



# D5.6 Report on Policy Work in Bulgaria

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Intelligent Energy Europe  
Programme of the European Union

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The purpose of this document is to provide a short report on the policy and advocacy activities done in the framework of project REACH.

## 1 Overview of policy work plan

The sustainable reduction of energy and water is an important step in mitigating the problem of energy poverty, but these efforts need to be accompanied by broader, systematic and comprehensive coordinated measures at a higher level.

In 2014, 40.5% of the total Bulgarian population answered that they could not keep the home 'adequately warm', thus giving the country first place among the EU-28, while Bulgaria lacks targeted residential energy efficiency programmes for vulnerable households. There are still only general principles for providing direct financial support, worth the equivalent of 450 kWh of electricity, towards heating bills, electricity, coal briquettes or wood and natural gas for heating. Household energy needs and housing condition remain outside the scope of the programme.

The term energy poverty was not defined in Bulgarian legislation.

Thus, the policy measures recommended by EAP were aiming the following four specific goals:

1. to address political class and institutionalize dialogue with policy makers
2. to firmly anchor energy poverty as a highly relevant topic on political agenda
3. to mobilize funding for different practical measures targeting low income households
4. to introduce practical policy measures that can reduce existing energy poverty

## 2 Activities

Within timespan of REACH project, EAP made tremendous systematic efforts for the recognition of energy poverty as well as to address the need for its integration into all social, energy and environmental policies.

EAP developed and disseminated several position papers and recommendations within different aspects and dimensions related to the energy poverty issues. In parallel, an intensive communication with responsible institutions and important stakeholders has been carried out. The main objective of these actions has been reduction the number of energy poor households by mobilising innovative ways related to energy and heating efficiency of the dwellings of Bulgarian households.

We can summarize the implemented activities into three categories:

- Policy recommendations and position paper

- Direct meetings with policy makers, stakeholders and social actors
- High level debate on energy poverty

## I. POLICY RECOMMENDATIONS, POSITION PAPERS

### #1: Recommendations for the terms and conditions for granting heating allowances

In short:

A concrete proposal for changes in the terms and conditions of granting heating allowances within the winter supplement programme was sent on March, 2015, to Mr. Ivaylo Kalfin, Minister at the Ministry of Labour and Social Affairs. The concrete proposal aimed a change in a bylaw that regulates the terms and conditions for heating allowances.

It also aimed at increasing the dialogue between the two sides

### #2: Position paper with set of recommendations sent to Ministry of Environment and Water of Bulgaria & to the managing body of OP Environment” 2014-2020

The position developed by EAP and signed by the Association of Bulgarian Energy Agencies, the Association Of Municipal Environmental Experts of Bulgaria and Za Zemiata – Friends of the Earth Bulgaria, was sent to the Ministry of Environment and Water of Bulgaria and to the managing body of OP Environment” 2014-2020. Further on it was also promoted to DG Regional Development and DG Environment.

In short, we recommended:

1. Recommendation - Introduction of an independent grant scheme for energy-poor households amounted between 60÷70 %, and for all others – 40 %.
2. Recommendation - Introduction of mandatory criteria for stimulating only the use of installations with a high energy efficiency utilizing solid biofuels/biomass as follows:
  - Heating appliances burning wood pellets for residential premises up to 50 KW with COP ≥ 85 % and CO calculated to 13 % oxygen (O<sub>2</sub>) ≤ 0,04 %
  - Heating appliances burning eco briquettes for residential premises up to 50 KW with COP ≥ 85 % and CO calculated to 13 % oxygen (O<sub>2</sub>) ≤ 0,40 %
3. Recommendation – We recommend stimulating the use of common heating installations in buildings utilizing solid biomass.
  - Biomass boilers above 50 KW with COP ≥ 85,0
4. Recommendation - Financial aid under Axis 5 must be focused mainly in providing grants for modern biomass installations with high COP (wood, woodchips and pellet stoves with

high thermal efficiency. All of these have the potential to be manufactured and distributed by local suppliers and to bring much greater value to the local economy.

### #3: Feedback on the planned for spending funds from the sale of quotas for greenhouse gas emissions

The position, sent to the Ministry of Environment and Water of Bulgaria, concerns the draft decision of the Council of Ministers which aims to determine the order and manner of spending the revenue from the sale of quotas for greenhouse gas emissions from installations by auction, received in the budget of the Ministry of Environment and Water by 31.12.2012

1. Recommendation 1 – Introduction of scheme for energy-poor households, amounted to 75% of the total amount, necessary for the implementation of energy-saving measures.
2. Recommendation 2 – Introduction of financial incentives for the construction of small and district boiler heating systems for residential buildings.
3. Recommendation 3 -Supporting modern heating systems to biomass with high efficiency
4. Recommendation 4 – Implementing information campaigns to explain the benefits of using only dry wood for heating and stimulating the use of better quality fuels.

