

# HEAT PUMPS NEED ACTION

10 strategic actions for heat pump development

Electric, hybrid, and thermally driven heat pumps are crucial for meeting EU climate goals and decarbonising buildings. Despite the REPowerEU objectives to double the deployment rate - reaching 30 million additional hydronic heat pumps by 2030 - current demand falls short at around 1 million annually, hindering target achievement.

While the European Commission recommends a 2040 Climate Target of 90% greenhouse gas emissions reduction, this is only feasible if the social dimension of the transition is considered, making the Green Deal also a good deal for all consumers.



Predictable, reliable and simple **incentives schemes** for consumers avoiding “stop-and-go” programmes. They should particularly target lower income households, more exposed to energy poverty and inefficient buildings.



Bring the **operating costs** down to make the technology more attractive for consumers: electricity prices are expected to further increase due to the required additional investments on the electricity grid, so:

- ▶ Utilities should offer **dynamic prices** and **heat pump tariffs** to their customers as soon as possible, reflecting the flexibility heat pumps can provide to the energy system, and remunerating them accordingly;
- ▶ The **roll out of smart meters** and/or **dedicated metering devices** should be accelerated and carried out swiftly across Europe;
- ▶ The framework for energy taxation at EU level should be revised and Member States should be asked to reduce the taxes paid by private households for electricity towards the permitted minimum value.



**Carbon pricing** and the **Carbon Border Adjustment Mechanism** need to apply also to imported heat pumps and components to ensure the industry's competitiveness.



**Upgrade schemes** for old, inefficient appliances to accelerate the replacement rate of old appliances which are not up to the latest efficiency standards. Today's average age of installed heaters is between 17 and 25 years, and they are replaced at a slow annual rate.



**One-stop shops** providing information points at local level for consumers: that is necessary to help them navigate available financing and incentives options, including innovative private financing models.



To increase skilled workforce availability, small-sized installers need to go on **re-training** courses. Financial support is needed to increase manufacturers' training capacity to deliver this.



To attract more people to the installer profession, "**city twinning energy programmes**" can be set up in non-EU partner countries which would include training courses for installers and **Young Installers Programmes** can target young people, setting up EU wide and national information campaign and proposing updates to public education curricula.



The end-use sector should be integrated in **joint energy system planning** platforms, to ensure cost-effective and technically feasible planning of the integration of heat pumps in the energy system.



**Mandatory inspections** of old heating systems would establish regular contact between professionals and consumers and increase the safety of installations and consumer awareness.



An **efficiency label of installed heaters would** indicate consumers and incentivize planning replacements.