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**(ENERGY) POVERTY IN SLOVENIA – currently and
what is next**

**Presentation of the situation of families living in
poverty and of the energy poverty mitigation
measures**



SLOVENIAN ASSOCIATION OF FRIENDS OF YOUTH

- a **non-governmental, humanitarian, voluntary** and **non-profit** organisation working for the benefit of children, youth and families for 69 years
- Programme implementation:
 - **Social and humanitarian** programmes
 - Programmes for the **protection of children's rights** and **advocacy**
 - Programmes in the fields of **upbringing and education** and
 - **Leisure time and vacation programmes** (also medical and for deprived children)



WE HELP FAMILIES

- By paying **bills**
(rent, public utility services, water, electricity, internet, physiotherapy for children with special needs, school workbooks, etc.)
- By providing **material assistance**
(food, clothes, computers, school supplies, etc.)
- By awarding **study grants**
- By paying for **summer and winter holidays for children**

We also help with **housekeeping and repairs** that people would not be able to afford on their own.



OUR OBSERVATIONS

- We are aware that the increases in energy prices also reflect in the **rise in the prices of food and other essentials for living.**
- Filled with hope after the economic crisis and the beginning of economic growth, we could not have imagined that the number of families in need would not decrease.
- **The structure of families** in need of our help has changed. Now both parents are employed. However, they only receive a **minimum wage** that does not provide a decent living for a family of 3, 4 or more members.



OUR OBSERVATIONS

The coronavirus crisis outbreak immediately increased the **hardships**:

- **families** stayed at home
- **children** shifted to distance learning
- it was necessary to cook lunch and dinner at home
- children needed **computers**, they were closed between four walls and **social distancing measures** were introduced

Energy poverty has only been mentioned here and there, but the government has not tackled the issue.



SITUATION IN THE COUNTRY

- Slovenia has enjoyed one of the lowest **unemployment rates** and **positive economic growth**.
- There are more households living below the poverty line; these are families where both parents are employed but are paid the minimum wage.
- **Single-parent families, families with a long-term illness, disability** - all live in difficult circumstances ...
- The **threat of energy poverty** is very high in all these families.



SOCIAL DISTRESS

Extensive **antiCorona measures** introduced by the government **partially alleviated the social distress** of households resulting from the COVID-19 epidemic.

Nevertheless, we observed in 2020 that:

- the number of people in materially deprived households increased, meaning **3 %** of Slovenia's population suffering from **severe material deprivation**;
- **12,5 %** of people lived below the poverty line, of which **41,000** were children;
- almost **5 %** of people were recipients of cash social assistance.



ENERGY POVERTY

- Rising energy prices require a **swift and concerted** response
- The European Commission is calling for the adoption of measures targeting **vulnerable groups**
- **Affordable energy** is key for consumers
- By failing to act, vulnerable consumers are pushed into even deeper poverty
- Almost two-thirds of the electricity bill constitutes the **taxes and levies** (network charges, contributions, excise duties and VAT)



ENERGY POVERTY

- In Slovenia, no government has ever systematically addressed the **definition and identification** of the extent of energy poverty.
- The government has only taken measures in the case of **extra light fuel oil** to restrict the growth of retailers' earnings.
- **Energy poverty** is a situation in which a household is not able to afford to keep its dwelling adequately warm and **other energy services** (e.g. sanitary water heating, lighting, etc.) at affordable prices.



JOINT CALL BY NGOs

- Slovenia should follow the **recommendations of the European Commission on how to take effective actions** for all consumers and to prevent additional social distress of the most vulnerable groups.
- Based on the Slovenia's existing Price Control Act, a measure should be adopted to **control retail energy prices** for all households for at least 6 months for electricity, natural gas, district heating and extra light fuel oil.
- **Emergency funding** for the payment of energy costs should be allocated to all households in energy poverty.



JOINT CALL BY NGOs

- **Prohibition of disconnection** from the energy network or district heating system:
 - regardless of the fulfilment of the existing conditions for urgent supplies, at least **until the end of the 2021/22 heating season**
 - the ban should apply during the heating season to certain **vulnerable groups** (e.g. families with small children, single pensioners, people with reduced mobility, people with long-term health problems, etc.)

SWIFT ACTION BY THE STATE IS SOUGHT

- **Energy vouchers** - promised at the end of January 2022
- **Inflation allowance** - envisaged in december 2021, but is not aimed at alleviating energy poverty
- Given the lack of the Government's action, we need to be aware that **humanitarian organizations will not be able to alleviate the financial burden of people in need.**
- The fact is that families will need help to avoid the disconnection of power supply or heating, etc.

People are in need and it is only the political decision of the Government whether it will help. Any action by the State must be swift.