

How to make Europe number one in renewable heating and cooling: Favourable and consistent regulation, and fair market conditions

Half of Europe's energy demand is for heating and cooling. Today, most of that energy comes from imported fossil fuels; 41% of the natural gas consumed in Europe is used for heating and cooling buildings¹.

The building sector can however be completely decarbonised, and indigenous, renewable resources are readily available to provide heating, cooling, hot water, and thermal storage to homes and businesses. Renewables currently account for 17.7% of the heating and cooling market², but could cover 25% by 2020. This would more than double the number of jobs (470,000 in 2013) and save Europe €21.6 billion each year on energy imports compared to 2012³.

The renewable heating and cooling industry, together with ministers from Iceland and Lithuania, and energy agencies joined together today for the event *Making the EU Number one in Renewable Heating and Cooling* to discuss the conditions which will allow the renewable heating and cooling industry to flourish. The [FROnT](#) consortium, which examines how renewable heating and cooling can be more widely deployed and how information about heating and cooling can be made more transparent, explained the three key elements for a healthy industry and a healthy energy system.

The market is distorted and urgently needs to be fixed. With the heating and cooling market distorted in favour of fossil fuels through subsidisation, and largely no carbon price signals, the heating and cooling market cannot develop properly. Until a fair, open market exists, renewables should be promoted. Measures include specific support schemes, friendly building and environment policy, good communication practices for consumers and investors, and regularly updated assessment tools.

Legislation needs to be consistent and not hamper further progress. An energy efficient building is still environmentally damaging if it is supplied by fossil fuels. Consumption needs to be reduced whilst the supply is switched to renewables, particularly for space heating and cooling and domestic hot water – energy efficiency and renewables go hand in hand. Attention must be paid to ensuring consumers are locked in to using systems which are not in their best long-term interest.

A favourable post 2020 legislative framework for renewables in buildings should be established. Achieving EU's climate and energy objectives on heating and cooling will be impossible without pursuing complete decarbonisation of the building sector, since fossil fuels will be required for complex thermal process in the industrial sector. The revised RES and EPBD Directives should extend requirements to increase the share of renewables in new and existing buildings, including through district heating networks beyond 2020.

About renewables for heating and cooling.

Biomass, geothermal energy, solar thermal energy, and air-source heat pumps can be used for heating and cooling, without the need for fossil fuels. More information about the technologies and how they work can be found at www.front-rhc.eu/about/about-rhc-technologies

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¹ Eurogas Statistical Report 2013, p.5.

² Heating and cooling Strategy

³ RHC platform; Common Implementation Roadmap for Renewable Heating and Cooling Technologies