EHPA POSITION:

"Heat pumps and the circular economy package”

(August 2015)

On heat pumps and the circular economy

Nearly 800 000 heat pumps were sold in Europe in 2014, leading to a stock of 7.4 million installed units. Heat pump products are among the most efficient boilers available. They contribute to the integration of renewables as well as to saving of energy and greenhouse gas emission. The heat-pump industry provides more than 42 000 full time jobs in Europe and has a turnover of 5.4 billion euros.

Heat pumps are material intensive products. For the heat pump industry a resource efficient, material conscious design and manufacturing of components and products is an essential part of cost-efficient production.

Heat-pump systems are designed, installed and dismantled by skilled and certified experts. Due to their high material content and their specific dismantling procedure (as a result of the F-gas content), they are part of existing recycling schemes in Europe.

On the circular economy package:

• The Circular economy package, in line with the Commission economic growth strategy, should create a platform for innovative and competitive markets, allowing businesses to grow by testing and using new business models and consumer to choose the most resource efficient products.

• The circular economy package should provide a conceptual approach towards a circular economy in society. It should integrate existing material cycles. It should create economic incentives, encouraging actors in the market to close material cycles. It should provide methodological support for the optimisation of material flows.

• It should create incentives to make available and use recycled materials and ensure their quality via material standards. The effect of re-use of products, components, or materials on the safety, energy efficiency and quality of products as well on manufacturer liability should be taken into consideration.

• It should recognise that not all products and components can be handled the same way. A circular economy package should thus analyse existing products and product groups on their environmental impact and create product-based legislation only where a need has been proven by assessment studies (including the impact on existing legislation) and after stakeholder dialogue.

• In line with ‘better regulation’ principles, a circular economy package should also tackle some regulatory inconsistencies. E.g. on the issue of spare parts availability (under Ecodesign, the availability of spare parts is legally limited while under the circular economy package, the importance of long availability of spare parts is considered), on the free use of recycled materials (hampered by restrictions under RoHS and REACH).
**HEAT PUMPS: GREEN PRODUCTS TO BE PROMOTED!**

- Heat pumps provide heating, cooling and hot water for residential, commercial and industrial applications. They are best in class in terms of energy-efficiency and use energy from renewable sources. They reduce the consumption of gas and electricity from non-renewable sources and improve air quality. Heat pumps have proven their reliability and offer mature solutions for many of today’s needs. They allow for cheap thermal energy storage and provide demand response capacity to balance the electricity grid.

- They can be used in conjunction with other technologies (renewable electricity and heat generation, as well as with CHP, district heating and even in dishwashers, dryers and electric cars!).

- Numerous studies\(^1\) report that a future-proof, efficient and sustainable energy system requires faster deployment of heat pumps. **Heat pumps are not just a single technology but a set of smart solutions for various needs.**

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**Note**
The Brussels based European Heat Pump Association (EHPA) represents the majority of the European heat pump industry. It has currently 110 members from all parts of the industry’s value chain: heat pump and component manufacturers, research institutes, universities, testing labs and energy agencies. Its key goal is to promote awareness and proper deployment of heat pump technology in the European market place for residential, commercial and industrial application.

\(^1\) *E.g.* Fraunhofer Institute, University of Aalborg, Ecofys, IEA, UNEP