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Access to essential services for low-income people

Latvia

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European Social Policy Network (ESPN)

**ESPN Thematic Report on
Access to essential services for
low-income people**

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Summary

In Latvia, “services of general economic interest” – otherwise known as “public services” – are defined as economic activities in the public interest that one or more service providers cannot provide without state aid, while ensuring that the service is available to all residents without discrimination. This definition of public services covers four of the six essential services scrutinised in this report: water, sanitation, energy and digital public services.

There are two types of status in Latvia that could be subsumed under the expression “low-income person”: a “needy” person and a “low-income” person. A needy person’s average monthly income should not exceed €128.06 (which is inadequate even to cover basic needs). The monthly income threshold for someone with low-income status is determined independently by each local municipality; this results in disparities across the country of up to three times. Consequently, not all people with the same monthly income level have the same rights to nationally defined measures that are based on a person’s income level. In August 2019, the government announced a plan to harmonise the monthly income threshold for the “low-income person” status from 2021.

There are no specific measures aimed at facilitating access for low-income people to water, sanitation and heating (energy), except as part of the housing allowance. However, the content and amount of this are not nationally defined. Access to electricity (energy) is facilitated for so-called “protected users” – needy and/or low-income people, large households, people who care for a child with disability, and people with severe disability. Still almost half of all potential protected users do not take advantage of this, due to a lack of information and certain limitations (mainly the fact that there is only one service provider that supplies protected users). A significant obstacle to equal support for access to electricity among low-income people is the lack of a nationally defined income threshold for low-income status, as such status is one of the eligibility criteria for gaining the status of protected user. One recommendation would be to expand the work to inform people about the protected users’ service and to adopt the draft amendments (2019) to the Electricity Market Law, which would allow protected users to receive support from any electricity supplier, and would also harmonise the monthly income threshold for low-income person status.

As for access to public transport, several categories of passenger are entitled to reduced fares. However, they are defined on the basis of their social status, rather than their income level. The groups eligible for concessionary fares are those at greater risk of poverty and social exclusion. Local governments determine additional fare relief within their administrative territory, thus demonstrating support and responsiveness to the needs of public transport users, including low-income groups.

Access to all kinds of digital services is determined by availability of the internet and the digital skills of the population. Although an increasing proportion of the total population uses the internet (in 2018, 82% of Latvian households had internet access; Eurostat, 2019a), the levels of digital skills among the general public remain low: in 2019, 43% of the Latvian population aged 16–74 had basic or above-basic overall digital skills (Eurostat, 2019c). There are no specific measures, except information and educational activities, to facilitate access to digital services. Our recommendation would be to evaluate the effectiveness of the previous information work, in order to develop more focused information and educational activities for those groups of society with lower digital skills.

There are neither specific measures aimed at facilitating access to basic financial services nor problems related to implementation of Directive 2014/92/EU in Latvia. Implementation of the Directive has safeguarded the legal basis for consumers to have free access to information on the charges that banks make for their services in Latvia, including for the most frequently used payment and bank accounts.

1 Overview of national/subnational measures aimed at supporting low-income people in accessing essential services

According to Principle 20 of the European Pillar of Social Rights (EPSR), everyone should have “the right to access essential services of good quality, including water, sanitation, energy, transport, financial services and digital communications”. Moreover, support for accessing such services should be available for those in need.¹ The importance of ensuring access to essential services is also well established globally in the framework of the United Nations 2030 Agenda for Sustainable Development and its 17 related Sustainable Development Goals (SDGs) which was endorsed in 2015 by all UN countries including all EU countries.² This report investigates the extent to which Principle 20 of the EPSR has already been implemented in the six services under scrutiny in Latvia. The group of “those in need” is restricted in the report to people on a low income and low-income households.

1.1 Definition of “essential services”

In Latvia, there is neither a specific national nor subnational definition of essential services in law. However, there is a definition of (and regulations on) public services that essentially corresponds to the concept of essential services.

Under Protocol 26 on services of general economic interest (SGEIs) (annexed to the Treaty on the Functioning of the European Union (TFEU)), there is an explanation of SGEIs in Latvia (also called “public services” or “public utilities”, according to the terminology used in the law). SGEIs are defined with reference to Commission Decision (2012/21/EU) of 20 December 2011 on the application of Article 106 (2) TFEU to state aid in the form of public service compensation granted to certain enterprises entrusted with a service of general interest and of economic importance. Thus, SGEIs are defined as economic activities that market participants cannot provide without state aid, while ensuring that the service is available to all residents without discrimination. SGEIs are performed in the public interest by imposing a public service obligation on one or more service providers (Ministry of Finance, 2018).

The Law on Regulators of Public Utilities (6 January 2001) regulates the provision of public utilities as a commercial activity in the following sectors: energy, electronic communications (including digital services), postal services, municipal waste management, and water management (including sanitation). The law defines public services thus: “Manufacture of goods, provision of services and infrastructure (the complex of engineering structures or engineering solutions, as well as the complex of resources related to the use thereof necessary for the manufacture of goods or provision of services) services in the regulated sectors according to the special laws and regulations of the sectors (hereinafter – public utilities) are the regulated public utilities whose provision shall be regulated in accordance with this Law” (Section 3). An essential condition is that these are services for all residents. Thus, in Latvia the definition of public services covers four of the six essential services scrutinised in this report: water, sanitation, energy and digital public services. Public services are regulated by the Public Utilities Regulatory Authority.³

¹ The EPSR was jointly proclaimed by the European Parliament, the European Council and the European Commission on 17 November 2017. For more information on the EPSR, see: https://ec.europa.eu/commission/priorities/deeper-and-fairer-economic-and-monetary-union/european-pillar-social-rights/european-pillar-social-rights-20-principles_en.

² The SDGs and their targets seek to realise the human rights of all, by promoting an integrated notion of sustainable development aimed at creating synergies between economic, environmental and social policies and objectives. For more information on the SDGs, see: <https://www.un.org/sustainabledevelopment/sustainable-development-goals/>.

³ The Public Utilities Regulatory Authority shall perform the following functions: 1) protect the interests of users and promote the development of providers of public utilities; 2) determine the methodology for calculation of

1.2 Definition of “low-income people” used in the context of access to services

Latvia distinguishes between “needy” and “low income”. A household (including a single-person household) is “needy” if: 1) the average monthly income of its members over the past three months does not exceed €128.06 (including children, regardless of age); and 2) if: i) it does not have savings or property; ii) it has not entered into a maintenance contract;⁴ iii) it does not receive the services of a long-term social care and social rehabilitation institution or are not imprisoned; and iv) the person has been registered with the State Employment Agency as an unemployed person. The social service office of the municipality assesses whether or not the household (person) meets all the conditions for being considered “needy” (Cabinet Regulation No. 299). Essentially, needy (or poor) households (individuals) are categorised as “low-income people”.

