

To the attention of:

Ms Ursula von der Leyen, President of the European Commission

Mr Frans Timmermans, Executive Vice-President for the European Green Deal

Cc:

Mr Josep Borrell, Vice-President of the European Commission

Mr Thierry Breton, European Commissioner for Internal Market

Ms Kadri Simson, European Commissioner for Energy

Ms Ditte Juul-Jørgensen, Director of Directorate-General for Energy

Ms Paula Pinho, Deputy Director of Directorate-General for Energy Efficiency

27 October 2022

Subject: Accelerate the phase-out of stand-alone fossil fuel boilers via product policy and make renewable heating the norm to deliver on the objectives of the REPowerEU and EU Save Energy Plans

Dear President von der Leyen, Dear Executive Vice-President Timmermans,

The REPowerEU and EU Save Energy Plan announcements on 18 May marked a milestone in our quest for increased independence from fossil fuel imports, particularly from Russia.

However, more can be done to accelerate the transition to a fully renewable-based heating sector, addressing the climate emergency, EU energy import dependency, and soaring energy prices. The Russian invasion of Ukraine has caused a surge in gas prices, reaching as high as 212€/MWh in Q1 2022, resulting in dramatically higher energy bills for EU citizens who heat their homes with stand-alone fossil fuel boilers, specifically oil and gas boilers. The surge in energy prices is not a temporary problem. It is expected to stay long-term.

**It is of utmost importance that we accelerate the heating and cooling transition for residential buildings in the EU. We must foster a widespread roll-out of renewable heating technologies such as heat pumps, solar (thermal and PV) and geothermal energies and renewable-based and efficient district heating, while phasing out inefficient stand-alone fossil fuel boilers.**

We noted with interest your intention to set stricter ecodesign limits for heating systems at the EU level, laid out in the EU Save Energy Plan, 'implying 2029 as an end date for 'stand-alone' fossil fuel boilers being placed on the market'.

To date, ecodesign regulations have proven very effective in delivering benefits to consumers, as well as important energy savings and CO<sub>2</sub> emission reductions. It is time to build on this success. Households are the second largest sector of gas use. Thus, a timely fossil fuel phase-out through ecodesign can unlock a massive reduction in gas consumption of 320 TWh in residential heating, corresponding to 8% of the total gas import in 2020, and total GHG savings of 75 Mt CO<sub>2eq</sub> by 2030.

Some Member States are considering phasing stand-alone fossil fuel boilers out earlier than 2029. As of 2024, every new heating appliance installed in Germany, the largest market in Europe, will need to run on a high share of renewables, effectively banning stand-alone fossil-fuel boilers and boosting heat pump uptake. Similarly, buildings in the Netherlands will be mandated to install (hybrid) heat pumps when replacing their heating systems or be connected to district heating as of 2026. Other countries, such as France and Italy, are following this direction, too. National governments are set to play an important role in this transition, but they are not alone. Heating appliance manufacturers are taking important steps, too. Many are building new production facilities and making significant investments to accommodate the sharply growing demand for heat pumps and green air conditioners, and a considerable share of manufacturers are looking at the end of fossil fuel appliance production.

**We therefore call for earlier adoption of an EU-wide phase-out of stand-alone fossil fuel boiler sales, in line with international research. Ecodesign policies are the best tool to help achieve this phase-out, alongside a supportive regulatory and financing framework.**

Furthermore, we strongly back your proposal to finally set a deadline to stop public subsidies for fossil heating by 2025 in all EU countries, as recently done in Germany and France. These public incentives must be repurposed to support the uptake of renewable heating solutions, in particular for lower income households.

Technology is ready to take off; we just need political will. Waiting until 2029 means wasting some precious years to achieve EU climate objectives. We need to accelerate the phase-out of stand-alone fossil fuel boilers.

Ending heating fossil subsidies, increasing support for renewable heating solutions and phasing out stand-alone fossil fuel boiler sales are all urgently needed to accelerate the transition to heating decarbonisation, reduce the EU's reliance on (Russian) fossil fuel imports, improve indoor and outdoor air quality, and keep energy bills affordable to consumers.

Yours sincerely,

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| • Environmental Coalition on Standards (ECOS) | • Euro Heat and Power                 | • Natuur & Milieu                                 |
| • CAN   | • European Environmental Bureau (EEB) | • Panasonic Heating & Cooling                     |
| • CLASP                                       | • Global Witness                      | • PORT PC logo                                    |
| • E3G   | • Green Transition Denmark            | • REScoop   |
| • Ecodes                                      | • GREENoneTEC Solarindustrie GmbH     | • Schneider Electric                              |
| • EDP Energias de Portugal                    | • Iberdrola                           | • Solar Heat Europe                               |
| • EHPA  | • Kyoto Club                          | • Stiebel Eltron                                  |
| • ENEL  | • LUN Energy                          | • Topten  |
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