



Socially Fair Options for a Climate Neutral Transformation of Housing and Mobility in Austria

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23. Österreichischer Klimatag, April 11th-13th, 2023, Montanuniversität Leoben











- ► ACRP 13th Call for Proposals
- ▶ Project duration: 11/21 04/24
- Project website: <u>https://transfair.wifo.ac.at/</u>











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Core SAB

- Andreas Löschel (Ruhr University Bochum)
- Linus Mattauch (Technical University of Berlin)
- Simon Shepherd (University of Leeds)
- Diane Ürge-Vorsatz (Central European University)

- Extended SAB
 - Giovanni Circella (UC Davis)
 - Paul Burger (University of Basel)
 - Jenny Palm
 (Lund University)
 - Kurt Kratena (CESAR)
 - Johannes Schmidt (BOKU)







► The overarching objectives of the project TransFair-AT are

- to provide comprehensive and innovative model-based analyses of the economic incidence and social impacts of a complete decarbonisation of the sectors residential buildings¹ and passenger transport in Austria by 2040 and
- to develop targeted compensation mechanisms to mitigate the burden of these climate policies for particularly vulnerable groups, while ensuring that these compensation mechanisms are consistent with full decarbonisation.

¹ Heat demand only, but including upstream emissions of district heat and power generation.



athink

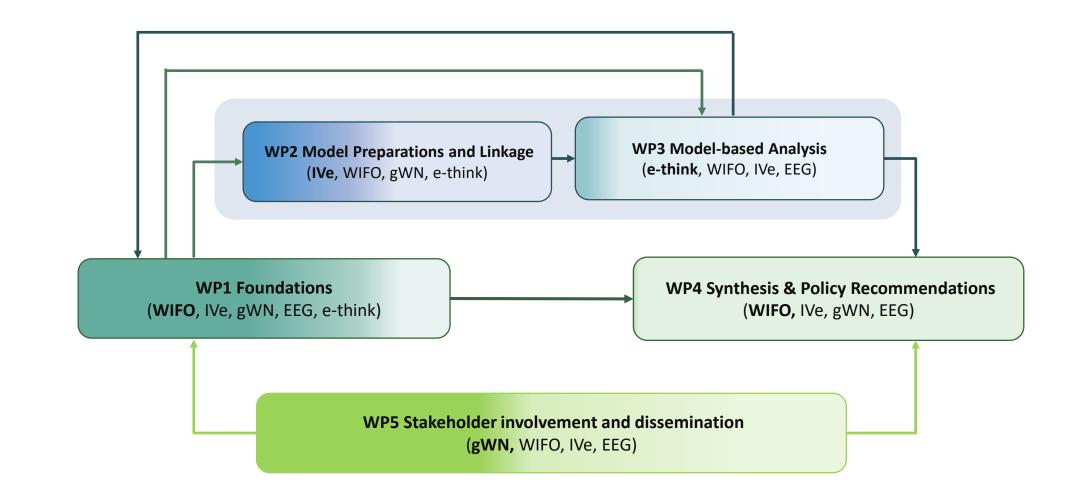




- Iterative linking of the macroeconomic model DYNK with a vehicle choice model, the transport demand model MARS, and the building stock model Invert/EE-Lab to analyse the emission impact as well as the macroeconomic and distributional effects of the decarbonisation policy scenarios on different household types
- Definition of a joint household database for all models to translate the distributional effects amongst the different household groups
- Development of decarbonisation policy scenarios for the housing and mobility sectors to identify socially acceptable mitigation policy pathways
- Identification and development (and model-based analysis) of compensation mechanisms to mitigate burdens of climate policies for particularly vulnerable groups



