a selection of original participants and new members. ■

EU-WIDE RECOMMENDATIONS

The recommendations which now follow build on the discussions of the EU Task Force. They aim to ensure that not only are all EU citizens effectively supported through the energy transition and that it does not exacerbate already difficult living situations, but that the energy transition is also used as an opportunity to tackle the underlying causes of vulnerability and inequality in our society.

1. Putting fairness and sustainability at the heart of the economy

The European Union must break with a cycle of perma-crisis. Our economic model is fundamentally flawed. It is widening inequalities and damaging the climate and biodiversity. Redistributive policies are insufficient to maintain societal well-being and stability. Instead, governments at all levels across the EU should commit to a well-being economy – one where policymaking targets the well-being and resilience of people, today and in future generations, and of their environment.

“We’re asking people and the government to make an effort, but no one’s making any effort to change how the whole system works - and I think that’s the real issue...”

As the FETA research shows, **fairness** – and the ability to integrate it fully into energy transition strategies – **will be the key determinant of the success or failure of Europe’s green transition.**

EU leaders must communicate clearly and honestly about the benefits, trade-offs and temporary costs of the transition. Citizens must accept that getting through these exceptional times will require exceptional measures but that these are vital to avoid devastating consequences

for our society and economy. Strengthening social safety nets now will underscore that support is available to all.

Continual efforts to measure the social impacts of the transition, especially on the most vulnerable, must be made. Where necessary, policymakers must act swiftly to alleviate these impacts. The European Commission should introduce the **Transitions Performance Index** into the European Semester process by monitoring member states’ progress in meeting social development targets.

A. TO CHANGE CONSUMPTION, FINANCIAL CARROTS – AND STICKS

1. **Targeted income support** should help the most vulnerable through periods of high energy prices – **not general price caps**, rebates, duty cuts and similar measures that many governments have put in place this year. These effectively subsidise fossil fuel use.
2. **Raise VAT on fossil fuels, carbon-intensive products and other damaging goods and services. Cut VAT on public transport, renewable energy, sustainably produced food and other beneficial goods and services.** Longer term, all EU member states should ensure that consumption-based emissions are accounted for in national climate targets.

“The energy transition is unfair; most of us who’ve got less money are trying to save on energy – to do our bit but also to save money. But at the same time the government lets big companies get away with massive pollution.”

3. **Protect low-income households from carbon taxes**, which are highly regressive. The less well-off spend a greater proportion of their income on energy. If carbon pricing is broadened (eg by the proposed ETS extension to buildings and transport), it must be accompanied by **carve-outs** or significant financial support for those likely to be hardest hit and most unable to pay. **The Social Climate Fund should be used to support the poorest, through targeted** green investments in housing and mobility. This must begin immediately and will need considerably higher resources than are currently foreseen.

“I think you might say that poor folk are better climate activists than rich people – because they can’t afford to buy much stuff. Mind you, they can’t afford to be healthy either.”

4. **Reduce the extremely high CO₂ output of the very rich**; the richest 1% are by far the fastest-growing source of emissions, emitting around 70 times as much carbon as the poorest 50%. If those unaffected by standard price signals continue, while those already struggling to pay bills adjust their own behaviour, it may undermine support for the energy transition – and trust in our political system. We should consider expanding the ETS to private jets or requiring them to be zero-emissions by 2030, or even an outright ban. To fund support for the most vulnerable, taxation should be progressive, with a high rate on luxury items, especially high-carbon goods like yachts, jets and high-end vehicles.

“Everyone should benefit, but those with broad shoulders should carry more.”

5. **Tax excessive profits at energy providers**; the revenue cap on the sale of “inframarginal” electricity technologies and the “solidarity contribution” by fossil-fuel firms, announced by the Commission president in September 2022 are welcome first steps.
6. **Grants, soft loans and tax relief** should encourage citizens to get involved with the energy transition. Member states should develop overarching strategies to encourage citizens to become active participants, with a specific focus on vulnerable people. Local investment funds, revolving grant funds, soft loan schemes, tax relief on renewable energy and energy efficiency costs should be established, as well as support for the acquisition of consumer shares in energy generating installations. This support must be accessible to all.

“Cash support, yes, but it has to be serious and set up in a way that works for ordinary people. Because at the moment only those who have the money can benefit from subsidies. On top of that, there’s a lot of bureaucracy – people who aren’t in the know, who’re not so able, are completely shut out of the process.”

