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**Mayors and unions collaborate to avert sky-rocketing energy poverty crisis with emergency action to boost jobs via ‘relief, renewables and retrofits’**

- *Mayors, unions and the IEA vow to work together as spiralling fossil fuel prices threaten living standards and risk pushing millions more Europeans into energy poverty.*
- *European mayors and union leaders say to tackle the energy poverty crisis we need to dramatically reduce gas dependency by boosting renewables and retrofits that will also create good, green jobs.*
- *An emergency plan for European cities was put forward by mayors to protect vulnerable residents by scaling investment in relief, retrofits and renewables in cities, with national support needed.*

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The Mayor of London and Chair of C40 Cities, the Mayor of Barcelona and Vice Chair of C40 Cities, and the Secretary General of the International Trade Union Confederation convened a group of Europe’s leading mayors from the C40 Cities network, international and European trade union leaders and the International Energy Agency (IEA) today, to agree upon the emergency actions needed to avert the looming energy poverty crisis facing their cities.

Mayors warned that poor historic decision-making has contributed to the energy poverty crisis and proposed an emergency action plan for Europe to cut household energy bills and accelerate a just energy transition. C40 analysis shows that 55% of gas consumption in C40 member cities is used for heating and cooling in residential buildings, tying residents to volatile fossil fuels, and there are three times more jobs in European energy efficiency and retrofit markets than would be created by investment in fossil gas.<sup>1</sup>

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<sup>1</sup> See below on Research Methodology, copied here: **Gas use in C40 cities:** Analysis of 16 European cities’ greenhouse gas emissions inventories done for C40 by the Centre for Research on Energy and Clean Air shows

Mayors of Barcelona, Glasgow, Heidelberg, London, Milan, Oslo and Warsaw vowed to work together with unions, governments and the IEA to double down on delivering their science-based climate action plans.

Noting what the IEA deems necessary to solve the crisis, mayors put forward a comprehensive emergency plan that can accelerate the delivery of actions and policies to help residents and workers living in cities, and called on national governments to step up their ambition and support cities with the funding and powers they need. Mayors called on national governments to scale up their emergency response to the crisis, including prioritising recovery funds and 'windfall taxes' on energy companies, to deliver emergency measures and devolving the powers cities need to deliver and accelerate action.

City and union leaders declared the opportunities in the retrofit and renewable revolution must be seized now, to create good paying jobs for those who need them most, with training and green jobs programmes for people to access roles and deliver results for residents.

Dr Fatih Birol, Executive Director of the International Energy Agency (IEA), endorsed emergency interventions from city and union leaders, saying city-led action is a vital component of the IEA's own recent [10-Point Plan](#) to Reduce the European Union's Reliance on Russian Natural Gas, including faster deployment of residential solar to reduce consumer bills and accelerating the shift to heat pumps in homes.

The emergency plan embraces the IEA challenge and aims to accelerate 'relief, retrofits and renewables' in cities. A summary of the plan is attached.

**Mayor of London and C40 Chair, Sadiq Khan,** says, "The climate emergency is the biggest global threat we face today, and our reliance on fossil fuels has left us vulnerable to sky-rocketing prices. Moving to clean energy will not only help save our planet, but create many highly skilled, well paid green jobs. We must all play our part in helping cities around the world become greener, fairer and more prosperous for all. The time to act is now."

**Mayor of Barcelona, Ada Colau** says, "Many families are torn between eating or paying for energy bills because of the lack of energy-efficient housing, together with the rise of house and energy prices. The invasion of Ukraine and

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that residential buildings are responsible for 55% of gas-related emissions on average. When including commercial and institutional buildings, this share rises to 81%. The remaining gas use is mostly concentrated in manufacturing, industrial and construction activities as well as in energy industries. Full results from this analysis will be published later in the year. **Job creations from buildings retrofit:** We have compared job multipliers on energy efficiency measures for existing buildings and the gas industry, for both direct and indirect jobs, over the construction and operation period, for the region UK/Italy/Germany/France from Vivid Economics (2021) and IEA (2020). Both sources showed similar trends on job creation per million US dollar invested. This does not capture the amount of investment needed or the timeframe for implementation.

sky-rocketing increases in energy prices are worsening the social crisis created by COVID-19 and thrusting vulnerable European households deeper into poverty.”

**Sharan Burrow, General Secretary, ITUC** says, “Shockingly, energy bills are set to rise 14 times faster than wages this year in some European countries. There is an urgent need for investment in European renewables, their supply chains and building retrofits with well paid jobs in the region, one of the best ways of preventing people falling into poverty. Unions are ready to work with cities on relief, retrofits and renewables to keep energy bills down, to help millions of households facing energy poverty this winter and to help reduce dependency on natural gas.”

