
EUROPEAN
HEAT PUMP
SUMMIT
POWERED BY CHILLVENTA
BUILDING TRUST IN THE HEAT PUMP MARKET:
THE ROLE OF EU POLICIES
CONGRESS + EXPO
Industrial | Commercial | Residential
Heating & Cooling | Components & Equipment
hp-summit.de
NÜRNBERG MESSE

About EHPA

Our vision:

In a fully decarbonised Europe, heat pump technologies are the number one heating and cooling solution. They are a central part of a renewable, sustainable and smart energy system.

More: ehpa.org

Founded in 2000

230+ members representing the entire value chain

- Heat pump and component manufacturers
- National associations
- Test labs
- Utilities and consultancies
- Research institutes and universities

30 countries

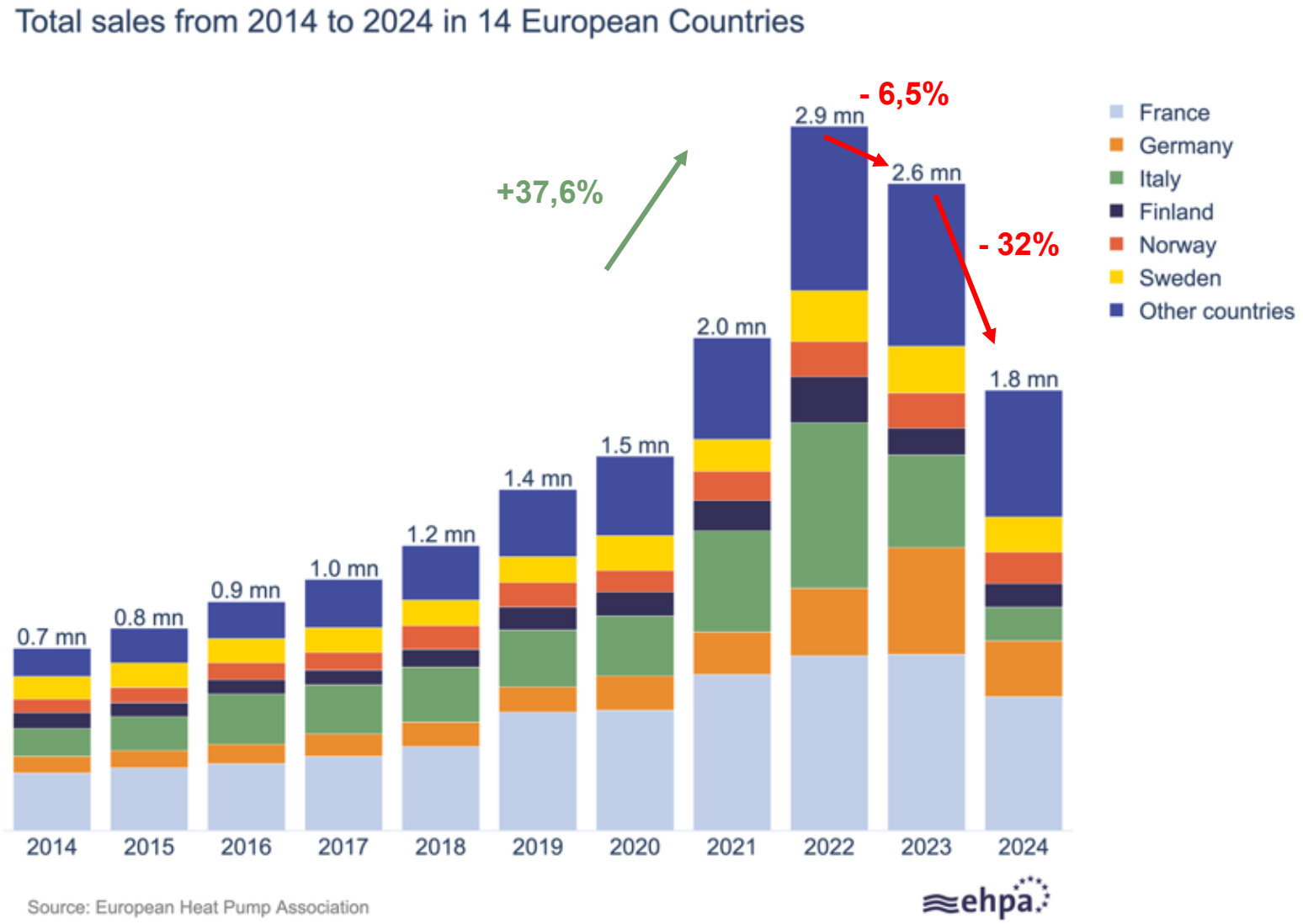
International cooperation with

Comprehensive Economic Cooperation Agreement (CECA)
International Energy Agency - Heat Pump Centre (IEA HPC)
International Renewable Energy Agency (IRENA)
Heat Pump and Thermal Storage Centre of Japan (HPTCJ)