French transition “kitty”

Modelled on France’s already popular Personal Training Account (CPF), FETA’s French panel recommends the creation of a **Personal Energy Transition Account** into which the state could channel amounts to lower-income households that could accumulate and be used to make sustainable purchases such as electric bicycles or vehicles, home insulation or a heat pump. Up to 24 million households, which pay no income tax, could be eligible for up to 1,000 euros a year, with the “kitty” capped, perhaps like the CPF at 5,000 euros.

B. A NEW FOCUS ON ENERGY POVERTY

1. **Agree a European definition of energy poverty** to formally recognise the problem and allow better data collection and analysis. With the recent surge in energy prices, more countries are adding the idea of energy poverty to law or policy, but the EU picture is hazy, with each member state using Commission guidance to build its own national criteria.
2. **Agree a common set of indicators for energy poverty** and use these to assess the impacts of measures taken. The multidimensionality of energy poverty may need composite metrics to capture all its aspects. Impacts of policies on energy poverty, especially on the most vulnerable, need to be assessed before, during and after they are put in place.
3. **Energy Ombudsman** posts should be established at national and local level to improve collaboration across sectors (energy, health, transport etc) against energy poverty. Its multi-faceted nature means responsibility can get lost among officials. A national or regional Energy Ombudsman can foster collaborative approaches, offer policymakers a holistic view of the market, address consumers and help coordinate local advice offices.
4. **Just Transition Commissions**, based on the model in Scotland, should be set up across the EU to improve public engagement with the wide variety of energy transition policies. The Scottish Commission features a dozen experts, including from business, unions and science, to advise ministers. It considers regional cohesion, economic development, quality of work, young people and social inclusion among other aspects of the transition.
5. **Consider energy a basic public service**, like water, healthcare or education, and ensure free or low-cost **energy quotas** to provide a minimal service to all households. The EU should ban disconnection for vulnerable people. The more energy households consume, the higher the unit price should be – with exemptions for special cases of need.
6. **Improve coordination among energy providers and public authorities** to avoid costly and unnecessary legal disputes over bills with vulnerable households. This could also help social services act earlier to help those facing energy poverty, avoiding greater problems.
7. **Direct, automated payments** should be the rule for social assistance to ensure help reaches the most vulnerable. This must also reach those working informally and often overlooked for aid. Lack of awareness, complexity, embarrassment or co-financing demands all hinder access. If automatic payments are not possible, it is a priority to make people aware of support and help them to ask for it, without internet access if need be.
8. **Regular, independent reviews of EU and national policies** should be conducted to assess whether they are working in the interests of the most vulnerable – taking account of the **European Pillar of Social Rights Action Plan**. This can make the costs and trade-offs of choices clear to citizens and identify where policies may be working against each other.

C. BETTER COORDINATION ACROSS EU, NATIONAL AND LOCAL LEVELS

1. **Reform EU fiscal rules** to support national government investment in social infrastructure, universal public services and human capital. Social investment should be excluded from structural deficits so that debt can finance net public investment.
2. **The SURE instrument should be a model** for EU support to states helping households with energy costs, in the way SURE financed employment support during the pandemic. The Commission should approve national **Social Climate Plans** as an equitable mechanism that does not distort the internal market and enhances the EU's image. Temporary income support and green investment should be targeted at the most vulnerable citizens for swift replacement of old windows and installation of insulation, heat pumps and solar panels. Renovating and constructing energy-efficient social housing should also take priority.

3. **National Energy and Climate Plans (NECPs)** should follow the Dutch model, which engages regional social partners. This could improve their relevance and effectiveness. Some member states are not taking ownership of NECPs nor providing leadership for local government. The Dutch national plan is based on annual strategies from the regions.
4. **Improve awareness of EU funding** for the energy transition to local authorities. Their ability to access support from the RRF, Cohesion Funds, and the EIB's ELENA fund of the EIB, could be improved by using the EU's Technical Support Instrument.
5. **Stronger EU public procurement rules** could promote investment in green initiatives and in enterprises which encourage social inclusion. Binding requirements for low-emission public transport, energy efficient building renovation or a living wage could strengthen stimulate eco-innovation and social and professional inclusion, create job opportunities and improve working conditions for disabled and disadvantaged people.