**Dr Fatih Birol, Executive Director, International Energy Agency (IEA)** says, “We are witnessing the first truly global energy crisis – broader and more complex than the oil shocks of the 1970s, which the IEA was established to address. Pump prices and energy bills have shot up as a result of Russia’s aggression, but we can reduce both the harm being faced by vulnerable consumers and Russia’s fossil fuel revenues if we take action to cut demand for oil and gas imports today. Countries, cities, households and businesses must prioritise energy conservation, energy efficiency and low carbon technologies now. Mayors and national governments must support them by unlocking clean energy policies and investment on an unprecedented scale.”

**Mark Watts, Executive Director, C40 Cities** says, “Collective government failure to act faster on low carbon transition has left our elderly and most vulnerable dangerously exposed to air pollution and energy bills they can’t afford. To free European cities from their reliance on gas and coal we need joined-up, emergency action to insulate every home and office, and power them with renewable energy, while making it cheaper, faster and safer to cycle or take the bus than drive a car. Mayors and trade unions have today established the foundation for a plan to deliver just that.

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Notes to Editors:

For more information please visit [www.c40.org](http://www.c40.org) or contact [media@c40.org](mailto:media@c40.org)

### **About the C40 Cities Climate Leadership Group**

C40 is a network of nearly 100 mayors of the world’s leading cities who are working to deliver the urgent action needed right now to confront the climate crisis and create a future where everyone, everywhere can thrive. Mayors of C40 cities are committed to using a science-based and people-focused approach to help the world limit global heating to 1.5°C and build healthy, equitable and resilient communities. Through a [Global Green New Deal](#), mayors are working alongside a

broad coalition of representatives from labour, business, the youth climate movement and civil society to go further and faster than ever before. The current Chair of C40 is Mayor of London Sadiq Khan; and three-term Mayor of New York City Michael R. Bloomberg serves as President of the Board. C40's work is made possible by our three strategic funders: Bloomberg Philanthropies, Children's Investment Fund Foundation (CIFF), and Realdania.

### **About the Global Green New Deal Pilot Initiative**

Through a new initiative of the Inclusive Climate Action Programme, C40 is supporting targeted engagement in 20+ champion cities across 5 regions focusing on delivering inclusive climate action, a just transition and demonstrating what a Global Green New Deal (GGND), that ensures a green and just recovery from the Covid-19 pandemic, looks like in practice in cities. The initiative is based on C40's experience to advance climate mitigation goals, a just and equitable transition, and adaptive resilience. The objective is for mayors and cities to contribute as world leaders to the reconstruction of societies and communities in a low-carbon and socially desirable way, to avoid the risk of new pandemic crises and climate breakdown. The following nine cities participate in the GGND implementation initiative as leading pilot cities: Accra, Barcelona, Los Angeles, Warsaw and five South African cities: Cape Town, Durban, Ekurhuleni, Johannesburg and Tshwane.

### **C40 cities leadership on energy poverty**

- The city of **Barcelona** has supported thousands of people to cut their energy consumption and bills and switch to renewable energy through Energy Advice Points that also act as watch-dogs for people's energy rights. The city has also developed a training programme for home care workers to provide advice and reach homebound vulnerable residents and the "hidden" energy poor who may not access conventional services. Energy poor households are exempt from paying the municipal sewage tax.
- As part of the **London's** climate change and energy programmes, the Warmer Homes programme provides free heating, cooling and ventilation improvements for low-income Londoners who own their own homes or rent privately; and the Social Housing Retrofit Accelerator and Mayor's Innovation Partnership are helping accelerate energy efficiency projects for social housing, providing technical expertise and guidance to help kick-start the retrofit of ageing and inefficient homes while driving down costs and growing the supply chain for retrofit projects. London launched its online [Cost of Living Hub](#) in April so all residents have trusted advice on how to access government support to reduce their bills and through Solar Together, London supports residents looking to install solar PVs and storage solutions on their property through an aggregated procurement programme which secures [savings of 20-35%](#) against average market price.
- The city of **Paris** is [supporting](#) people to renovate multi-occupancy buildings with a platform that links residents with building professionals, securing over €80 million of investment in retrofit works and achieving typical [annual savings of \\$220 per apartment](#).
- **Milan** is building Italy's first zero carbon, energy efficient social housing project to ensure that residents are protected from volatile energy prices. They are also working to retrofit multi-family buildings, with pilots showing that deep retrofits could reduce energy costs by [23%](#).

