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From:	General Secretariat of the Council
To:	Delegations
Subject:	Key messages from EMCO and SPC on the implementation of the Council Recommendation on ensuring a fair transition towards climate neutrality - <i>SPC country examples of the review</i>

With a view to the EPSCO Council on 1 December 2025, delegations will find attached the SPC country examples of the review of the Council Recommendation on ensuring a fair transition towards climate neutrality.

Annex 2 – SPC country examples

2.1. Energy poverty

Spain is working on the development of a national strategy against energy poverty, for which a public consultation has been launched.

Belgium has implemented specific measures to support the energy and transport sectors, including the establishment of an energy fund to help people pay their electricity bills, thereby strengthening the role of social welfare.

Bulgaria is currently developing the parameters of several ongoing initiatives. A new priority has been set to target low-income households and address energy poverty. Efforts to improve energy efficiency include upgrading outdated heating and cooling systems and enhancing building insulation, with special attention to the needs of the elderly. Citizens are encouraged to participate in clean energy initiatives, both directly and indirectly, particularly in their early stages. Targeted support is directed towards those most affected.

In 2022, **Italy** established the Energy Poverty Observatory, an institutional platform to monitor strategies and improve policies to combat energy poverty. This initiative aims to integrate actions into public policy to systematically address energy poverty and overcome previously fragmented approaches. Comprehensive analyses are being carried out to better understand and tackle the issue. Furthermore, a ministerial decree has created a National Energy Income Fund, a revolving fund dedicated to financing photovoltaic systems for self-consumption, thereby supporting sustainable household energy solutions.

To support low-income households with their energy bills, **France** provides an energy voucher. Additionally, an energy comparison tool is available to help consumers identify the most suitable energy offers.

Lithuania has adopted significant measures to address energy poverty, particularly through targeted financial support to households facing high energy costs. This includes compensating households to ensure that energy expenses do not exceed a certain proportion of income. Low-income families are the main beneficiaries of this measure. Compensation is calculated based on factors such as household income, heat consumption, and prevailing energy prices. Additional measures also guarantee access to essential services, such as drinking water, for these households.

Hungary has implemented targeted efforts in the areas of social protection, energy poverty, and regional development:

- The Social Support Subsidy enables municipalities to assist smaller settlements, supporting around 200,000 households with resources such as firewood and brown coal, complemented by local contributions. This measure primarily addresses energy poverty in rural areas.
- The Emergency Settlement Programme targets the 300 most disadvantaged settlements, improving housing conditions and tackling energy poverty through reconstruction projects and the integration of renewable energy sources, including solar power.
- The Territorial Just Transition Plan focuses on the three most vulnerable counties reliant on fossil fuels, supporting workforce reskilling, improving local environmental conditions, and promoting economic diversification.

2.2. Transport poverty

Luxembourg highlights that it has provided free public transport nationwide since 2020. In addition, substantial investments are being made in sustainable transport infrastructure. Ongoing work also seeks to ensure that transport services are accessible to all, including persons with disabilities.

Hungary has introduced county and national travel passes, offering discounted prices for students and improving transport affordability. Further efforts are being made to enhance accessibility in vulnerable regions.

In **Bulgaria**, measures focus on both physical and financial accessibility. These include restoring connectivity, introducing flexible solutions such as on-demand transport services, and providing mobile health and social services in certain regions. Plans are underway to acquire modern transport vehicles in areas heavily reliant on private cars. To improve financial accessibility, new measures such as free or subsidized transport passes for vulnerable households are being introduced. These efforts aim to ensure sustainability and equality.

Addressing poverty, including transport poverty and access to mobility, is an integral part of efforts made in **Belgium**. Additional initiatives focus on newcomers, with measures promoting sustainable mobility such as cycling. Safe cycling for newcomers is a priority, with non-native speakers receiving tailored guidance on cycling in Flanders. Teachers are also supported with special education materials to aid these initiatives.

France has introduced initiatives such as the social leasing of new electric vehicles, alongside other measures to help low-income households access affordable mobility solutions. Further policies are under development, including the consideration of a zero-interest mobility loan.

Spain has developed a national strategy involving various ministries to ensure fair and accessible transport for all. A diagnosis of transport poverty has also been carried out.

2.3. Social protection and inclusion

In **Germany**, taxation policies have been implemented to support the green transition, notably through the transposition of the Energy Tax Directive and the adoption of the Inflation Compensation Act to offset high prices. Second, the Citizen's Benefit Act has strengthened financial incentives for education and training courses which lead to a vocational qualification for recipients of unemployment or citizen's benefit. Due to its success, Subsidized employment has now been enshrined as a permanent policy measure in Germany, alongside holistic coaching measures to support sustained integration into the labour market.

Italy has introduced several measures to reduce the tax burden on low-income households, including the Inclusion Allowance and the elimination of environmentally harmful subsidies. Tax relief and discounts are provided for environmentally friendly projects, such as retrofitting initiatives aimed at improving energy efficiency. Policies are also in place to reduce household energy expenditure and provide subsidies for low-income families.

The **Netherlands** has introduced tax incentives to encourage environmentally friendly practices, including a VAT reduction for the installation of solar panels and for energy-efficient renovation projects. In the field of labour market infrastructure, the Netherlands has implemented reforms to support jobseekers and employers through a comprehensive "one-stop shop" approach. This initiative facilitates job transitions, offers career guidance, and provides various forms of assistance to both jobseekers and employers. While broadly applicable across sectors, industries such as healthcare stand to benefit in particular.

In the health sector, **France** has designed a plan to adapt the healthcare system to climate change. This includes conducting studies to assess the impact of climate change on health and developing tailored plans for each establishment and region. The objective is to strengthen support for individuals suffering from climate-related illnesses.

Spain has taken steps to mitigate the adverse effects of the COVID-19 pandemic by guaranteeing the supply of electricity, gas, and water (social leasing). Some social progress has been observed among vulnerable groups, including children.