“You’d have to start with support from the government. We, the consumers, are a bit helpless in all this; we don’t have that support, but I know we should be moving in that direction. Active government support would certainly be a big incentive.”

D. BEYOND ENERGY

Energy transition can help reduce inequalities and strengthen social cohesion but cannot solve all social ills. It must be accompanied by:

- > **Accessible, good quality education and training.**
- > **Active support for employment.**
- > **Good social services.**
- > **A guaranteed minimum income.**

“It seems to me that the only way to improve things is to keep educating everyone, across the whole of society. Changing people’s mindset will be the hardest part.”

2. Spreading the word – and the skills

An EU-wide communication campaign must be undertaken with member states to promote better understanding of why the energy transition is unavoidable. It should focus on the benefits, such as cost savings from energy efficiency, better public transport and an end to dependence on Russia, and also show why current high prices are not caused by the move away from carbon. The report, “Playing my part”, by the European Commission and the International Energy Agency is a good starting point.

“I bought a low-energy fridge that was twice the price and I know it’s a good investment, but not everyone is aware of this or they don’t know what the labels mean. People should be informed and educated about all this.”

A. COMMUNICATING THE CHANGE

1. **Use plain, everyday language** to underscore the urgency and that help is available, especially to the vulnerable but avoid stigmatising them with terms such as “low-income”.
2. **Focus on messages about community and social cohesion**, not individual behaviour. Communications centred around the need for individuals to cut energy use may be counterproductive; vulnerable people are already underheating homes or avoiding travel to save money. Messages should centre on broader issues such as inequality and also highlight opportunities from the transition while recognising risks.

Dutch jobs target

In the Netherlands, there are tens of thousands of vacancies related to the energy transition. FETA’s Dutch panel recommends that the government set up a **free training and retraining programme for energy transition skills, aimed at the unemployed** and people waiting for residence permits that would allow them to find work in new specialties such as equipment installers or energy advisers.

“At the moment, there is a terrible mish-mash [of information]; people are bombarded with information from all sides, they’re losing confidence in this information. We’re being showered with piles of pointless information. So it would be useful to have a specific person [in the municipality] who I know will give me reliable and clear information.”

3. **Local initiatives such as car-free weekends, free public transport days** or ways to save money by maintaining household appliances can build commitments to change habits.
4. **Switching to electric cars is not enough** – there needs to be a clear message that people will have to forgo personal cars and cycle, walk, carpool, take public transport etc.
5. **Energy Advice Offices** should be opened by local authorities to provide advice and training, with special attention on reaching vulnerable and hard-to-reach people. Existing networks which reach such citizens (civil society organisations, job centres, social security offices, churches, etc) should have training to act as energy tutors to spread the word.

B. TRAINING FOR THE CHANGE

1. A **“green upgrade”** for schools and, especially, vocational training courses, to ensure understanding of climate change and ways of achieving sustainability. Targeted training for people from vulnerable groups should help them learn skills for jobs in **green trades**, including relatively low-skilled tasks in building renovation (eg roof insulation).
2. **Use the European Social Fund Plus** to expand digital skills training for the most disadvantaged to ensure access to information and help available.

C. ENGAGING EUROPEAN CITIZENS

1. **National citizens' assemblies**, involving small groups of randomly selected citizens, can strengthen policy ambitions and trust and increase public acceptance of major change.

“Ideas are better when more people are involved.”

2. **Citizen assemblies' findings should be binding** on governments. Not every proposal needs to be implemented but people want to see how all their input has been treated in the political process. Institutions may need to build capacity in implementing such steps.

“I think it's important in our society to learn and to listen to each other better and to be able to make proposals to change things. I think it's important that we are more involved in decisions!”

3. **EU citizens' deliberations** should be held on key EU-level legislation. These need to ensure that disadvantaged and vulnerable people can participate effectively at all levels, notably in new, multilevel citizens' deliberations, involving local, national and transnational citizens' panels which should be established to inform the green transition.

“Of course, you need to give people financial incentives to create change, but I also think that involving ordinary people in the process is vital.”

3. Moving forward

It will be essential to show people that the necessary infrastructure is in place for them to lead their lives without a private vehicle before households will willingly give up their cars.