Table 1: Highest and lowest thresholds of monthly income per capita for being granted the status of a low-income person in nine cities in Latvia (2018)

City	Highest threshold/ € per month	Lowest threshold/ € per month
Riga	400	320
Liepaja	360	260
Jekabpils	387	280
Daugavpils	344	344
Jurmala	344	251
Jelgava	276	215
Rezekne	272	240
Ventspils	256	152
Valmiera	135	135

Source: Ministry of Welfare, Official Statistics on Social Services and Social Assistance.

There is no national-level definition of a “low-income person” in law. The status of a “low-income person” is granted by the local municipality, in accordance with the procedure specified in its binding regulations. For someone to qualify as low-income, his/her monthly income level is determined; it must not be lower than the income and material status of a “needy” person. The monthly income criterion for granting “needy” status is the same throughout the country, but for low-income status the level of income is determined by each municipality individually. Thus, it can vary across the country by up to (almost) three times. Besides, the income level of a “low-income person” determined by a particular municipality may be different for different social groups. For instance, in Riga, the threshold for a “low-income person” is €320 per month per household member; but for old-age or disability pensioners who live alone, the threshold is €400. In Table 1,

tariffs; 3) determine the tariffs if special laws concerning the sectors do not provide for other procedures for determining the tariffs; 4) license the provision of public utilities or register the provider of public utilities; 5) examine disputes in the cases and in accordance with the procedures laid down in this Law; 6) promote competition in the regulated sectors and supervise compliance of the public utilities with the conditions of the licence, provisions of the general authorisation, specific quality requirements, technical provisions, standards, as well as contract provisions; 7) upon request of the ministries responsible for the regulated sectors, provide information to them and make recommendations to such ministries on issues regarding the regulation of public utilities; 8) inform the public of its activities and also of the activities of providers of public utilities in the provision of public utilities; 9) perform other functions specified in special laws of a sector (Section 9 of the Law on Regulators of Public Utilities).

⁴ According to the Civil Law (1937) the maintenance contract is when one party provides the other party, whether in cash or in kind, with some financial benefit, for which the other party shall provide maintenance (food, housing, clothing and care) to the first-mentioned party during the life of the recipient of maintenance, unless otherwise agreed regarding the duration of such duty.

the highest and the lowest thresholds for attaining the status of a low-income person are demonstrated for nine cities of Latvia in 2018.

Although national laws use low-income status to decide on a person's (household's) right to various types of benefits, the state does not set a uniform level of income required to obtain this status. Nor are there any specific definitions of "low-income people" in the framework for the provision of different public services. All measures aimed at facilitating access for low-income people to different public services are subordinated to the status of a needy household (person) or a low-income household (person). As a consequence, people with the same monthly income level, but who reside in different municipalities, do not have the same rights to various nationally defined measures that are aimed at facilitating access to public services.

1.3 Measures for facilitating access for low-income people to services

1.3.1 Access to water

The proportion of the population supplied with drinking water of adequate quality has been increasing since 2010, and since 2013 it has exceeded 80% of the population, reaching 87% in 2018 (Health Inspectorate, 2019). The system for monitoring the quality of drinking water in Latvia is determined by the Cabinet of Ministers Regulation No. 671 "Mandatory Harmlessness and Quality Requirements for Drinking Water, and the Procedures for Monitoring and Control Thereof" (14 November 2017). According to the public information disseminated by the Health Inspectorate, the drinking water supplied through centralised water systems is safe to be used for all purposes. In 2018, 93.3% of all households had access to a centralised water supply (CSB, 2018a). Thus, access to water is considered to be provided as an uninterrupted supply, because it is technically impossible to turn off the water supply for only some consumers in multi-storey buildings. The cost of water is included in the total utility bill, along with the rent for the apartment. Traditionally, given the Latvian climate, the most expensive type of utility is heating, which is used for at least seven months in the year. Heating also accounts for the largest share of any utility bill arrears. By comparison, the cost of supplying water is much lower, and water consumption does not usually lie behind any housing eviction. There are no specific information services provided to facilitate access to water, except public information on the quality of drinking water.

The Law on Administration of Residential Houses stipulates the mandatory administrative activities of the owner of a residential house (regardless of whether it is public or private), including the provision of water. The Law on Water Management Services states that the local authority should organise the provision of water-management services on its administrative territory (Section 6). Thus, access to water is organised at a subnational (local) level. The fee for the water-management services provided by a local authority institution or by a private contractor is determined by the local authority, following the basic principles for regulating public services laid down in the national Law on Regulators of Public Utilities.

In Latvia, aside from the housing allowance there are no specific measures aimed at facilitating access to water for low-income people. As regards social assistance in the field of housing, the Law on Social Services and Social Assistance (Section 35) stipulates that the municipality (local authority) should pay a benefit to ensure the guaranteed minimum income level and a housing allowance from its basic budget, but without specifying its content. The Law on Assistance in Solving Apartment Matters prescribes the types of assistance in this field, including the allocation of an allowance to cover payment for residential tenancy and to pay for services associated with use of the residential space (housing allowance) (Section 3). The type, amount and payment procedures for these benefits are defined by each local authority. Consequently, low-income people are eligible for the housing allowance, but not all of those who need help to cover the costs associated with their housing, including the cost of drinking water, are covered.

Analysis of the content of the housing allowance shows that it is most often intended to cover rent, heating and maintenance costs. Nevertheless, in some municipalities the housing allowance can also be used to install or replace water meters; but in such cases it is paid direct to a service provider (BISS, 2019). The groups of beneficiaries are determined by the municipalities as well. There are no uniform criteria for eligibility for housing allowance. In most cases, those covered include large households, needy persons, low-income people, people with disabilities, single retired people living alone, etc. Thus, the measures aimed at facilitating access to housing maintenance-related services, like water, may be defined on the basis of either a person's social status or their income level.

1.3.2 Access to sanitation

The organisation of access to sanitation is similar to that of access to water. The Law on Administration of Residential Houses stipulates that the owner of a residential house is responsible for the provision of sewerage and the removal of household waste, by entering into a contract with a service provider (Section 6). The Law on Water Management Services stipulates the competence of public authorities in the provision of water-management services, including sanitation (sewerage). At the national level, the main executive body is the Regulator of Public Utilities, which establishes and maintains the register of public water-management service providers, ensures public accessibility, and prescribes the procedures for calculating proposed tariffs for water-management services, including sanitation. In its turn, the local authority organises the provision of water-management services on its administrative territory. The fees for the sanitation services provided by a local government institution or a private contractor are determined by the local authority, following the basic principles for the regulation of public services laid down in the Law on Regulators of Public Utilities.