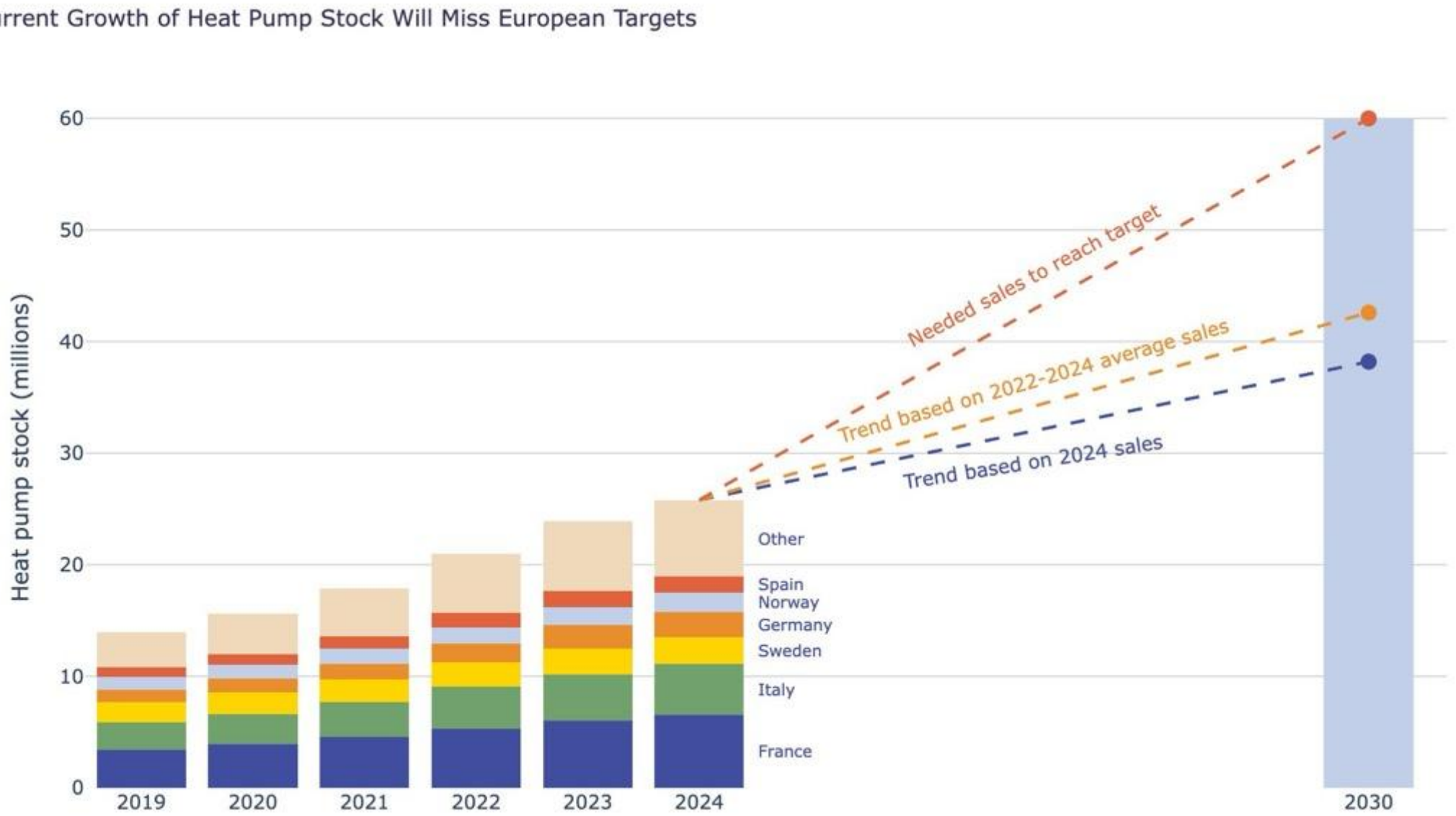
ehpa

Sales drop, but growing market share

- Sales dropped for two consecutive years (-32% in 2024 vs. 2023)
- Reasons: high electricity-to-gas price ratio, ambivalent policies & changing subsidies
- The heat pump market share is increasing though (avg. 30% over 2022-24 vs. 21% over 2019-2021)



Missed opportunity to build momentum for a complete shift?



2024-2029: EU policies and challenges

Key challenges	EU policies
1. Lowering electricity costs	Affordable Energy Action Plan (Electrification Action Plan, H&C strategy, …)
2. Upholding EU industrial competitiveness	Clean Industrial Deal (CISAF, Industrial Accelerator Act, …)
3. Reducing administrative burden	Cross-cutting legislative simplification effort

HEAT PUMPS: THE HEART OF EUROPE'S ENERGY FUTURE

European Heat Pump Association - EU policy priorities 2024-2029

Heat pumps offer a clean, cost-effective way to decarbonise heating and cooling. Three to five times more efficient than gas boilers, they slash energy imports, energy use, and greenhouse gas emissions. Heat pumps also provide stability against fluctuating energy bills.

To unlock their full potential, EU legislators and decision-makers must take the lead in developing the necessary policy and financial conditions for the acceleration of the clean energy transition.

The European Heat Pump Association (EHPA) has outlined **five key priorities to put clean heating and cooling at the heart of Europe's energy system today for a brighter tomorrow**. Here's an overview:

Set clear policy direction and targets

Ensuring consistent, streamlined and ambitious long-term policies on heat pumps is vital for attracting demand for them and investments in the EU's manufacturing and workforce.

Make heat pumps affordable for all

There is an urgent need to shield low-income households from high energy prices and support their access to cleaner and, ultimately, cheaper to run heating and cooling solutions like heat pumps.

Strengthen industrial leadership and skills

Europe's heat pump sector is a world leader. It provides more than 161,000 direct jobs already today, with the potential for many more.

Unlock the full potential of large heat pumps

Large heat pumps serve a crucial role in industrial electrification and energy integration. Able to reach 200°C, they can efficiently utilise waste heat from industrial processes, wastewater, and other sources for district heating and industrial applications, so boosting circularity.

