

Status and prospects of energy transition in the Western Balkans

Energy poverty: poor or wasteful?

Out of Pace or out of the Race?

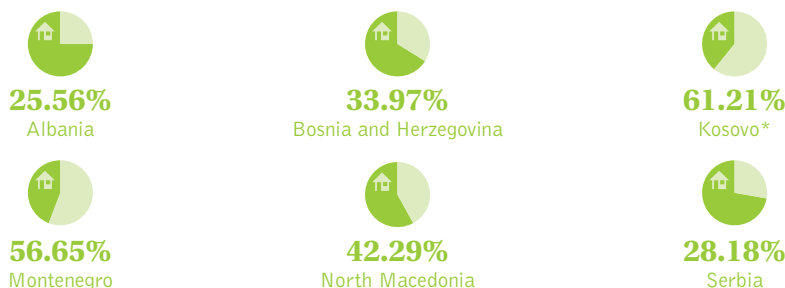


If the region wants to pursue energy transition the issue of energy affordability needs to be carefully addressed. Energy poverty is widespread in the region. The fact that biomass generated energy is the most important source of heating for the households, but also of the extreme levels of the air pollution (PM) in the Western Balkans is essential to address in the policy design

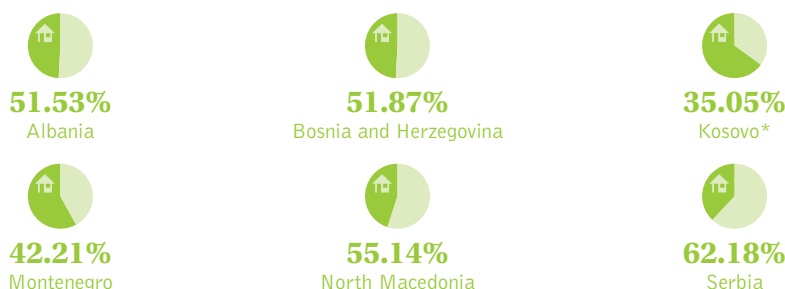
processes. Network energy share is the share of electricity, natural gas and district heating in household consumption. The mechanisms to cope with energy poverty developed in the EU such as support to energy vulnerable customers with a view to households that rely entirely on network energy, which is not the case in this region. 2017 IEA data.

Figure 1 Biomass and network energy share in household energy consumption by contracting party

Biomass Share



Network Energy Share



PM 10 emissions from selected sources

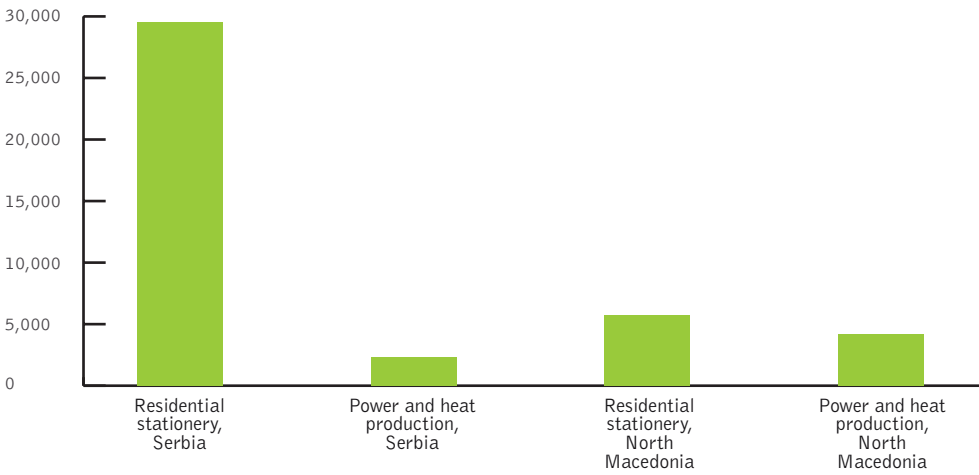


Figure 2 PM 10 emissions from residential combustion and from electricity and heat production in Serbia and North Macedonia; National submissions to CLRTAP for 2017

Central heating installations in households

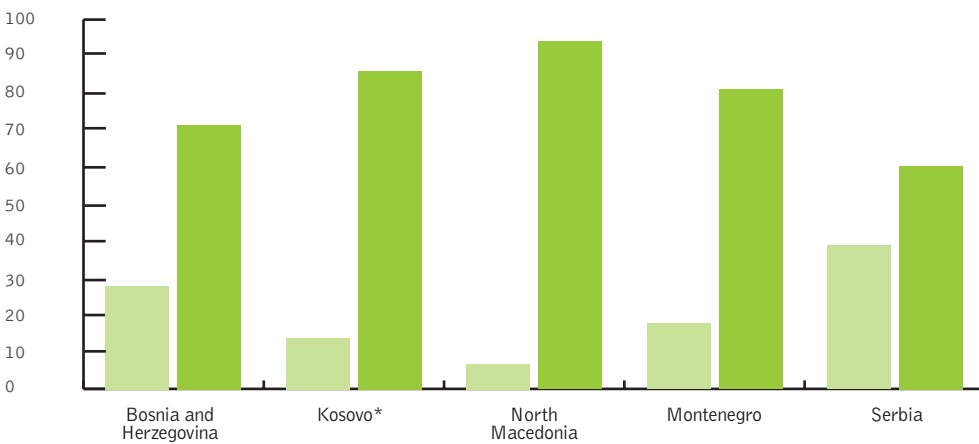


Figure 3 Share of households with and without radiators; Statistical Offices; Montenegro Census data 2011; For others: Household Budgetary survey 2017; except Bosnia - 2015 data

Share of housing and energy costs

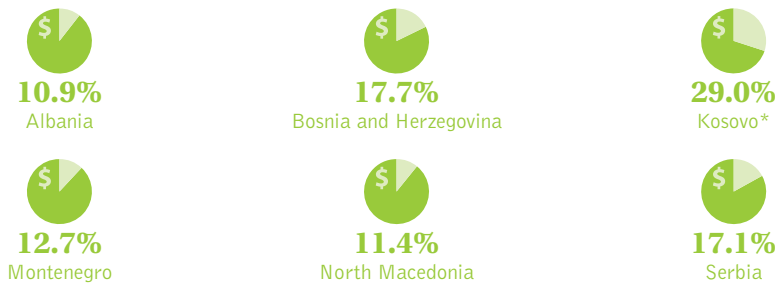


Figure 4 Share of housing and energy costs in total spending, per contracting party

Share of housing and energy costs is high in all contracting parties. All data are from the Household Budgetary Survey, 2017, except Bosnia and Herzegovina, 2015. Based on additional data we may tell that energy costs are the largest share of this category of costs. In Serbia for example share of energy costs in total household spending is higher than 12% on average.

Survey of income and living conditions is performed in Serbia, Montenegro and North Macedonia providing, among others, data on

adequacy of heating, arrears on utility bills and burden of housing costs. The data shows that increasing number of households is able to afford sufficient warmth, with the striking exception in Kosovo* where 43% of the respondents were not able to heat their homes adequately. While approximately one third of the households is late with the utility payments more than 90% of the households consider housing costs as financial burden or heavy financial burden.