As with access to water, there are no specific measures at the national level aimed at facilitating access for low-income people to sanitation services in terms of reduced tariffs, cash or in-kind benefits. The only provision is the housing allowance, which is determined and paid by municipalities. As previously mentioned, the law does not specify the type, amount or payment procedures for the housing allowance; it is the responsibility of each municipality. If the housing allowance is allocated to cover housing costs in general, it may be indirectly viewed as a support measure to cover the costs of housing, including the sewerage services. The groups of beneficiaries are determined by the municipalities as well. They may be defined on the basis of their social status or their income level. In most cases, they include large households, needy persons, low-income people, people with disabilities, single retired people living alone, etc.

1.3.3 Access to energy

In Latvia, support for access to energy covers two types of utility – electricity and heating; these need to be described separately.

Amendments to the Electricity Market Law (18 September 2014) meant that the electricity market in Latvia was completely liberalised as of 1 January 2015. For certain reasons (i.e. administratively determined electricity prices were suspended for electricity trading), household electricity tariffs had been lower than the market price of electricity. Thus there was a significant increase in household electricity prices in 2015. In order to support vulnerable social groups, a tool was developed to protect certain electricity users from rising prices.

Since 1 January 2015, the Electricity Market Law has included the concept of a "protected user", which is a needy or low-income household (person), a large household (household with three or more children), a household (person) that cares for a child with a disability, or a person with Group I disability who uses electricity in his or her household for his or her own needs (for final consumption) (Section 1). If a household with three or more children aged under 18 also contains at least one young person aged 18–24, that

household may also receive support. A needy or low-income household (person) receives a supply of electricity as a protected user if that status was conferred in the previous calendar month. A large household, a household caring for a disabled child or a person with a severe disability receives a supply of electricity as a protected user for a calendar year. Cabinet Regulation No. 459 (12 July 2016) stipulates the procedures by which users apply for an electricity supply as a protected user, as well as the amount of support to be provided (in terms of kilowatt hours per calendar month). Up to 100 kilowatt hours of electricity at €0.0131 per kilowatt hour are available to a needy or low-income household (person), a household (person) caring for a disabled child, or a person with a severe disability; a large household can receive up to 300 kilowatt hours at €0.0131 per kilowatt hour. Information on eligibility as a protected user and on reduced electricity tariffs is available on the public internet sites of the service providers. Although no official statistical data are available on the share of the population that is eligible and that uses this support, the Ministry of Economics assumes that approximately half of the total target group takes advantage of the support, while the other half lacks information (Fridrihsone, 2019).

Access to energy sources (gas, firewood, centralised heating, etc.) to heat a dwelling is made easier for certain social and income groups within the framework of the housing allowance. As previously described, the amount of the housing allowance and who may benefit from it are both determined at the local government level. The Law on Assistance in Solving Apartment Matters stipulates that the allowance should cover residential rent and services associated with use of the residential space (the housing allowance). The municipal council's binding regulations may specify categories of people who have the right to receive the housing allowance. In most municipalities, it is intended to cover rent, heating and maintenance; but in some municipalities, it is only paid for heating, or even for the purchase of solid fuel. If the allowance is granted for the purchase of solid fuel, it is usually paid once per calendar year and may also be paid in kind. There are also municipalities where the housing allowance is paid to the provider of the particular service, rather than to the beneficiary. The main beneficiaries are needy households (persons) and low-income households (persons). However, in some municipalities, other population groups may be identified, such as single people with disabilities, single retired people and large households. In such cases, the eligibility conditions are determined by a person's (household's) level of income. The average amount of the housing allowance, especially for solid fuel, is difficult to determine, because it varies between the target groups, depending on the purpose for which the allowance is paid and the municipality providing it.

1.3.4 Access to public transport

According to the Law on Public Transport Services, the Cabinet of Ministers determines the categories of passengers that are entitled to reduced fares, as well as the procedures for accessing such reduced fares and the amount of the reduction. Cabinet Regulation No. 371 on reduced fares specifies passenger categories that are eligible for reduced-fare travel on all 1,059 regional, intercity and local bus routes, and 11 rail routes in Latvia (see Table 2 for all passenger categories).

As can be seen from Table 2, the fare reductions/concessions vary depending on the social status of a passenger and the transit route used, but not on a person's income level. Nevertheless, the social groups eligible for reduced fare – people with disabilities, children and members of large households – are those social groups at higher risk of poverty and social exclusion. Besides, local governments have the right to determine additional fare concessions on their administrative territory; these are fully reimbursed from the local government budget – for instance, for seniors, members of large households, school and university students, etc. (for more details, see Section 3).

There are no specific information/advice services aimed at facilitating access to public transport, including for low-income people – just the publicly available information, for instance on the websites of local authorities, or the information delivered by the

authorities and organisations working with or representing the specific groups eligible for concessionary fares mentioned above.

Table 2: Passenger categories eligible for public transport fare concessions

Passenger category	Fare reliefs
<p>People with disabilities (Group I or II) and persons under the age of 18 with disabilities, as well as persons accompanying a disabled person (Group I) or a person under 18 years of age with a disability</p>	<p>The state pays 100% of the fare on regional bus, train and city routes. An allowance for the transport costs of people with mobility disabilities – €79.68 for each six-month period.</p>
<p>Children of pre-school age; orphans and children in foster homes or childcare institutions; pupils/students at general and vocational education institutions, or at college, up to the age of 24; politically repressed persons and members of the national resistance movement</p>	<p>The state pays 100% of the fare on regional bus and rail routes.</p>
<p>Pupils in general primary education residing outside the urban area; students in general secondary education residing outside the urban area</p>	<p>During the school year, pupils in general primary education are reimbursed 100% and students in general secondary education are reimbursed 50% of the cost of travel on urban and regional routes from their place of residence to the educational establishment and back, within the administrative territory of the relevant municipality. Students at all levels of general education are reimbursed 50% of the cost of travel during the school year on urban and regional routes from their place of residence to the educational institution and back, if the institution is situated on the administrative territory of another municipality. A full-fare ticket must be purchased, but the cost is reimbursed from the municipal budget, following procedures determined by the municipality.</p>
<p>Members of large households (households with three or more children) who are involved in the Latvian Honorary Family Certificate state programme (holders of a "3+ Family Card")</p>	<p>Concessionary fares on regional bus and train routes:</p> <ul style="list-style-type: none"> • 50% of the full price of the ticket; • 40% of the full price of a monthly ticket; • 90% of the full price of a ticket for pupils and students under the age of 24; • 100% of the full price on state holidays.

