

ENERGY POVERTY IN FRANCE AND GERMANY: PERCEPTIONS AND POLICY APPROACHES

Ute DUBOIS

ISG Business School
147, avenue Victor Hugo, F-75116 Paris
ute.dubois@isg.fr

Ines MAYER

EIFER
Emmy-Noether-Str. 11, D-76131 Karlsruhe
mayer@eifer.org

(1) Overview

The EU electricity and gas directives of 2009 acknowledge that energy poverty is a growing problem in the Community. Therefore, the directives require that “Member States which are affected and which have not yet done so should therefore develop national action plans or other appropriate frameworks to tackle energy poverty”. The directives also impose to the Member States an obligation to “define the concept of vulnerable customers which may refer to energy poverty and, inter alia, to the prohibition of disconnection of (electricity / gas) to such customers in critical times”.

By placing the question of fuel poverty policies in the competence field of the Member States, the directives allow a variety of approaches to the problem, depending on the specificities of each country and also on how the problem is perceived in each national context. The aim of the present paper is to shed light on the diversity of approaches that can be observed in Europe by comparing two countries with very different approaches to energy poverty: France, which has developed mechanisms of protection of vulnerable energy consumers for several years, and Germany, where the recognition of the problem of fuel poverty is relatively recent.

(2) Methods

Relying on the policy debates and decisions in the two countries and on the literature in the field of fuel poverty policymaking, we develop an analytical framework that examines two main aspects.

The first aspect addressed by our framework is the place of energy poverty in the context of the reorganisation of the energy sectors of the two countries. We state that in both countries, the understanding of energy poverty could be shaped by three elements. Firstly, the European directives of 2009, which impose some obligation on the countries. However, France and Germany have not responded in the same way to the requirements of the EU directives. Secondly, an increasing awareness and the mobilisation of policy actors confronted with the problem of fuel poverty. Here again, we show that France and Germany differ in the intensity of mobilization of these actors. Thirdly, the recent debates concerning the energy transition. We analyse whether this energy transition is considered in each country as a threat or as an opportunity.

The second aspect that is addressed by our framework relates to the definition and implementation of measures addressing the three causes of energy poverty: households' incomes, energy prices and energy efficiency. We highlight the specificities of each country in the fields of income support for the energy poor or low income households, of mechanisms aiming at providing vulnerable consumers with lower energy prices and protections (for example the rules regarding disconnections in case of non payment), and of energy efficiency measures targeted at the low income or energy poor households.

(3) Results

Today, France has implemented a larger set of measures of energy poor households than Germany.

The differences between the two countries cannot be attributed to a lesser extent of poverty in Germany, or to better performances in terms of energy efficiency of buildings. Therefore, there does not seem to be a causal relation between the actual situation of each country in terms of energy poverty and the decision to develop a set of policies aiming at reducing energy poverty.

Also the differences between the two countries are not simply a difference of timing: the underlying logics of energy poverty policies are different as well. In France, the central state has traditionally maintained a strong control over the electricity and gas sectors (for example through the regulation of tariffs), which has

facilitated the implementation of certain protections for the vulnerable customers (for example social tariffs). In Germany, the existence of a strong system of social protection (for example income support for the energy consumption of the low income households) can probably explain why the problem of energy poverty has been ignored for a long time. With the recent discussions on the energy transition and the related question of its financing, the topic of energy poverty has veritably entered the political debate.

(4) Conclusions

The analysis of France and Germany suggest that the conception of this kind of policies is strongly related to the institutional specificities of each country, and that defining a “one fits all” energy poverty policy for all European countries would probably be unfeasible. For example, in Germany, the energy sector is subdivided among a high number of utilities, fostering a decentralized, bottom-up approach to dealing with fuel poverty. In France, on the other hand, the energy sector is still highly concentrated and the state has strong intervention powers. This explains why France is more prone to the implementation of nation-wide, top-down policies such as social tariffs.

In both countries, the respective government’s decision to launch an energy transition has an impact on the fuel poverty debate. In Germany, social equity considerations have traditionally not played a role when judging the effectiveness of the energy market. It is only thanks to the energy transition and the related debate on rising energy prices that fuel poverty has emerged as a topic of public interest. In France, which has been more engaged in the fight against fuel poverty for some years already, the energy transition offers a platform for the topic to come to the fore again.

Notwithstanding the specificities of each country’s approach, we claim that it is worthwhile to have a look beyond national borders, to compare policy approaches and to learn from experiences gained in other countries.

References

- Bundesministerium für Wirtschaft und Technologie, & Bundesministerium für Umwelt, Naturschutz und Reaktorsicherheit (2012). Erster Monitoring-Bericht "Energie der Zukunft". Berlin.
- Chappoz, L. (2012) Les politiques d'efficacité énergétique en France et en Allemagne : quand deux voisins empruntent des chemins différents, *IDDRI Study n°07/012*, Décembre 2012.
- Chérel, D. (2006) Maîtrise de l'énergie et lutte contre l'exclusion. Rôle de l'ADEME et perspectives d'action.
- Kopatz, M., M. Spitzer et A. Christanell (2010) Energiearmut. Stand der Forschung, nationale Programme und regionale Modellprojekte in Deutschland, Österreich und Großbritannien. Wuppertal Papers. Wuppertal Institut für Klima, Umwelt, Energie GmbH.
- Neuhoff, K., S. Bach, J. Diekmann, M. Beznoska, and T. El-Laboudya (2013) Distributional Effects of Energy Transition: Impacts of Renewable Electricity Support in Germany, *Economics of Energy & Environmental Policy*, 2(2013), 1, pp. 41-54.
- Plan Bâtiment Grenelle (2009) Groupe de travail Précarité énergétique, Rapport.
- Sénat (2012) Rapport fait au nom de la commission d'enquête sur le coût réel de l'électricité afin d'en déterminer l'imputation aux différents agents économiques.