- **Warsaw** is supporting residents to replace polluting coal stoves used for heating by vulnerable residents with clean alternatives such as heat pumps. More than PLN 50 million have also been given to private residents as subsidies to install solar PVs, with an aggregated capacity of 34.6 MW. The city has also announced the launch of the Municipal Photovoltaic Development Program 2022-2030 - allocating PLN 60 million (c. €13 million) in the first three years to more than double the solar PV capacity on municipal assets to 21.4MW and aiming to deploy solar PVs on all municipal buildings by 2030. This will save the city PLN 174 million by 2037.
- In **Oslo**, heating oil has been replaced by renewable sources of energy, including district energy systems using waste heat from the sewage system and individual heat pumps.
- **Heidelberg** built one of the world's largest carbon neutral districts in Bahnstadt, sheltering residents from volatile and rising energy costs through ensuring that all buildings (public and private) are constructed to passive-house standards, smart metres enable to monitor energy consumption and identify potential energy savings and a wood-chip combined heat and power station provides heat for the district.
- In the US, **Austin TX** has a power purchase agreement with a utility-scale solar farm to provide low-cost power to city residents
- In Korea, **Seoul** is deploying domestic solar PV panels to 1 million households and making solar PV systems mandatory for public buildings. Seoul's 'Energy Welfare Public-Private Partnership Program' is helping to alleviate fuel poverty via a range of direct and indirect support measures, such as financing for low-income households to have their homes retrofitted for greater energy efficiency, and training and employing disadvantaged job seekers as energy consultants and energy welfare workers to assess energy performance of low-income households.
- In China's **Qingdao**, 5000 residential buildings have already been retrofitted to save energy. By the time the scheme is complete, it is expected that residents will have saved \$3.5m in energy bills, and that around 700,000 tonnes of CO<sub>2</sub> will have been avoided.
- **Washington DC's** Low Income Home Energy Assistance Program provides eligible households with a one off emergency assistance for those that have received a utility disconnection notice.
- **Cape Town** installed 44,000 solar water heaters, resulting in an energy saving of 10,208,000 kWh/month. The programme created 1,258 jobs and contributed \$58.1 million to the local economy. Furthermore, the programme estimated that with that solar water heating households save a collective \$1.5 million per month.

#### **C40 Research Methodology**

- **Gas use in C40 cities:** Analysis of 16 European cities' greenhouse gas emissions inventories done for C40 by the Centre for Research on Energy and Clean Air shows that residential buildings are responsible for 55% of gas-related emissions on average. When including commercial and institutional buildings, this share rises to 81%. The remaining gas use is mostly concentrated in manufacturing, industrial and construction activities as well as in energy industries. Full results from this analysis will be published later in the year.
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both direct and indirect jobs, over the construction and operation period, for the region UK/Italy/Germany/France from Vivid Economics (2021) and IEA (2020). Both sources showed similar trends on job creation per million US dollar invested. This does not capture the amount of investment needed or the timeframe for implementation.

### **C40 Knowledge Hub**

City toolkits supporting emergency climate action measures are available via the C40 Cities Knowledge Hub, looking at how cities can:

- Promote clean energy sources for [heating and cooling buildings](#), and [shift away from the use of natural gas](#).
- Set energy efficiency requirements for [new](#) and [existing](#) buildings and get inspiration from the [C40 buildings energy efficiency policy explorer](#).
- Put in place supportive programs to [drive towards zero carbon buildings](#).
- Support residents and businesses to [install building-scale clean energy systems](#), including through innovative [business models](#).
- Put [equity and inclusivity](#) at the heart of all climate actions.

### **Energy poverty facts**

- There is no standard definition of energy poverty. [UK](#) legislation states a person is to be regarded as living “in fuel poverty” if they are a member of a household living on a lower income in a home which cannot be kept warm at reasonable cost. Other definitions that are sometimes [used](#), especially in times of energy cost crisis for quick estimates, include energy poverty as ‘10% or more of its total income to heat the home to an ‘adequate level of warmth’. In Europe, [MEPs](#) are calling for definitions that account for the impact of overall poverty on energy access as well as high costs of energy including due to housing conditions, and calling for mandatory monitoring.
- Chronic exposure to cold, damp and mould compromises people’s mental and physical health – the [World Health Organization](#) estimates that inadequate housing is linked to 100,000 premature deaths a year in Europe.
- Before the crisis 80 million European households already struggled to keep warm each winter as energy costs will make the problem worse. The European Trade Union Confederation’s (ETUC) [research](#) found that nearly three million European Union workers could not afford to heat their homes amid a rise in energy prices in 2021.
- [UK unions](#) have warned energy bills are rising 14x faster than wages
- Using the 10% income spent on energy costs definition of energy poverty, the UK’s [NEA charity](#) estimates 8,500 people died in England and Wales last winter due to cold homes. It has warned [one in three UK households could face fuel poverty in 2022](#) (8.5m families) if the Ukraine crisis pushes the average household bill over £3,000.
- In Europe best estimates are between 20% and 30% of Europe's population is facing general poverty, while [up to 60%](#) are suffering from energy poverty in some countries, particularly in Eastern Europe. Across Europe researchers who found more than [80 million people](#) suffer energy poverty in 2021 are now revising their estimates upwards by 10 million, or more.<sup>2</sup>

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<sup>2</sup> Information received from [Professor Stefan Bouzarovski](#) by email, 31 March 2022.

- Energy poverty is no longer a winter season issue only. According to the [EU](#), by 2030 the energy used to cool buildings across Europe is likely to increase by 72% and excessive deaths [due to heat](#) are on the rise, increasing demands for sustainable and affordable cooling.