1.3.5 Access to digital public services

Cabinet Regulation No. 42 (adopted on 4 July 2017) provides the definition of an e-service (digital service): it involves one or more services being performed in electronic form, including through the use of websites, mobile applications, and text messages or e-mail. State Administration Structure Law stipulates that the portal of state administration services should be a website (www.latvija.lv) that ensures accessibility to state administration services and related information in one place for private individuals and the state administration. In September 2019, 128 digital services offered by 26 state and municipal authorities were accessible on the joint state and municipal e-service portal. The most frequently used digital services were e-applications to the State Social Insurance Agency (Ministry of the Environment and Regional Development, 2019b). There is a high level of online interaction between public authorities and citizens: a growing number of citizens use e-government services, which reach 81% of internet users – well above the EU average (DESI, 2019).

There are no specific measures aimed at facilitating access by low-income people to digital public services in terms of reduced tariffs, cash benefits or in-kind benefits. The information on digital services is mostly provided by digital service providers and is permanently available online. Numerous advice, training and information campaigns have been organised with the participation of public administration authorities, local governments and civil society organisations working in the field of information technology and communication – for instance, the Latvian Information and Communication Technology Association. Some of them are ad hoc, but there are also campaigns and activities that are organised systematically. For instance, in 2018, in order to promote public knowledge and digital skills in solving different life situations through the use of digital services, an integrated training and communication programme “Mana Latvija. Dari digitāli!” (“My Latvia. Do it digitally!”) was launched by the Ministry of the Environment and Regional Development, in cooperation with state and municipal authorities. The aim of the programme is to assist the general public to develop digital skills and to facilitate the use of public services in digital form. The programme started in April 2018 and will last until June 2020 (mana.latvija.lv).

In general, access to all kinds of digital services in Latvia is determined by two factors: 1) the availability of internet, and 2) the digital skills of the population. In 2018, 82% of Latvian households had internet access (Eurostat, 2019). The Library Law stipulates that the special duties of public libraries include ensuring that users of the library have free access to the internet and generally available electronic information resources, and providing computers that can be used free of charge. Thus, the provision of basic access to the internet and digital services is ensured. Data on use of the internet reveal that in 2018 only 13% of the population had never used the internet (DESI, 2019).

The main restrictions on the population accessing digital services are inadequate digital skills. According to the most recent data, in 2019 only 43% of the Latvian population aged 16–74 had basic or above-basic overall digital skills that allowed them to use the internet effectively (Eurostat, 2019c). Although an increasing proportion of the total population uses the internet, the levels of basic and more advanced digital skills remain rather low. Information and communication technology programmes are implemented as an element of active labour market policies to support unemployed people. Since 2017, the State Education Development Agency, in cooperation with municipalities and education institutions, has been implementing the European Social Fund project “Improvement of the professional competence of employed persons”. Under this project, courses are organised with the aim of developing the digital competencies required professionally. These activities, in addition to the abovementioned training and communication programme “My Latvia. Do it digitally!”, can be seen as going some way to reduce the lack of digital skills among the general public, employed persons, older workers, the unemployed and job seekers, in particular.

1.4 Access to financial services (Directive 2014/92/EU)

To implement Directive 2014/92/EU in Latvia, amendments to the Law on Payment Services and Electronic Money were adopted in March 2017. As explained in the annotation to the amendments, they are designed to incorporate all the requirements of the Directive. According to these amendments, any individual resident in the European Union – even someone who does not have a residence permit, but whose removal from Latvia is not allowed under national legislation – has the right to open and use a payment account with basic functions; this includes opening, maintaining and closing a payment account, a payment card provision and servicing, cash withdrawals from ATMs, and the provision and maintenance of internet banking services. The amendments stipulate the obligation on the part of financial service providers (banks) to offer consumers free information on the cost of payment account services, allowing them to compare prices and choose the best basic account on offer.

Previously, there were no separate legal acts in Latvia regulating the requirements for opening and closing bank accounts. This process was governed by a payment account service agreement between the bank and the client. Regarding tariff comparability in general, banks specified the services available and the charges in their price lists, and these tended to vary significantly between banks. Therefore, there was a need for information transparency and transparency in the cost of payment account-related services. The amendments also introduced a simplified and uniform procedure for switching payment accounts. In August 2018, Cabinet Regulation No. 480 on Arrangements for Providing Information on Charges Applicable to Payment Account-Related Services was adopted. It ensured the legal basis for consumers to get free access to information on the charges levied by banks for use of their services on the territory of Latvia; these cover the most frequently used payment account-related services, thus ensuring tariff transparency and comparability.

There are no statistics on the exact number of people who do not have a payment account; however, according to statistics on payment cards as of 30 September 2019, there were 2,130,787 payment cards issued by banks in Latvia (Finance Latvia Association, 2019); meanwhile, the number of people of working age and older (15+ years) was 1,614,888 (CSB, 2019). No specific issues have been identified in relation to implementation of Directive 2014/92/EU in Latvia.

2 National/subnational policy frameworks and reforms

2.1 National/subnational policy frameworks

In Latvia, there is no specific national-level programme to combat poverty and reduce income inequality. Goals for the reduction of poverty and social exclusion are integrated into the policy-planning documents of related policy areas, such as family, social services, employment, regional, fiscal policy and others.

Latvia's overarching goals for the reduction of poverty are singled out in the National Development Plan 2014–2020 (NDP): 1) to reduce the proportion of employees exposed to the risk of poverty in the 18–64 age group from 9.5% in 2010 to 5% in 2020; 2) to reduce the at-risk-of-poverty rates for children (0–17) from 24.8% in 2010 to 19% in 2020 (NDP, 2012). In 2018, the rate of children (0–17) at risk of poverty and social exclusion (AROPE) was 14.5% (CSB, 2018d), and the AROPE rate for employees was 8.7% (CSB, 2018e). The Concept Paper on Defining the Minimum Income Level (MIL) was approved by the government in 2014. Unfortunately, its implementation has been consistently postponed, and no steps have actually been taken (Rajevska et al., 2019). Besides, means-tested benefits are thin on the ground in the Latvian social security system, and the thresholds used for their calculation are inadequately low. In Latvia, means-tested benefits accounted for just 1% of all benefit spending in 2016, compared with 12% in the EU-28 (Rajevska and Rajevska, 2019). All this demonstrates that in Latvia the national-level policy framework is inadequately focused on low-income households, and the implementation of policy initiatives like MIL is constantly being postponed.

