

Heat pump manufacturer investments

REPowerEU foresees a significant increase in heat pump manufacturing and deployment. A potential lack of installer skills is widely discussed. What finds less interest is the consequences of this tremendous growth in manufacturing capacity both for the heat pump units and for components.

End users are less and less seeing fossil fuel as a bridging solution to a decarbonised heating sector and have also lost confidence in Russia as a reliable provider of energy. This leads to a sharp increase in end-user demand both for residential and commercial heat pumps as well as industrial and district heating

European manufacturers are reacting to this change in policy recognition and end-user demand by investing in manufacturing capacity and logistics.

The table below is the result of the evaluation of press releases and social media announcements that have been published over the past 3 months.

The total announced investment – to be executed over the next 3 years – sums up to nearly 5 billion Euros.



Table 1: Announced investments of heat pump and component investments in Europe. Source: EHPA

Company	Main product	Investment (EUR)	Target production volume (units)	Country taking place	Date of completion
BDR Thermea group¹	Heat pumps and hybrid solutions	300 – 400 million	800.000	France, Turkey, Italy, Netherlands, and Spain	2023
Bosch²	Heat pumps	700 million	-	Europe	2025
Clivet SpA / Midea Group³	Heat pumps	60 million	100.000 external & 200.000 internal heat pumps	Italy	Q2 - 2024
Daikin Europe⁴	Heat pumps, digitalisation, R&D and service capacity	1.2 billion	Quadruple today's production capacity	Poland, Belgium, Germany, Czech Republic	2025
Grundfos⁵	Pumps: factory extension in	20 million	-	Serbia	Completed 2021
Hoval⁶	Heat pumps	60 million	30.000	Liechtenstein, Slovakia	2023 – 2024
Mitsubishi⁷	Heat pumps and air conditioning	109 million	300.000	Turkey	2024
NIBE⁸	Heat pumps	460 million	-	Sweden	2025
Panasonic⁹	Heat pumps	145 million	500.000	Czech Republic	2026
Stiebel Eltron¹⁰	Heat pumps	600 million	240.000	Germany	2025
Vaillant¹¹	Heat pumps and energy efficiency	120 million	150.000	EU	2022 - 2023
Viessmann¹²	Heat pumps and other green solutions	1 billion	-	Poland	2025
Wilo group¹³	Pump factory and new company headquarters	300 million	-	Germany	Completed 2021
ZIEHL-ABEGG SE¹⁴	Fans	10 million	-	Germany	Completed

In addition, other manufacturers have announced investments without providing further details:

- **Ariston Group:** enhanced capacity to roll out a wide range of heat pumps (HHP, HPWH, TDHP).
- **Kensa Group:** extension of production capacity Wales, completed in 2020.
- **CAREL:** two new factories in Europe to deliver on the increasing demand.
- **Alfa Laval:** has built new heat exchanger production lines.

¹ (Genie Climatic, 2022)

² (Tagesschau, 2022)

³ (China Daily, 2022)

⁴ (Daikin, 2022)

⁵ (Grundfos, 2022)

⁶ (Renewables Now, 2022)

⁷ (Mitsubishi Electric, 2022)

⁸ (NIBE, 2022)

⁹ (Renewables Now, 2022)

¹⁰ (Energie und management, 2022)

¹¹ (EIB, 2022)

¹² (Haustec, 2022)

¹³ (HVACInformed, 2021)

¹⁴ (Easv Engineering, 2020)