A. CHANGING THE OPTIONS

1. **Invest in public transport and car-sharing schemes** as well as better walking and cycling provision, engaging women, older and disabled people in their design.
2. **15-minute cities** should be the basis for urban planning, with work, school and amenities within 15 minutes of every home without the need for a private car. Redesigning towns, in particular car parking areas, to prioritise walking, cycling, car-sharing and public transport over private cars improves public health and social cohesion and lightens household budgets for those for whom owning a car is a heavy and growing expense.
3. **Investment in low-emission public transport** must be a priority for EU, national and local governments, improving accessibility, sustainability and quality.
4. **Promoting cross-border long-distance trains and integrated international ticketing** is a role where the European Union can have a major positive impact.
5. **Free or low-cost public transport and car-sharing should be available to low-income groups**, where free public transport for all is not viable. This can improve social cohesion and is vital if new low-emission zones create barriers to jobs and services for those unable to afford a new vehicle.
6. **Digitise public transport**, making it easier to check journey times in real-time, buy tickets, choose green options – and provide data to improve efficiency. This must be done while enhancing the inclusivity of public transport.
7. **Car-sharing, carpooling and ride-sharing apps** can provide the advantages of cars without owning a vehicle. Those without access to digital technology must not be overlooked.
8. **EU standards for inclusive and sustainable transport** could promote investment in suitable projects, especially if public funds were conditional on compliance.
9. **Regional integrated networks**, coordinating different forms of transport, can build awareness of options and bridge rural-urban divides, as in Catalonia.

“We need to differentiate more between the situation in the city and in the countryside... In rural areas, where we cannot organise public transport everywhere, we could, for example, develop collective taxi services.”

“Better public transport would let people from my village get to the city more easily. That would give them the same chances as people in town and help their budgets because they wouldn’t have to buy a car.”

“Where we live, the buses rarely run. It’s really inconvenient; you’d have to invest massively in expanding public transport.”

10. **Target help for vulnerable rural residents** who lack clear alternatives to private cars: eg integrated networks, carpooling, car-sharing, on-demand bus services.

11. **Grants and soft loans for swapping fossil-fuel vehicles for electric** should be targeted at the most vulnerable living in places with few transport choices but owning a car.

“It isn’t a solution for all of us to have an electric car because we just can’t make that many.”

“Electric cars cost an arm and a leg!”

12. **Electric car charging networks** should be expanded, especially in rural areas where car use will remain higher; charging points should be standard in new or renovated homes.

Free transport in Germany?

FETA’s German panel recommends that vulnerable groups be given free or almost free access to **public transport**, with pricing set at zero or **a euro a day**. Eligibility would be mainly restricted to those in receipt of welfare benefits or with household income under a certain level. There would have to be discretionary flexibility for some others. Germany should look at Austria, where the 1,095-euro a year **KlimaTicket** offers everyone national and regional rail travel, helping the mobility of people in the countryside.

Custom cars in Spain

Even with financial assistance targeted at those on low incomes, buying an electric vehicle to replace one running on fossil fuel can be expensive. Spanish experts working with FETA recommend that vulnerable groups be given priority in having batteries retrofitted to existing vehicles, converting them from combustion engines to electric power at much lower cost than that of purchasing an entirely new car.

B. CHANGING THE CULTURE

Cultural attitudes related to the perceived sense of autonomy and status that comes with individual car ownership remain a key obstacle. It remains hard for many people to imagine a life without their own vehicle, even for those who do not currently own one but wish to. Nevertheless, the desire for our towns and cities to be designed without the car at the centre was strongly supported by focus group participants, who would also stand to profit most from cleaner air in cities as vulnerable groups tend to live in the most polluted areas.

“Even though I don’t use it [a car] a lot, it’s reassuring to know that it’s there.”

1. **A ban on advertising cars** should be considered to support cultural change.
2. **Political leaders should use bikes or buses** where possible, to set an example.

4. Homes for the future

The focus groups showed that existing support to encourage homes to be adapted is not always reaching the most vulnerable, who have the most to gain from energy efficiency. In the rush to respond to the recent energy price spike, many governments have taken measures that are not targeted, climate-friendly or economically sustainable. A longer-term strategy is now needed.

“The houses they’re putting up now should already be built in an environmentally friendly way, with solar panels and insulation, and they should be earthquake-proof. These things should already be the law. Don’t wait until 2030. The problem is that, to build them like this now, you pay a fortune!”

A. DRIVE ENERGY EFFICIENCY IMPROVEMENTS

1. **Subsidies for energy efficiency improvements** must target the most vulnerable, with co-financing required for those who can afford it; investment in improving social housing stock should be a priority for governments.