Meanwhile, the strategic objective "Availability of Services for Creating More Equal Work Opportunities and Living Conditions" defined in the NDP indicates that there is inequality between regions and local municipalities in terms of income and economic activity, as well as access to services (NDP, 2012). Two public services are specified in the framework of the goals and outcomes of this strategic objective – public transport and digital services. Improvement in access to public transport is based on the development of the public transport infrastructure to ensure convenient and safe access to development centres, including good quality of road surfaces on the roads connecting national and regional development centres, and greater availability of public transport by 2020. The long-term vision for the transport system in Latvia, formulated in the Transport Development Guidelines 2014–2020, envisages – among other things – accessible public transport covering the whole of Latvia (Ministry of Transport, 2013, 2018) and improvement of the public transport system to be set as a policy priority by 2020. However, this policy document does not specify any support measures in the field of public transport for low-income people.

With regard to digital services, two measurable outcomes are defined in the NDP: 1) to increase the percentage of households with access to the internet (the planned figure for 2020 is 80%); and 2) to increase the percentage of the population who use the internet to interact with *state* and local government institutions to ensure convenient access to services in a digital form (the target for 2020 is 60%). The improvement in access to digital services does not focus on specific measures to facilitate access to these services for low-income people, but seeks generally to ensure and widen availability of these services. The four other essential services (water, sanitation, energy and financial services) are not specified at all in the NDP for 2014–2020.

The sectoral policy-planning documents do not provide broader national or subnational policy frameworks for such essential services as water, sanitation, digital services or transport services. As regards access to water and sanitation, at present there is no housing policy-planning document in Latvia that defines policy objectives, measures, results and special groups deserving support. Policy documents on promoting access to

housing, especially for groups of society at risk of poverty and social exclusion, are fragmented and lack a common conceptual vision (BISS, 2019).

The main objectives and directions for energy policy development in Latvia, including access to energy services for the general population, are formulated in the long-term policy-planning document "Latvian Energy Long-Term Strategy 2030 – Competitive Energy for Society". One of the objectives declared by policy makers in this document is to ensure social support in the energy sector at the national level, not least by implementing social support measures for consumers of a certain status to prevent energy poverty and ensure the availability of energy at an appropriate, affordable price for every resident of Latvia (Ministry of Economics, 2013). Energy poverty is also covered in the draft "National Energy and Climate Plan 2021–2030" (see Section 2.2).

Since there are no specific measures aimed at facilitating access to basic financial services, and no problems related to implementation of Directive 2014/92/EU in Latvia, no national policy document is identified – just the legal framework mentioned before (see Section 1.4).

2.2 Ongoing or announced reforms

The draft "National Development Plan 2021–2027" does not address the issue of access for low-income people to such essential services as water, sanitation, energy, transport and financial services. In the context of this report, the only relevant indicator it includes is the share of the population aged 25–64 years that has at least the basic overall digital skills needed to access state and municipal digital services. The objective is to ensure that by 2024, 54% of this age group have at least basic digital skills, and by 2027 at least 60%.

On 14 October 2019, the government tabled a major administrative-territorial reform project in parliament to reduce the number of municipalities from the current 119 to 39 in 2021. According to policy makers, one of the aims of this reform is to provide citizens with good-quality and cost-effective public services (Ministry of the Environment and Regional Development, 2019c).

In Latvia, the measures aimed at facilitating access to such essential services as water, sanitation, energy and public transport are partly determined by the income level of a person, and therefore the reforms announced to reduce income inequality are of importance. On 22 August 2019, the Cabinet of Ministers finally adopted the "Plan for the Improvement of the Minimum Income Support System for 2020–2021" (hereafter "the Plan"). By the first half of 2021, the Plan anticipates the establishment of a common/uniform income level across Latvia, on the basis of which "low-income" status would be assigned to a person or household (1.5 of the income level of a needy person for the first person in a household, i.e. €297; with a coefficient of 0.7 for any subsequent person in a household, i.e. €208). This would increase the proportion of low-income people, who would be eligible for the specific measures envisaged for this group in society. The Plan also contains a recommendation to establish a uniform content for the housing allowance and a uniform calculation methodology by the first half of 2021. This is expected by policy makers to provide the grounds for a common understanding among municipalities and their residents of the purpose of the housing benefit, the frequency of its payment and the target groups. Besides, it would ensure an equal system of support in the field of housing for residents of all municipalities, and can be seen as an indirect support for water, sanitation and energy services for low-income people and households. As of January 2020, there is no evidence of any real implementation of the reforms.

The draft "National Energy and Climate Plan 2021–2030" states that assessment of energy poverty should be based on the inability of a household to heat the dwelling. At present, support provided to low-income people to address energy poverty is limited to electricity, while the provision of heating services is managed – as far as they are able – by municipalities. Only half of all identified protected users have been assigned the reduced electricity tariffs; this is due to the non-automated support system. One of the

solutions under consideration to reduce energy poverty is to develop an automated protected users' information system; another is to ensure that the service for protected users can be obtained from any electricity supplier. Measures to improve the energy efficiency of buildings and individual heat supply are also included in the draft as solutions to reduce energy poverty (Ministry of Economics, 2020).

During the 2018 general election campaign, one of the issues of great importance involved the investigation into corruption related to mandatory procurement components (MPC) and electricity tariffs. On 31 May 2019, 30 proposals for amendments to the Electricity Market Law were submitted by the Ministry of Economics to the Economic, Agricultural, Environmental and Regional Policy Committee, including strategic directions for solving the problem of MPC and reducing electricity tariffs (Ministry of Economics, 03.06.2019.). In the information report dated 16 July 2019, the Ministry of Economics reflected on all the problems and formulated its proposals for their resolution, including improvement in access to electricity services for low-income people. It was explained that the service of a protected user can at present only be used by the customers of one electricity supplier; therefore, the protected user mechanism as a social tool does not reach all those eligible for the scheme. Furthermore, the only groups that can avail themselves of the service, without having to submit a special application and certification to the service provider, are needy and low-income people on whom the service provider has received information from the local authority. Otherwise, large households, households with children with disabilities, and people with a severe disability (who are also eligible for the protected user service) must apply for the service electronically. Their eligibility for protected user status is controlled by the appropriate state registers, and only afterwards can they receive the reduced-tariff service. Consequently, this procedure can create barriers for those with poor digital skills. In the case of a direct application, the procedure is rather lengthy, so that there is a significant time lag between the emergence of the need to become a protected user and receipt of the service.

