

Press statement

FOR IMMEDIATE RELEASE

Budget 2027 funds domestic energy supports, but leaves €663 million in EU climate funding for vulnerable households unclaimed, as Ireland's Social Climate Plan remains unsubmitted

Fourteen months past its original deadline, and nearly six months past a since-missed extension, Ireland still has not submitted the Social Climate Plan needed to access this funding

6 October 2026

Budget 2027 made no announcement on Ireland's Social Climate Plan, and no provision was made for the estimated €220 million in national co-financing required to draw down the EU's funding. EJNI is disappointed at this missed opportunity to put in place long-term, structural measures – such as home energy upgrades and affordable transport supports – to protect vulnerable households.

Ireland was required to submit its Social Climate Plan to the European Commission by 30 June 2025, setting out how it would spend up to €663 million in EU funding to support vulnerable households, transport users and micro-enterprises. Fourteen months on, no plan has been submitted, and EJNI says Government has yet to indicate when this will change.

With the cost of living dominating political debate and Budget 2027, this funding sits apart from the usual tax-and-spend choices. Accessing it requires Ireland to co-finance at least 25% of the plan's cost in the Budget itself – without a submitted plan, there was nothing for Budget 2027 to co-finance in any case.

The delay has already had a concrete cost. Member states with an approved plan could request their first payment from the Fund from 31 July 2026, well before the related EU carbon price on transport and buildings fuel, ETS2, becomes operational in 2028. As of 22 September 2026, five member states (Greece, Latvia, Lithuania, Malta and Sweden) have had their plans approved and can draw down funds. Ireland could not, and that window has now passed. Ireland can still submit its plan and access funding once approved, but the earlier this happens, the sooner support can reach vulnerable households; each further month of delay is a month of protection deferred.

“We’re disappointed that today’s Budget had nothing to say about Ireland’s Social Climate Plan, and made no provision for the co-financing Ireland needs to draw

down this funding,” said Ciara Brennan, Director of EJNI. “This is a missed opportunity to put in place long-term, structural supports for the households who need them most. Other member states have shown this can be done. Spain’s draft plan includes dedicated funding for rural transport services and a discounted transport pass for vulnerable users. Ireland has neither a submitted plan nor access to funding that other countries are already drawing on.”

“The National Transport Authority confirmed last month that public transport fares will rise by an average of 15%, with some routes up by more than 30%, from January 2027. This fare rise is not caused by carbon pricing, but it illustrates the kind of cost pressure vulnerable transport users are facing, and the Social Climate Plan could fund measures, such as fare affordability support, that would help offset exactly this kind of cost. Ireland does not currently have a plan that could deliver this.”

Dr Brennan added,

“There is no policy certainty here. We still don’t have a date for a second consultation, still no submitted plan, and still no clear reason from Government as to why Ireland is so far behind on funding that costs the State so little to access.”

Chris Vettos of REScoop.eu, the European Federation of Energy Communities, added:

“REScoop.eu’s Social Climate Fund Tracker shows that at least 18 Member States have come forward with at least a draft Plan – from electric buses to community energy projects, these Plans offer concretely improve people’s everyday thermal comfort, access to quality transport, and reduce the cost of living. Every day that Ireland delays its Plan’s publication is another day leaving vulnerable citizens exposed to global crises like the Iran war.”

Vanessa Conroy, climate spokesperson for the National Women’s Council of Ireland said:

“At a time when households are facing climbing energy prices and increases in public transport fares, the benefits that drawing down funding from the Social Climate Fund could bring to those struggling the most – including lone parent households headed by women, disabled people, older people and the Traveller community – cannot be overstated. But the Irish Government continues to delay the second consultation process and drafting of the plan itself, meaning that communities and households on the brink must continue to decide between heating their homes, fuelling their cars or putting food on the table. More than 322,000

households are in arrears on their electricity bills, with 186,380 of them in arrears for more than 90 days.”

“The Social Climate Fund could be used to bridge important gaps in our energy and transport transitions - improved rural public transport; energy efficiency upgrade schemes for Travellers living in trailers; subsidies to help households make the switch to electric vehicles; and targeted supports for households trapped in energy poverty or in arrears on their bills. It is time for the Irish Government to stop delaying and co-produce our Social Climate Plan with the communities most impacted by energy and transport poverty.”

This delay is well documented in the Dáil record. In February 2026, the Minister confirmed an extended deadline of end-March 2026 had been agreed with the Commission, with a final plan due to Government “in the coming weeks.” That deadline has also passed and a promised public consultation event still has not taken place. Asked again on 29 September 2026, the Minister confirmed that ‘no allocation has yet been made’ for the estimated €220 million Ireland must contribute to match the €663 million on offer, and said a ‘new timeline for submission of the Plan is being agreed with the Commission’, to be submitted ‘in the near future’ — again without a firm date.

EJNI is calling on the Government to publish a firm date for the “new timeline” the Minister says is being agreed with the Commission, to explain why no provision for Ireland’s estimated €220 million co-financing requirement was made in Budget 2027, to confirm whether today’s domestic energy and transport measures are intended to sit alongside, or substitute for, the additional supports a Social Climate Plan could unlock, and to set out what structural and targeted supports the plan will contain for those facing rising energy and transport costs.

ENDS

Notes to editors:

Ireland sought and secured a derogation from ETS2 itself until 2030, based on its existing carbon tax. This does not remove the requirement to submit a Social Climate Plan. It was intended to allow Ireland to prepare a plan showing how the existing carbon tax is already affecting vulnerable households, and how EU-funded measures would address this.

This delay is part of a wider pattern. Ireland’s National Energy and Climate Plan was also delayed, and the European Commission’s assessment found it fell short in several areas, including on energy poverty. Ireland’s Long-Term Climate Strategy,

due to the Commission in 2020, was delayed for years, prompting High Court proceedings before it was eventually submitted. The Social Climate Plan is the latest in this sequence. Ireland currently holds the Presidency of the Council of the European Union, chairing EU negotiations on climate and energy policy for this term. Delivering on its own national obligations under the same EU framework would strengthen that role.

More information on Ireland's Social Climate Plan is available at:

<https://ejni.net/publications/what-irelands-social-climate-plan-must-include-six-key-priorities/>

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