“We have solar panels; we produce all our energy ourselves. They [the government] were so smart; they gave us a lollipop for setting up the panels, which they took away again afterwards. Now we pay by the hour, so the solar panels aren’t worth anything. They were when we got them, but they aren’t now. We produce all our energy ourselves, but we don’t get a cent. It’s not fun any more. It shows they don’t care about us. They say one thing and then change it.”

2. **Interest-free renovation loans** should be established or expanded. Repayments can be attached to local taxes, energy bills and secured, if necessary, by lifetime mortgages. Loan schemes must protect borrowers from unforeseen increases in repayment costs.
3. **Renovation voucher schemes** for homes and offices have worked well in Britain and Austria and should be expanded. They have also provided good investment returns.
4. **Free smart meters** should be installed everywhere to permit accurate measurement of energy usage, and the impact of renovation – and hence better reward efficiency efforts.
5. **Encourage landlords to invest** by: eg banning rental of inefficient homes or obliging compensation to tenants; raising taxes on empty homes to dissuade landlords from avoiding renovation; cap rent increases where landlords receive renovation subsidies to curb ‘renoviction’ and ‘green gentrification’. Tenants should be included in planning.

Italy’s personal trainers

In Italy, FETA experts propose the introduction of **domestic energy tutors** to help people save energy by improving the efficiency of their homes and appliances. Not just online but also making house calls, tutors could also seek out vulnerable people to offer help without waiting to be asked so that no one is left behind. Establishing relationships of trust at local level will be key. And the service offers a way to create new “green jobs”.

B. COLLECTIVE REMEDIES

1. **Cooperative energy communities**, where citizens invest jointly in energy assets, should be encouraged and permit awards speeded up. Vulnerable groups need better access.
2. **Share best practices** among communities and local authorities through the new Energy Communities Repository and the Rural Energy Community Advisory Hub. Regional and local governments can also compare notes via the Heat Roadmap Europe project.
3. **Support cooperatives through public procurement, taxation, state aid rules, long-term investment support and public-private partnerships**. These social enterprises can produce affordable energy, help vulnerable groups save energy and gain new skills. Their principles such as worker ownership, democratic governance, profit reinvestment and community links are in line with preferences voiced in FETA's focus groups.
4. **Tenant electricity models**, as developed in Germany, where people can buy electricity from nearby solar panels, often on their building's roof, should be expanded. Cut red tape and add incentives for small-scale renewable installations, which can also ease pressure on grids by bringing nearby solar power into densely populated areas.
5. **District heating systems**, channelling renewable and waste heat around a neighbourhood, should be preferred in dense urban areas over individual solutions like heat pumps. Heat pumps can help in rural areas – though better insulation must be the priority.

“It is from the grassroots that things start to move: what works are small, local ideas and ordinary people helping each other. We have to give those ideas more support and spread the word about them.”

Conclusion

In times of crisis, it is understandable that governments often respond with quick, short-term fixes. However, with the existential threat of climate breakdown ever present, policy decisions must be guided by the long-term objectives of the European Green Deal, including its aim of a fair transition that leaves no one behind. While there is seemingly no good time to make the wholesale structural changes needed to escape our current cycle of permacrisis, citizens are open and willing to adapt their behaviour. What is lacking, however, is strong and ambitious leadership.

“Changes are possible, but sometimes they have to be forced. The situation with COVID-19 showed this: in all the chaos, people and companies were able to adapt to new circumstances. I suppose it will be similar when it comes to the energy transition.”

The clean energy transition cannot focus merely on swapping fossil fuels for renewables, for better energy efficiency and lower emissions and resource use, as vital as these are. Enacting wholesale structural change at an accelerated speed, now in the teeth of a cost-of-living crisis and facing the threat of recession, requires an interweaving of the goals of reducing inequality and strengthening democracy at every step along the way. An unfair transition will not succeed in the long term, and this is a long road that must be travelled. Fairness must be the compass that guides us along the route.