The proposals for amendments to the Electricity Market Law envisaged protected users (for instance, needy and low-income people, large households, pensioners) being able to receive support from *any* electricity supplier; this would place the service within reach of the widest possible range of eligible protected users, regardless of their provider. The package of amendments was adopted by Parliament on 14 November 2019, but the amendments aimed at facilitating access to energy for protected users were not included. It is still the case that there is only one provider of protected user services in the country. In May 2018, Parliament set up a parliamentary commission with the aim of investigating the implementation of the mandatory procurement components. The work of this commission is still in progress.

In 2019, the Ministry of the Environment and Regional Development developed a mid-term policy-planning document "Service Environment Plan 2020–2023: Person-centred and innovative public administration services" (21 October 2019). To develop digital services further, a number of goals were announced, including to improve the accessibility of digital services. None of the planned activities is specifically aimed at facilitating access to digital services for low-income people. All the planned activities are aimed at the general public.

In the field of public transport, Cabinet Regulation No. 371 on concessionary fares stipulates the establishment of an electronic identification solution for the recipients of fare concessions by 31 December 2020. In 2017, the Cabinet of Ministers instructed the Road Transport Directorate to establish a national information system by 1 January 2021 to register the beneficiaries of concessionary fares and to develop an electronic identification solution for the recipients of concessions, in order to mitigate the risk of fraud and to ensure the reasonable use of budget funds. The state spends at least €20 million of the state budget each year on compensating public transport service providers for losses related to reduced fares (State Audit Office, 2019b). In mid-2019, the State Audit Office identified significant and far-reaching inconsistencies in the progress of this project, as the information system had not been developed and the funding required to

introduce the system within the planned timeframe had not been secured (State Audit Office, 2019a).

In a report by the Ministry of Transport on regional public transport service development in 2021–2030 (Ministry of Transport, 2019), one of the four activities envisaged is the development of free public transport (100% fare relief) and on-demand service transport. This is planned in order to increase the availability of public transport in sparsely populated areas and to encourage people to use public transport on routes with low population density and very low profitability. Given that the share of low-income people is higher in rural areas (for data, see Section 3), which have lower population density and weaker public transport infrastructure, the planned activities could be seen as a tool to improve access to public transport for the low-income population as well.

There are no ongoing or announced reforms related to access to basic financial services.

3 A focus on access to public transport

3.1 Disadvantaged societal groups in their access to public transport services

There are no statistical data to prove that low-income people have more difficulty accessing public transport services in general. Nevertheless, the groups that face greater difficulties can be identified using income data, along with data on public transport infrastructure and usage.

In the context of access to mobility services, the income differences in rural and urban areas are an important indicator, due to the differences in the transport infrastructure in these areas. In 2018, total disposable average household income in rural areas was 15.9% lower (€483.22) than in the cities (€574.62) (CSB, 2018c). The statistics for 2016 on income distribution by quintile group show that in general, slightly over half of the rural population (52.3%) had income corresponding to the first and second quintile groups, while in the cities the figure was 34.8% (BISS, 2019).

Other societal groups with a lower monthly income level are seniors and pensioners. In 2018, the AROP rate by age was highest for old people aged 65+ years (45.7%), whereas in other age groups it was no higher than 23.8%; average monthly net wages and salaries were €742, while the average old-age pension was €314 (CSB, 2019) – 57.7% lower than the average salary. Analysis of the income situation of people with disabilities in 2014–2017 shows that the main source of income for people with disabilities was the old-age or disability pension; thus, most people with disabilities had income below the AROP threshold after receiving all social transfers (BISS, 2019).

The Eurostat data on household consumption expenditure by purpose in Latvia in 2018 reveal that the share of expenditure on public transport services was 2.7% (EU-28 – 2.6%), and on fuel and maintenance of personal transport it was 7.3% (EU-28 – 6.9%) (Eurostat, 2019b). According to the Mobility Survey data (CSB, 2018b),⁵ in 2017 some 82.7% of the population travelled on working days and 69.1% at weekends. The main mobility reasons on working days were work (39.4%), shopping (21.1%), leisure (14.1%), education (5.4%) and accompanying someone (9.6%). The main reasons for non-mobility were sickness (31.55%), disability and old age (22%), school or work holiday (10.1%), weather (9.8%) and no need for travel (23.6%).

The data on transport modes used in 2017 reveal that most often people used cars (46%), public buses (9.9%) and other public transport modes (6.2%); 33.1% walked and 3.9% travelled by bicycle. The main reasons for using a car were personal comfort (38.45%), time saving (31.4%) and lower costs (10.6%). In all, 7.2% of the population stated that they used passenger cars for working-day mobility due to the lack of public transport on the required routes (CSB, 2018b). The statistics also reveal a tendency for an increased number of private cars – in 2015, 612,459 private passenger cars were registered, compared to 639,239 in 2018 (CSB, 2019) – an increase of 4.4%.

Taking into account the data on the societal groups with a lower income level and the above-mentioned main reasons for non-mobility, it can be concluded that the inhabitants of rural areas with a low level of income, older people (65+), pensioners and people with disabilities – especially if they have difficulty moving – suffer greater limitations than other groups of society.

⁵ The Latvian Mobility Survey was conducted from September to December 2017; a randomly selected 11,000 Latvian residents aged 15–84 were surveyed. The response rate of the survey was 61.2%. This is the first time such a survey has been carried out in Latvia, following Eurostat recommendations on passenger mobility statistics.

3.2 Availability and affordability of public transport services

The main barriers in the way of access to public transport are, first, the availability of public transport (which is mostly related to the public transport infrastructure) and second, affordability (which is related to the cost of public transport).

The public transport infrastructure is less developed in rural areas. In places where public transport is not available or where its availability is insufficient to meet the needs of inhabitants (for instance, the bus runs only twice a day or even more rarely), the widespread practice is to use private transport. This is partly proved also by the increased number of registered private cars (see above). From the perspective of policy makers, the density of the road network in Latvia is considered sufficient, as it ensures accessibility from any populated area to the nearest administrative centre, connects administrative centres and provides access to the capital of the country (Ministry of Transport, 2013, 2018). However, the costs associated with private vehicles (fuel and maintenance) are too high for low-income people. Therefore, that is not a solution for this group of the population.