### #4: Proposal of the list of energy poverty reduction measures to be included in the election programs of political parties in Bulgaria

An official address was sent to all parliamentary represented parties running the elections 2017 for the Parliament with a list of concrete measures and alternatives tackling the energy poverty issue.

## **II. DIRECT MEETINGS WITH POLICY MAKERS, STAKEHOLDERS AND SOCIAL ACTORS**

Many bilateral meetings with key politicians and stakeholders were carried out, several media were involved via press releases and public discussions.

The following important organizations and partners were involved:

- Bulgarian Energy forum and its chair Mr. Ivan Hinovski - approaches, responsible institutions related to the reduction of energy poor households and vulnerable consumers ;
- Ministry of Energy and the director of energy strategies and planning Mr. Nikolay Nalbantov – alternative energy poverty measures proposed by EAP ;
- Energy and Water regulatory commission and its chair Mr. Ivan Ivanov – – vulnerable consumers and energy poor household ;

- Institute for Market Economy and its executive director Mr. Krasen Stanchev – communication on estimation of the actual number of energy poor households in Bulgaria ;
- Trade Unions – poverty line in Bulgaria and its energy poverty ;
- Ministry of Environment and Waters - Minister Mrs. Ivelina Vassileva and the air quality team – possibilities of supporting energy poor households through implementation of projects at municipal level towards supporting eco efficient heating.

### III. HIGH LEVEL DEBATE ON ENERGY POVERTY

The Energy Agency of Plovdiv organised high level debate on energy poverty, taken place in December, 2016. It was attended by large number of NGOs, stakeholders, media and representatives from the ministries. The event served for a discussion on current energy poverty legislation. Special attention was paid to the existing policies in Bulgaria, as well as the key aspects to solve the problem.

In short during the event it was noted that the provision of short-term heating (the equivalent of 350 kWh) is an inefficient model - the "energy poor remain poor. "

- Doesn't improve living conditions
- Doesn't realise savings of money, energy and emissions
- Part of the funds are available for purchase and use of less efficient fuels such as coal and firewood with a high moisture content burnt in systems with low efficiency.
- Lack of cooperation and communication among stakeholders to address energy poverty
- Lack of knowledge among households how to deal with energy shortages

The following key issues for effective solution of the problem were outlined:

- Addressing energy poverty requires a comprehensive approach for stronger action at national and local level.
- Defining the problem and developing a definition of energy poverty.
- Consideration of innovative methods and instruments for funding to support energy efficiency and most sustainable reduction in energy consumption
- Development and adoption of a national program addressing energy poverty with a broad portfolio of measures
- Development of Volunteering schemes - participation and training of students.
- Diverting more financial instruments

- Engaging the Covenant of Mayors signatories to act against energy poverty and to seek synergies with measures for mitigation and adaptation (ie energy efficiency in buildings, energy update)

### 3 Key outcomes and results of policy work

#### KEY OUTCOME #1 BUILT PARTNERSHIPS AND COALITIONS

During project implementation EAP identified and build for strategic partnerships with relevant NGOs and private organizations in the name:

1. EAP – Schneider Electric Bulgaria
2. EAP – Za Zemiata - Friends of the Earth Bulgaria
3. EAP – Active users organization – Bulgarian Energy and Mining forum
4. EAP – Eco community organisation

#### 1. EAP – Schneider Electric Bulgaria partnership

A mechanism for training of students and volunteers with the aim to support energy poor households in Plovdiv region have been identified in the name of "Schneider Electric energy poverty fund". A smaller scale project similar to REACH aiming to reduce the energy and water usage of 50 energy poor households, with financing worth 5000 euro, was implemented in December 2016, with the financial support of the fund.

It included training activities, household visits and a dissemination part. The project engaged total of 20 volunteers both from Schneider Electric Bulgaria and Red Cross volunteers. As the fund runs on yearly basis similar actions are planned to be conducted in 2017, as well.

#### 2. EAP – Za Zemiata - Friends of the Earth Bulgaria partnership

The Energy Agency of Plovdiv together with the Friends of the Earth Bulgaria will work on proposing and putting into policy makers agenda a strategy forming the foundation of a 15-year program, aiming to reduce the number of energy-poor households by 10% annually, by reduced consumption and increased efficiency in heating. Similar scheme is possible to be combined with high cost measures with low cost measures.