Trans Fair-AT Project Structure and Progress



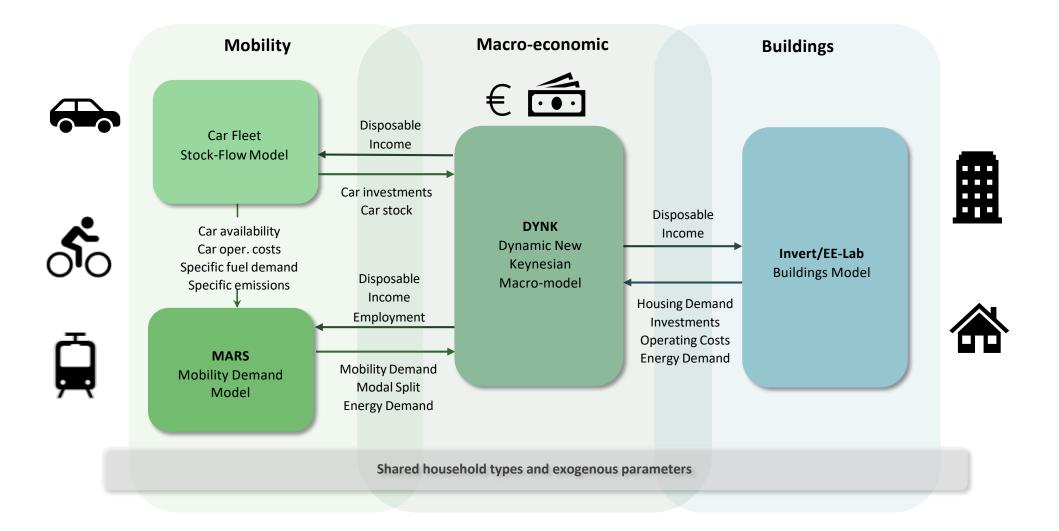


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Modelling Approach



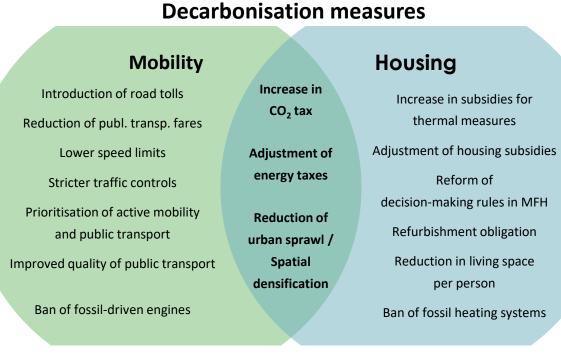


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TransFair-AT First Results – Policy Measures



Compensation measures

| Increase in infrastructure investments (public transport) | Subsidisation of planning and investments in thermal measures for vulnerable households | Tax revenue recycling via eco-bonus (lump-sum payment for all or only vulnerable households) |
|---|---|--|
| Reduction of public transport fares (free public transport) | Legal adjustments (protection against rent increases, rent neutrality) | Increase in existing socially targeted transfers |
| | Renewable energy (electricity) vouchers | |









TransFair-AT First Results – Vulnerable Household Types I

Composite Index

| <u>I</u> ncome Vulnerability | <u>E</u> nergy Vulnerability | <u>H</u> ousing Vulnerability | <u>M</u> obility Vulnerability |
|--|--|---|---|
| Equivalised disposable household income below 140% of the national median equivalised disposable income | Use of fossil fuels at home or perceived unaffordability to keep home adequately warm | Legal relationship (rent, ownership) or Building type (SFH, MFH) *) | Household in sparsely populated region |
| Type 1 IE | | | |
| Type 2 IEH | | | |
| Type 3 IEM | | | |
| Type 4 IEHM | | | |

*) SFH ... single family homes, MFH ... multi family homes.

**) Potentially at risk of energy vulnerability due to reliance on a fossil heating system.

| Not affected 58% | | | | | |
|---------------------|------------|----------|---------------------------------|--|--|
| | IEM 6% | IE 5% | EH 4% E EM | | |
| IEH 17% | IEHM 5% | | 2% 2% EHM, 1% | | |
| Vulnerable 33% | | | Potentially vulnerable 9% | | |









Household Types in Modelling

| Energy | Housing | Mobility | Income | | | | |
|------------------------------|--------------------------------------|----------------|--------|----|----|----|----|
| | | | Q1 | Q2 | Q3 | Q4 | Q5 |
| Fossil heating system | Single-family/ multi-family house | Peripheral | | | | | |
| | | Non peripheral | | | | | |
| | Rented flat | Peripheral | | | | | |
| | | Non peripheral | | | | | |
| | Owner-occupied flat | Peripheral | | | | | |
| | | Non peripheral | | | | | |
| Non-fossil heating system | | Peripheral | | | | | |
| | | Non peripheral | | | | | |

Illustrative Case Studies











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Outputs

- ▶ J. Bock-Schappelwein, C. Kettner, 2023, TransFair-AT Research Brief #1: Households vulnerable to rising energy prices.
- Conference Presentations
 - J. Bock-Schappelwein, Steigende Preise f
 ür fossile Brennstoffe: Was zeichnet betroffene Haushalte aus?, Presentation at the 5th ESPANET AUSTRIA Konferenz, Vienna, 14/09/22
 - P. Pfaffenbichler, Social impacts of decarbonising the Austrian passenger transport system, Presentation at the European Transport Conference, Milan, 6-8/09/23

Stakeholder Workshops

- Virtual Stakeholder Workshop on household types and policy scenarios, 31/03/22
- Stakeholder Meeting on mobility types and case studies, 26/04/23

Scientific Advisory Board Meetings

Coordination with complementary ACRP projects: NetZero2040, SectorCoup, INTEGRATE





► WP 1 Foundations

Complete definition of household types and case studies

► WP2 Model Preparations and Linkage

- Finalisation of model linkage
- Test, refinement and validation of linkage

Stakeholder Meeting 26/04/2023

Expert Workshop on Modelling 17/04/2023 SAB Meeting on Modelling









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