According to the updated Transport Development Guidelines 2014–2020 (Ministry of Transport, 2013, 2018), the mainstream policy is to continue with the development of the infrastructure of public transport, paying special attention to the railways. In addition, public transport on demand is on the transport policy agenda. Since January 2019, Vidzeme Planning Region (one of the five regional government authorities in Latvia), in cooperation with partners from six European countries, has been implementing a pilot project “Mobility and Accessibility in Rural Areas: new approaches for developing mobility concepts in remote areas”, which aims at developing public transport on demand. The project implementers state that many rural public transport services find it difficult to be economically efficient; the demographic changes and limited public funding for remote rural areas threaten access to goods and social services. Therefore, this pilot project is addressing the shortcomings of the existing transport system, in order to improve the accessibility and quality of mobility services in rural areas (Vidzeme Planning Region, n.d.).

As concerns the **affordability** factor of access to public transport, there are numerous fare concessions for many societal groups based not only on their income, but also on their social status (e.g. large households). At the same time, the system of concessions places a heavy burden on state and municipal budgets. Fare concessions at the national level are provided for groups which, by their very nature, have lower income or face a higher barrier to access transport. The national-level fare concessions available are described in Section 1.3.4. In terms of ensuring the affordability of public transport, the fare concessions offered by local authorities also play a significant role. For example, Riga City Council Regulations No. 89 “On Fare Reductions on Riga’s Public Transport Route Network” identify 20 categories of passengers that are currently eligible for concessionary fares: 12 categories are eligible for 100% relief on the fare (including pupils and students in general and professional education, orphans, non-working pensioners under the age of 75, and seniors aged 75+ years, people with a disability, people under the age of 18 with a disability, people permanently resident in long-term social care and social rehabilitation institutions, and one parent in a household with five or six children). There are different levels of concessions for such passenger categories as teachers at municipal educational institutions, employees of bodies that fall under the Riga City Council Welfare Department and that provide direct services to clients (home care, for example), working pensioners and other specific passenger categories. Pre-school children and state and municipality employees are entitled to use public transport free of charge.

There is an ongoing evaluation study funded by the European Social Fund and administrated by the Ministry of Welfare on inequality in access to public transport; among other things, it analyses the situation in all 119 municipalities to identify those groups eligible for fare concessions, their eligibility criteria and the amount of the concessions. The results of this evaluation are due to be available in August 2020.

3.3 The impact of access to public transport on the availability of other services

Public transport services in many cases determine the availability of other essential services in the country, where the density of population is rapidly decreasing. This is acknowledged by regional policy planners, who state that the public transport infrastructure, especially in rural areas (where the share of low-income people is higher than in the cities), needs to be improved to ensure the sustainable mobility of citizens and the accessibility of municipal centres, thus ensuring both access to workplaces and services (Ministry of the Environment and Regional Development, 2019a).

In 2015, a study was carried out on the accessibility of health care, education, social and cultural services (SIA "Grupa93", SIA "Karšu izdevniecība Jāņasēta", VARAM, 2015). The authors pointed out that, due to the poor availability of transport data, the impact on the accessibility of different services could not be fully assessed. The evaluation of the available information and data sources confirmed the lack of any data dealing with how access to public transport impacts on the availability of other services among low-income people. Nonetheless, it was concluded that, in the case of health services, the main reason for the lack of access was not the distance, nor the availability of public transport, but high medical co-payments and long waiting lists. Given the network of social workers, it was not so important for social services to be physically within reach either. As for accessibility to education services, it was concluded that provision was made through so-called "pupil transport". "Pupil transport" is also one of the solutions to fill the transport availability gaps on the administrative territory of a municipality.

Overall, local governments are responsive to the needs of their citizens and offer public transport usage solutions that support public transport users, including low-income groups.

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Annex

Table A1: Essential service – Water

1) Definition of “low income” used in the context of the delivery of the service in the country:⁶

There is no specific definition of “low income” in the context of the delivery of water. The status of a “low-income person” is granted by a local municipality in accordance with the procedure specified in its binding regulations. For a person to qualify as low income, his/her monthly income level is determined; it must not be lower than the income and material status of a needy person (€128.06).

2) Measures aimed at facilitating access for low-income people to water (for hygiene purposes, to cook...) in the country:⁷

	National (*)	Subnational	
		Regional (only if <i>no</i> for national) (**)	Local (only if <i>no</i> for national) (**)
Reduced tariffs	No	No	No
Cash benefits	No	No	No
In-kind benefits	No	No	No
Advice/training or information services	No	No	No
Provision of a basic/uninterrupted supply	Yes	-	-

(*) For each measure: Does the measure exist in the country at national level (“Yes”/“No”)?

(**) **Only** if the measure does not exist at national level **and** if the service is organised at subnational level: Does the measure exist at regional level (Yes in all regions; Yes in most regions; Yes but only in a few regions; No)? And at local level (Yes in all local entities; Yes in most local entities; Yes but only in a few local entities; No)? Important: if a measure exists as a **general social support measure**, not specifically aimed at facilitating access for low-income people, the answer is “No”.

⁶ **National definition** used in this context (most frequently used definition if there is more than one definition). **Only if** there is no national definition **and if** the service is organised at subnational level, most common definition used in this context at regional (if any) or local (if any) level.

⁷ For each measure, please mention whether or not it exists in your country at the national level (“yes”/“No”). **Only** if a measure is not available at national level **and** if the service is organised at subnational rather than national level: does this measure exist at the regional level (“Yes-all”; “Yes-most”; “Yes-few”; “No”) ? And at the local level (“Yes-all”; “Yes-most”; “Yes-few”; “No”) ? If a measure exists as a general social support measure, not specifically aimed at facilitating access for low-income people, the answer should be “No”.

Table A2: Essential service – Sanitation

- 1) Definition of “low income” used in the context of the delivery of the service in the country:⁸

There is no specific definition of “low income” in the context of the delivery of the sanitation service. The status of a “low-income person” is granted by a local municipality in accordance with the procedure specified in its binding regulations. For a person to qualify as low income, his/her monthly income level is determined; it must not be lower than the income and material status of a needy person (€128.06).

- 2) Measures aimed at facilitating access for low-income people to sanitation (i.e. systems for taking dirty water and other waste products away from dwellings in order to protect people’s health) in the country:

	National (*)	Subnational	
		Regional (only if <i>no</i> for national) (**)	Local (only if <i>no</i> for national) (**)
Reduced tariffs	No	No	No
Cash benefits	No	No	No
In-kind benefits	No	No	No
Advice/training or information services	No	No	No

(*) For each measure: Does the measure exist in the country at national level (“Yes”/“No”)?

(**) **Only** if the measure does not exist at national level **and** if the service is organised at subnational level: Does the measure exist at regional level (Yes in all regions; Yes in most regions; Yes but only in a few regions; No)? And at local level (Yes in all local entities; Yes in most local entities; Yes but only in a few local entities; No)? Important: if a measure exists as a **general social support measure**, not specifically aimed at facilitating access for low-income people, the answer is “No”.