#### 3. EAP – Active users organization – Bulgarian Energy and Mining forum partnership

A positive reaction from the United Patriots (the Nationalists) for addressing energy poverty in their future work was received, as a consequence of the open political message sent to parliamentary groups.

#### 4. EAP – Eco community partnership

EAP succeeded in building a partnership with the Eco Community organisation. The partnership focused on addressing other relevant aspects of energy poverty in Bulgaria – the unregulated burning of vehicle tyres for heating purposes witnessed within the Roma population, as it has significant impact on air quality, public health and the environment. For this purpose a number of ambient air quality measurements were conducted and results disseminated. It also aimed at stopping these bad practices and influencing policy makers.

#### KEY OUTCOME #2- NORWAY GRANT SCHEME INVITATION

EAP was invited to give a recommendation on specific measures to be financed within the current financing period of the Norway grant scheme. Thus EAP will propose measures with direct beneficiaries' households with low-incomes.

#### KEY OUTCOME #3- INCREASED ATTENTION ON THE ENERGY POVERTY TOPIC

EAP has been generating an increased media attention on the energy poverty topic after the implementation of the high level energy debate and the intensive communication with the institutions. There are numerous articles and discussions in online media, national TVs and national radio.

#### What would be done differently and lessons learnt?

- Implementation of more high level debates in more regions ;
- building coalitions with a wide range of potential allies and collaborators, especially with organizations working on social welfare and poverty ;
- more proactive media work in order to open the agenda publicly ;
- directly address the members of parliament that can easily influence responsible ministries and other institutions, as well as development of new regulations ;
- improved flexibility in responding to potential refusals of decision makers by quickly identifying alternative influence routes and tactics ;
- plan policy work in such a way that will allow involvement of people with rich campaigning experience.

## 4 Annex I – positive reactions from the United patriots



**ВМРО**  
Българско национално движение

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9 февруари 2017 г.

До  
г-н Иван Хиновски  
г-н Богонил Николов  
г-жа Лиляна Аджарова

### Уважаеми дами и господа,

Като съпредседател на коалиция „Обединени патриоти - НФСБ, АТАКА и ВМРО“ мога да заявя особено значение, което придаване на поставената от Вас тема за енергийната бедност. Факт е, че след множество безотговорни политически решения - от закриването на част от блоковете на АЕЦ „Козлодуй“ до заробващите договори с т.нар. „американски“ ТЕЦ-ове в Маришкия басейн цената на електрическата енергия в България се покачи неимоверно. Тя е не само фактор, намаляващ конкурентоспособността на българската икономика, но и по отношение на битовите абонати води до непоносимо високи сметки и лишения. Потърпевши, както обикновено, са съвестните потребители, а не тези от гетата, които са превърнали кражбата на ток в ежедневие, а някои - с политически протекции от ДПС - и в бизнес. Нека добавим към това растящата несигурност за преноса след приватизацията на ~~енергопреносните~~ дружества.

С оглед горното либерализацията на енергийния пазар, която следва да приключи максимално бързо, поставя с особена острота въпроса за енергийно уязвимите групи и защитата на техните интереси. Считам за абсолютно резонни идеите за:

1. Разработване на Национална стратегия за защита на уязвимите в енергийно отношение домакинства;
2. Спешни промени в законодателството - ЗЕ, ЗООС и ЗСП. Енергийно уязвимите групи следва да бъдат ясно дефинирани, а подкрепата за тях - целева и ефективна. Не бива да се допуска масовата днес практика на злоупотреба с енергийни помощи;
3. Предлаган въвеждането на две ценови тарифи за българските домакинства, като необходимия потребителски минимум за месец бъде защитен и със социално поносима цена, независеща от пазарните колебания;

4. Приеман идеята за създаване на Национален фонд „Енергийно подпомагане“, който да гарантира провеждането на национална политика в тази сфера, както и идеята за нова институция - енергиен омбудсман, защитаващ правата на потребителя.

С уважение: Красимир Каракачанов



## 5 Partners



Focus - Association for Sustainable Development, Slovenia

[www.focus.si](http://www.focus.si)



Society for Sustainable Development Design, Croatia

[www.door.hr](http://www.door.hr)



Energy agency of Plovdiv, Bulgaria

[www.eap-save.eu](http://www.eap-save.eu)



Macedonian Centre for Energy Efficiency, Macedonia

[www.macef.org.mk](http://www.macef.org.mk)

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