Use heat pumps' flexibility to support the energy system

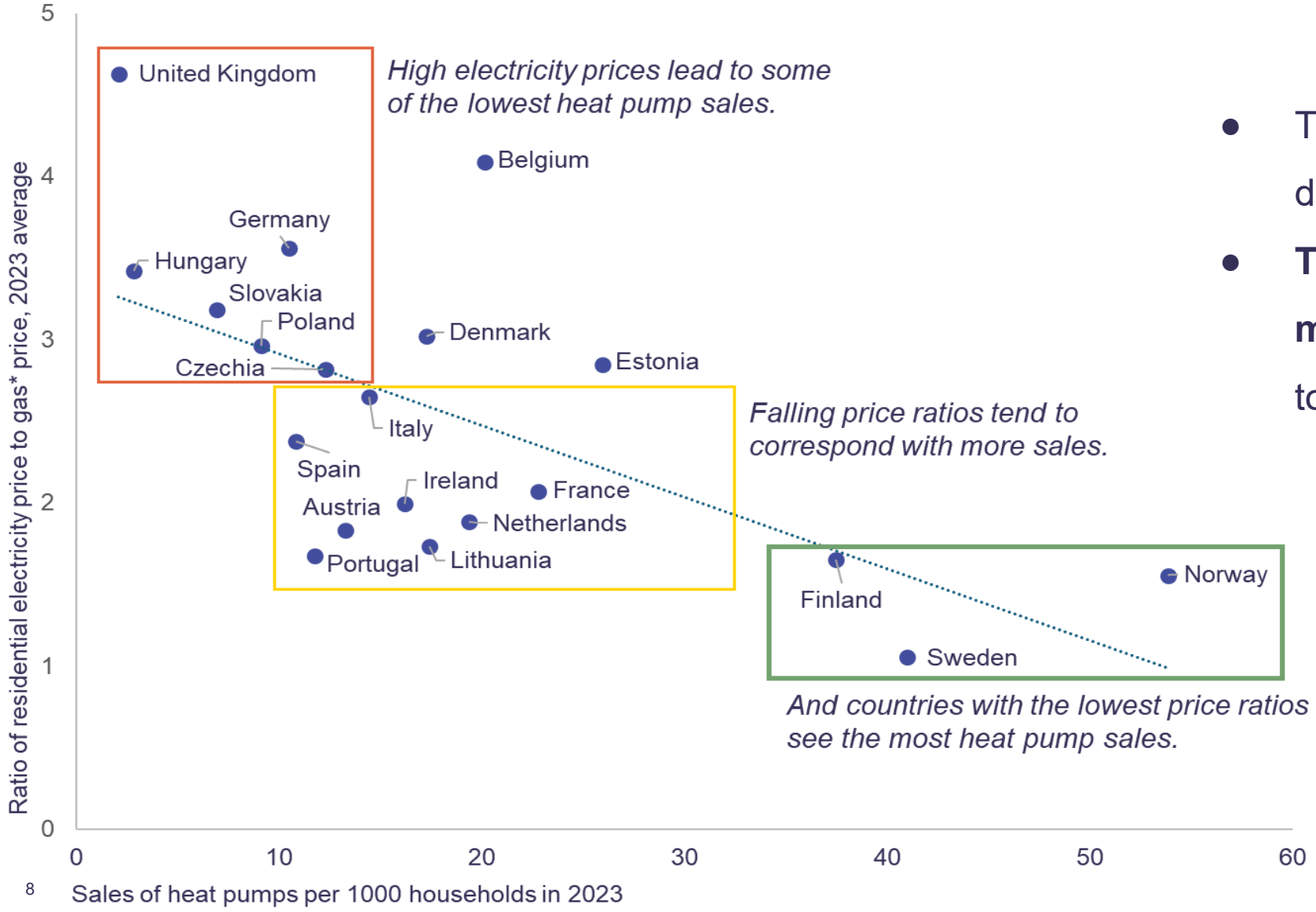
Heat pumps provide flexibility by heating when electricity costs are low and shutting off during peak times, reducing costs for the EU's energy system and consumers.