⁸ **National definition** used in this context (most frequently used definition if there is more than one definition). **Only if** there is no national definition **and if** the service is organised at subnational level, most common definition used in this context at regional (if any) or local (if any) level.

Table A3: Essential service – Energy

1) Definition of “low income” used in the context of the delivery of the service in the country:⁹

There is no specific definition of “low income” in the context of the delivery of an energy service. The status of a “low-income person” is granted by a local municipality in accordance with the procedure specified in its binding regulations. For a person to qualify as low income, his/her monthly income level is determined; it must not be lower than the income and material status of a needy person (€128.06). In the context of the supply of electricity, there is the concept of a “protected user”, which is a poor or low-income household (person), a large household (household with three or more children), a household (person) that cares for a child with a disability, or a person with Group I disability who uses electricity in his or her household for his or her own needs.

2) Measures aimed at facilitating access for low-income people to energy (to light dwellings, heat or cool dwellings, use home appliances) in the country:

	National (*)	Subnational	
		Regional (only if <i>no</i> for national) (**)	Local (only if <i>no</i> for national) (**)
Reduced tariffs	Yes	-	-
Cash benefits	No	Yes-most	Yes-most
In-kind benefits	No	Yes-most	Yes-most
Advice/training or information services	No	No	No
Provision of a basic/uninterrupted supply	No	No	No

(*) For each measure: Does the measure exist in the country at national level (“Yes”/“No”)?

(**) **Only** if the measure does not exist at national level **and** if the service is organised at subnational level: Does the measure exist at regional level (Yes in all regions; Yes in most regions; Yes but only in a few regions; No)? And at local level (Yes in all local entities; Yes in most local entities; Yes but only in a few local entities; No)? Important: if a measure exists as a **general social support measure**, not specifically aimed at facilitating access for low-income people, the answer is “No”.

⁹ **National definition** used in this context (most frequently used definition if there is more than one definition). **Only if** there is no national definition **and if** the service is organised at subnational level, most common definition used in this context at regional (if any) or local (if any) level.

Table A4: Essential service – Public transport

- 1) Definition of “low income” used in the context of the delivery of the service in the country:¹⁰

There is no specific definition of “low income” in the context of the delivery of a public transport service. The status of a “low-income person” is granted by the local municipality in accordance with the procedure specified in its binding regulations. For a person to qualify as low income, his/her monthly income level is determined; it must not be lower than the income and material status of a needy person (€128.06).

- 2) Measures aimed at facilitating access for low-income people to public transport in the country:

	National (*)	Subnational	
		Regional (only if <i>no</i> for national) (**)	Local (only if <i>no</i> for national) (**)
Reduced tariffs	No	No	No
Cash benefits	No	No	No
In-kind benefits	No	No	No
Advice/training or information services	No	No	No

(*) For each measure: Does the measure exist in the country at national level (“Yes”/“No”)?

(**) **Only** if the measure does not exist at national level **and** if the service is organised at subnational level: Does the measure exist at regional level (Yes in all regions; Yes in most regions; Yes but only in a few regions; No)? And at local level (Yes in all local entities; Yes in most local entities; Yes but only in a few local entities; No)? Important: if a measure exists as a **general social support measure**, not specifically aimed at facilitating access for low-income people, the answer is “No”.

¹⁰ **National definition** used in this context (most frequently used definition if there is more than one definition). **Only if** there is no national definition **and if** the service is organised at subnational level, most common definition used in this context at regional (if any) or local (if any) level.

Table A5: Essential service – Digital public services

- 1) Definition of “low income” used in the context of the delivery of the service in the country:¹¹

There is no specific definition of “low income” in the context of the delivery of digital public services. The status of a “low-income person” is granted by the local municipality in accordance with the procedure specified in its binding regulations. For a person to qualify as low income, his/her monthly income level is determined; it must not be lower than the income and material status of a needy person (€128.06).

- 2) Measures aimed at facilitating access for low-income people to digital public services (e.g. digital post, digital fiscal services, digital social security services, digital health care appointments...) in the country:

	National (*)	Subnational	
		Regional (only if <i>no</i> for national) (**)	Local (only if <i>no</i> for national) (**)
Reduced tariffs	No	No	No
Cash benefits	No	No	No
In-kind benefits	No	No	No
Advice/training or information services	No	No	No
Provision of a basic/uninterrupted supply	No	No	No

(*) For each measure: Does the measure exist in the country at national level (“Yes”/“No”)?

(**) **Only** if the measure does not exist at national level **and** if the service is organised at subnational level: Does the measure exist at regional level (Yes in all regions; Yes in most regions; Yes but only in a few regions; No)? And at local level (Yes in all local entities; Yes in most local entities; Yes but only in a few local entities; No)? Important: if a measure exists as a **general social support measure**, not specifically aimed at facilitating access for low-income people, the answer is “No”.

¹¹ **National definition** used in this context (most frequently used definition if there is more than one definition). **Only if** there is no national definition **and if** the service is organised at subnational level, most common definition used in this context at regional (if any) or local (if any) level.

Table B1: Essential services – Summary table

- 1) Measures aimed at facilitating access for low-income people to the different services that exist at national, regional and/or local level in the country
- 2) Broader policy framework under which all or some of these measures are organised in the country
- 3) Ongoing or announced reforms of the measures and/or related frameworks aimed at (further) enhancing effective access to the service for low-income people in the country

	1. Measures (NAT, SUBNAT, BOTH, NONE) (*)	2. Policy framework (**)		3. Ongoing or planned reforms (Yes/No)
		National (Yes/No)	Subnational (Yes/No)	
Access to water	NONE	No	No	No
Access to sanitation	NONE	No	No	No
Access to energy	NAT	Yes	No	Yes
Access to public transports	NONE	No	No	Yes
Access to digital public services	NONE	No	No	No
Access to basic financial services (***)	NONE	No	No	No

(*) This column summarises the response provided in Tables A1-A5 above. "NAT" means that all the measures that exist in favour of low-income people are national measures; "SUBNAT" means that there are no national measures but some of/all the measures that exist are subnational measures; BOTH means a mix of NAT and SUBNAT; "NONE" means that there are no measures, be it at national or subnational level.

(**) Is there a broader national policy framework under which all or some of these measures are organised in the country for some of/all the services under scrutiny ("Yes"/"No")? **Only if** there is no such national framework for one service **and if** the service is organised at subnational level: Is there a broader subnational policy framework under which all or some of these measures are organised for this service ("Yes"/"No")?

(***) Open and use payment accounts with basic features (Directive 2014/92/EU).

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