

Industry & NGO joint statement in support of a phase-out of fossil fuel boilers and a switch to clean heating:

Industry organisations and NGOs call for fossil fuel boilers to be phased out via EU product policy and for renewable heating to be made the norm. This will help deliver the REPowerEU goals and the EU Save Energy Plan.

In line with the EU's aim to increase independence from fossil fuel as indicated in the <u>REPowerEU</u> and <u>EU Save Energy</u> Plans, the European Commission proposed the inclusion of a minimum energy efficiency requirement on all new central space heaters from September 2029 under its revised Ecodesign rules. This minimum requirement would result in a progressive phase-out from the market of the least efficient technologies, namely stand-alone fossil fuel boilers, from that year onwards, giving the necessary time for the heating sector to adapt accordingly.

The European Heat Pump Association (EHPA), the European Partnership for Energy and the Environment (EPEE), the Environmental Coalition on Standards (ECOS) and the European Environment Bureau (EEB) strongly support the Commission's proposal and believe that this step is essential to achieving the full decarbonisation of heating in EU buildings by 2050, a cornerstone of REPowerEU and the EU Climate law.

We must foster a widespread roll-out of renewable heating technologies such as heat pumps, solar (thermal and PV), geothermal energies, and renewable-based and efficient district heating, while phasing out inefficient and polluting stand-alone fossil fuel boilers.

Indeed, according to our expertise, **heat pump technologies can replace stand-alone fossil fuel boilers effectively**: now, the EU must clearly show the pathway towards decarbonisation. The Commission's proposal would send a long-term policy signal and provide policy clarity to the manufacturers about the future demand for heat pumps. This would ensure that investments are made in the EU's manufacturing capacity and its workforce.

We would like to draw your attention to the following points, which we believe make up for a strong argument to support the Commission's resolution to phase out all inefficient heating solutions and push for the mass deployment of clean technologies through Ecodesign:

 Heat pumps are a well-known, proven, and mature solution which are providing renewable and energy-efficient heating, cooling, and domestic hot water for residential, commercial, and industrial applications. Heat pumps are already suitable for all types of buildings: new or existing buildings, single or multi-family houses, and buildings in urban or rural areas. Many existing studies¹ prove and presented the capacities and reliability of the technology.

¹https://publications.jrc.ec.europa.eu/repository/handle/JRC134045

https://hptour.ehpa.org/10-11-preston-together-housing-renovation-of-multiple-high-rises-with-heat-pumps-and-a- shared-ground-loop/

https://www.ehpa.org/publications/heat-pumps-and-high-rise-homes-case-studies-from-across-europe/

https://www.iea.org/articles/demonstrating-the-potential-of-heat-pumps-in-multi-family-buildings

Furthermore, innovation has brought a wider range of solutions to meet more specific needs. If you wish to know more, please consult the <u>EHPA website</u>.

- 2. Electric heat pumps are the most affordable option for consumers to decarbonise their heating. In most EU markets, heat pumps are now cheaper over their lifetime than gas boilers. IEA estimates that heat pumps can save up to €900 per year for a European household. The affordability of heat pumps would be further improved by reducing taxes and levies and by reallocating hundreds of existing subsidy schemes supporting fossil heating to low-income households investing in renewable heating. Additionally, heat pump costs are projected to fall by 40%, a reduction driven by market competition and economy of scale. Further reduction of the gap between fossil fuel prices and electricity prices will promote heat pumps in comparing use costs accordingly.
- 3. The large-scale rollout of heat pumps will not jeopardise the security supply of electricity. The current power capacity of the grid is sufficient for a large heat pump penetration in most Member States. A <u>JRC study</u> concluded that twelve Member States are prepared for full electrification scenarios, whereas only three Member States could get their power system stressed, without considering the improvement in power capacities in the future.
- 4. The industry is committed to decarbonising the heating sector in Europe. Over €5 billion of <u>new heat pump investments are planned for 2022 2025 alone.</u> One of the key measures to secure further investments in our industry in Europe is the need for long-term policy clarity, as stated in the recently launched_EU Heat Pump Accelerator. A minimum energy efficiency requirement would send a clear signal and foster further investments in clean technologies in Europe for Europe.
- 5. Along with this industry commitment, more than 3 million additional jobs will be created to rollout heat pumps and enable the energy and heat transition, by 2030.
- 6. As highlighted in the EU Heat Pump Accelerator, we need a holistic approach across all policy areas involved in heat pump deployment. Energy efficiency requirements go hand in hand with legislation on the energy performance of buildings, renewable energy, and refrigerants.

We therefore call on the Member States to welcome and support the Commission's proposal, and be open for negotiations with the European Commission and Ecodesign Consultation Forum experts in order to find a compromise allowing the mass deployment of heat pumps and the phasing out of inefficient stand-alone fossil fuel boilers via Ecodesign.

https://rt-re-batiment.developpement-

durable.gouv.fr/IMG/pdf/etude sur les freins et leviers a la diffusion de la pompe a chaleur en logement collectif poug et consultants.pdf

Phasing out fossil fuel boilers & boosting heat pumps would:



Lead to a **40% reduction in gas demand** in buildings by 2030.









Lead to 2.5% annual GDP growth.

Create 3 million net additional jobs.







Cut **CO2 emissions** from EU buildings **by 46% by 2030**.



EPEE 🔊



Slash NOx from household heating by almost 40% by 2030.

Reduce household heating bills by

20% by 2030.







Free up to €3.2 billion in heating subsidies for low-income households*.



*Based on the Coolproducts study ' *Mission Possible – Funding the Renewable Heat Transition*' by the EEB and ECOS.

SIGNATORIES:

EPEE represents the Refrigeration, Air-Conditioning, and Heat Pump industry in Europe. Founded in the year 2000, EPEE's membership is composed of over 50 member companies as well as national and international associations from three continents (Europe, North America, Asia). With manufacturing sites and research and development facilities across the EU, which innovate for the global market, EPEE member companies realize a turnover of over 30 billion Euros, employ more than 200,000 people in Europe and also create indirect employment through a vast network of small and medium-sized enterprises such as contractors who install, service and maintain equipment.

ECOS, Environmental Coalition on Standards, is an international NGO with a network of 58 members in 28 countries worldwide and 50+ experts advocating for environmentally friendly technical standards, policies and laws. We ensure the environmental voice is heard when they are developed and drive change by providing expertise to policymakers and industry players, leading to the implementation of strong environmental principles.

The <u>European Environmental Bureau</u> (EEB) is Europe's largest network of environmental citizens' organisations, standing for environmental justice, sustainable development and participatory democracy. EEB has over 180 members in 40 countries.

The <u>European Heat Pump Association</u> (EHPA) represents the European heat pump sector. EHPA works to shape EU policy that allows heat pumps to become the number one heating and cooling choice by 2030 and a key part of a future decarbonised Europe. EHPA advocates and communicates to policymakers and its members. EHPA organises high-level events and is involved in multiple projects. EHPA coordinates the Heat Pump Keymark – a European certification scheme.