Read EHPA's manifesto in full

Clear policy directions

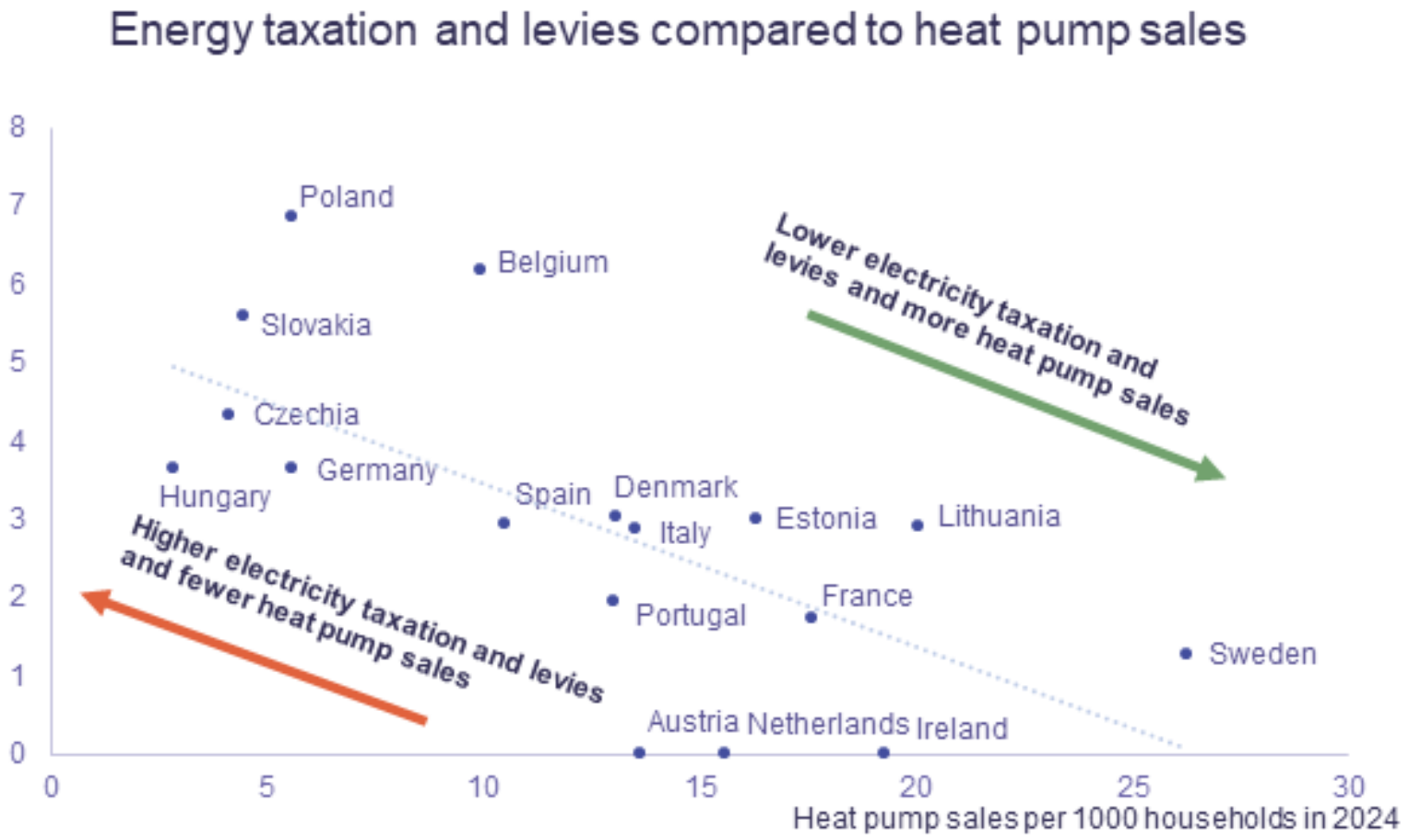
- Certain and timely **implementation of adopted legislation**
- Effective **coordination across regulatory instruments**, starting from more effective NECPs, avoiding fragmentation of requirements
- **Political support and clear policy directions** to increase the demand for heat pumps and the electrification of H&C

Make heat pumps affordable for all



- The electricity-to-gas price ratio drives heat pump demand
- **The price of electricity shall be no more than twice the price of gas** to exploit heat pump efficiency

Make heat pumps affordable for all



- Taxes and levies are a powerful tool to incentivise electrification over fossil heating
- Strong correlation between **lower taxation on electricity and higher heat pump sales** (and vice versa)

Make heat pumps affordable for all

- Rebalance **energy taxation** to favour electrification over fossil fuels
- Faster **deployment of renewables**, e.g. through Power Purchase Agreements (PPA) and Contracts for Difference (CfD)
- Increase **retail competition and demand-response** to price signals (e.g. dynamic tariffs and cost-reflective network tariffs)

Unlock heat pump flexibility

- **Implement the existing EU framework** for demand-side flexibility, especially at national level
- Recognize the benefits of demand-side flexibility for the energy system and **reward flexible consumers**
- **Streamline flexibility requirements** for heat pumps

Decarbonise EU industry via large heat pumps

- **Accelerate industrial electrification** via heat pumps, starting from industrial processes below 200°C
- **Increase awareness** about industrial heat pumps among end-users
- **Provide cost-efficient subsidies**, e.g. the Innovation Fund Heat Auction 2025

Do you want to join the heat pump community?

Check out how to become an EHPA member!

www.ehpa.org/about-ehpa/join-us/

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European Heat Pump Association

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Thank you for your attention.