Annex: Findings of the focus groups

Summary below provided by Christopher Shaw and Emma James, Climate Outreach

Energy use and climate change

In most focus groups, awareness of climate change was high, along with widespread agreement on the need to do something about it, however, some participants were sceptical of humans' role in accelerating climate change. While French participants noted the ability of the energy transition to help tackle climate change and acknowledged the potential positive effects, the means to achieve this transition were questioned in all groups. Sometimes this knowledge was expressed as a questioning of the sustainability of technologies such as wind turbines, battery production and lab-grown meat. For example, Italian participants wondered if it made sense to scrap a recently bought petrol vehicle if that then meant producing a new electric version.

Overall, there were low levels of understanding about the relationship between climate change, the way people use energy and a fair energy transition. Participants were broadly aware of the need to change behaviour to benefit the environment but they did not relate this to climate change or energy. Across the majority of the 90 workshops there was limited knowledge about how to participate in the energy transition. Participants wanted answers and access to trusted information necessary to make decisions.

Fairness

Climate change was identified as a major concern, but concerns around cost of living, income and employment were much more significant. Though energy transitions were presented in the scripts as technical processes, participants were inclined to discuss the issues in terms of the relationships between people and the themes of inclusivity, social cohesion and inequality. Participants emphasised significant concern over social inequality, which often came above any other issues, including climate change. There was also fear that the energy transition may lead to even greater poverty and inequality. In all focus groups, there was an emphasis on the need for the energy transition to minimise existing inequalities and ensure that marginalised and disadvantaged groups are not excluded, though there was scepticism about the ability of governments to achieve this.

The theme of 'cost' dominated discussions of a fair energy transition. The most economically vulnerable participants found it particularly difficult to engage with the workshop discussions on their role in a long-term energy transition. For these participants, the main priority was ensuring energy costs did not rise, in order to avoid making it harder to get by each month. In that sense, many participants were already taking action to reduce energy, not for the climate, but to save money.

In light of these concerns, many participants felt they did not personally have the capacity to drive the energy transition and that it was unfair that they should be asked to shoulder the burden. Larger institutions, such as governments and corporations, alongside wealthy individuals, were perceived to have the greatest capacity and responsibility to act to reduce emissions. In Denmark, Germany and Belgium there was a notable emphasis given to the perceived injustice of large corporations, governments and the EU, being able to pollute and exploit nature while the poorest are doing everything they can to limit their use of energy in order to save money. Participants felt it was unfair that these institutions and larger countries should not face consequences and yet they were considered to have the greatest capacity to make the changes needed. In addition, participants did not think it fair that the people of Europe should be asked to make these changes if countries such as the United States and China were not taking action to reduce their emissions.

Trust

Distrust in businesses and governments was high, but participants also viewed these actors as bearing the greatest responsibility for delivering a fair energy transition. This trade-off led to low confidence in the possibility of the energy transition being either fair or successful, although it was recognised that the transition could – if managed well – offer a path towards stronger communities and a fairer, more inclusive society. There was concern, however, that those who are living in poverty or at risk of falling into poverty are not always visible, and not enough effort was being made by governments to identify them.

Participants did not seem to trust information being given to them. Trust was also often linked to allegations of corruption within national governments and the EU; notably in Germany, Italy and Bulgaria. Bulgarian participants believed there to be corruption in the way EU funds are used by politicians. Spanish participants expressed more trust in local government and, above all, NGOs – when compared to the low trust they had in the central government.

Agency

Centralised and technocratic responses were not supported by the majority of participants. Top-down approaches were viewed as conflicting with a desire for autonomy and individual liberty. This wish for autonomy was stronger in some countries (Poland) than others (France and Denmark). Where individual liberty was desirable, in some circumstances collective community-centred solutions were seen as acceptable, though in some workshops, participants doubted whether people would respect and look after communal property. Thus, a tension became apparent between individualistic and communal values. For a country such as Poland, any limitation on the individualism of free-market liberalism was treated with suspicion. In Bulgaria, participants suggested that decentralising the energy system and instead using local sources to reach energy independence was a fair transition. Roma participants in Bulgaria did not want their ‘free’ lifestyle to change.

Housing

Participants discussed the use and cost of energy predominantly in relation to use in the home. While energy saving was a major concern, the technologies needed for greater energy efficiency were often viewed as unaffordable, and for those in rented housing, there was anxiety over what such retrofits would do to rents. Danish participants highlighted the risk that the new, ‘unaffordable’ energy-efficient houses being built or retrofitted as part of the energy transition would invite gentrification, displacing lower income people who have lived in the city for longer.

Living in rented accommodation was an additional constraint on many participants’ ability to adopt energy efficiency measures such as insulation. This lack of agency seemed to undermine willingness to participate in the energy transition for a number of participants. For example, one Spanish participant described this as being held ‘hostage’ by her landlord, and this problem was also mentioned by participants in Denmark, Belgium and France. Several Dutch participants spoke of a lack of communication between landlords, housing associations and tenants, and any information available often did not reach them because of language barriers.

The lack of access to decent quality housing was often cited as a barrier to improved energy efficiency. Danish participants complained of energy sieves; those in Belgium and the Netherlands mentioned poor quality insulation; and Italian participants saw housing improvements as key to a fair and accessible energy transition, with government incentives seen as desirable.

Communal living was brought up as a barrier to increasing energy efficiency at home by participants in the Belgian and Polish groups. Some living in social housing were experiencing a collective, flat-rate system for energy charges. This meant those who did take care to save energy were paying for others’ wastage. Participants suggested that the district heating system did not motivate them to reduce heat consumption, whereas those using individual heat sources were strongly motivated to save.

Mobility

There were contrasts in views between rural and urban participants in most of the countries when discussing changes to the transport system. While many urban participants did not own a car, for many rural participants their car was viewed as a necessity. They felt that they could not easily modify their car usage and so would be obliged to reduce spending in other areas to afford fuel costs. It was felt that any potential limits to freedom of travel as a result of the energy transition would be unfair. Many participants, both urban and rural, were in favour of improvements to public transport, and the vision of a future with fewer cars on the road was received positively, especially by those living in urban areas. The possibility of bans on more polluting vehicles was viewed unfavourably as it was felt that this could lead to greater social exclusion, with participants noting that it is the poorest who are least able to afford a new, cleaner car but may require one in order to be able to access employment and services.

Concerns about the cost and accessibility of both private and public transport were raised in several groups. The desire for cheaper public transport seemed to be weighed up against the need for greater investment to improve public transport services. It was acknowledged that public transport improvements needed to meet everyone's needs, otherwise any improvements would be seen as unfair. For example, German participants felt that financial aid for using public transport needed to apply to all vulnerable groups, not just a few. Italian participants were aware that public transport did not meet everyone's needs. Danish and Belgian rural participants spoke of unfair vehicle costs. Roma participants in Bulgaria viewed public transport as unaffordable and were often met with discrimination on buses. Spanish participants spoke of the financial barriers to obtaining a driver's licence. Polish participants raised unique concerns about changes to the transport system bringing about profound and unwelcome changes to Polish society. Participants stressed that the 'work-shopping model' of modern life requires independent mobility. It was suggested that the positive environmental benefits of limiting the use of personal cars would be outweighed by the losses this would bring to the professional and social lives of Polish citizens.

In the Netherlands, participants emphasised the need for electric vehicles to be affordable and accessible. In Belgium, it was suggested that grants would need to be available for electric vehicles to ensure the most disadvantaged citizens also have access. The idea of car and e-car sharing was viewed positively for some, but participants stressed the need for this to be available in rural areas as well as urban, and to be affordable.

Fixing the problem

Participants from France, Germany, Italy, the Netherlands and Spain specifically raised the idea of taxing 'the rich' and using this money for environmental protection. Bulgarian participants were split on how the costs of the energy transition should be shared out, with many thinking each sector should pay their fair share but with businesses and the EU paying a larger part. Others thought everyone should pay according to their income. Some of the Roma participants thought the state should pay entirely. Providing opportunities for all citizens was viewed more favourably than provision of aid. Several participants seemed willing to pay small additional taxes as long as their money was invested well and in something from which they could benefit. For example, investing in beneficial new technologies to make society more inclusive and accessible was seen as a good opportunity.

The limited sense of responsibility for fixing the problem among participants may be grounded in the fact that they have little control over many aspects of their lives. Living in – sometimes poor quality – rented accommodation, combined with day-to-day economic pressures, undermines workshop participants' capacity to act. Even where there was a willingness in some cases to do more, participants simply felt unable to act because of financial constraints. It costs money to improve energy efficiency by buying low energy appliances, and many participants simply do not have it.

Participants from Denmark, France, Germany and the Netherlands noted that a collaborative approach would be needed to deliver the energy transition, including the government working with municipalities, housing associations and citizens. This would allow local contexts to be taken into account and for there to be more communication within decision-making.

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Colophon

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