



Brussels, 2 March 2023

**Subject: Request for support to maintain the split between the energy labelling classes for air-to-air heat pumps and local space heaters**

To the Member State Experts on Ecodesign and Energy Labelling,

The undersigned associations, representing the European heating appliance manufacturing sectors and their supply chain, ardently support the EU initiatives to achieve its climate objectives while strengthening Europe's industrial base. Our membership consists of businesses, mostly SMEs, with production in Europe, and we are looking forward to embracing this transition.

Europe is facing an uncertain and radical transition of our energy supplies and industrial base, fostered by a combination of geopolitical threats and shocks, climate change, and economic necessity. Under these circumstances, it is necessary that the EU utilises the expertise and industrial potential we have at hand to reach aforementioned objectives. **As one of the largest energy consumers, strengthening the European heating sector will be essential to achieving climate and economic objectives.**

**Energy labelling** is a tool that has delivered considerable energy efficiency savings across Europe by assisting consumers in selecting the most environmentally friendly products. It has also proven to be an effective tool to push the industry to produce more efficient products.

**In this context, the undersigned associations are alarmed by the proposal from the European Commission to merge the energy labelling requirements for air-to-air heat pumps and air conditioners (AAHPs) on the one hand and local space heaters (LSH) on the other.** This proposal would result in confining LSH to the lowest part of the energy labelling scale, with no possibility of differentiating the best or worst performers.

We believe that this would have negative consequences, for the reasons described below.

1) AAHPs and LSH are not competing with each other

First, because these products are not competing, and should therefore not be compared with each other on a single energy labelling scale. AAHPs have reduced energy use when heating large spaces in milder climates. At the same time and contrary to AAHPs, LSH (such as underfloor heating, an electric fixed emitter, a pellet or biomass heater, or an infrared panel) provide instant heat that is indispensable for health and comfort in colder climates and in smaller spaces. Often, AAHPs and LSH

work together to achieve the desired results in buildings. This can be compared to the symbiosis in other sectors: for example, laptops and mobile phones are complementary as ICT devices used for communication, with different applications and purposes.

### 2) Comparing incomparable products will negatively impact consumer choice

It should also be noted that LSH and AAHP are often not interchangeable, for technical and economic reasons. Placing them under a joint energy labelling scale would confuse consumers, as they may be misguided into believing that different heating technologies are interchangeable. In reality, both product groups differ in their functionalities (i.e., purposes), have highly different heating capacity ranges, impose different installation requirements, have different distribution and installation outlets, and bear different costs. In addition, LSH are also powered by a wide range of energy sources: from fossil fuels to renewables (biomass, electricity, hydrogen). It would be nonsensical to place them against each other and push consumers towards an 'either ..., or...' decision.

The current energy labelling classes for different heating categories already allow customers to choose the most energy efficient product within the product groups that are most suitable for their specific purposes. We support this system, as it has led to a bottom-up pull by consumers demanding more efficient heating products. Changing this will limit the incentive to invest in improving the energy performance of heating.

Moreover, as the test procedures for the different product groups have not been harmonised, the results, and therefore also the energy efficiency, of the various product groups cannot be compared. In order to achieve comparability, the European standards prescribing testing procedures should first be harmonised across the product groups.

### 3) The Commission proposal penalises electricity as an energy source

In addition, the Commission's proposal includes the Primary Energy Factor (PEF) in its energy efficiency calculation, which means that the efficiency score of electric appliances is artificially lowered by applying a PEF. This is odd, because LSH are increasingly powered by renewable energy, more and more directly with photovoltaic power generation on the roof of or close to the building. Moreover, electrification through renewable power generation is a generally supported method to lower our reliance on fossil fuel imports. Since LSH have a long lifetime, the PEF gives false information. On top of that, smart electric LSH may be very useful for grid stabilisation and up-take of renewable energy, as recognised by the Regulation (EU) No 2071/1369. If this had been done for all electricity-powered products, electric vehicles might have been classified as less efficient than the most polluting diesels. As such, we propose to remove the PEF from the energy efficiency calculation for heating and to base energy efficiency on final energy.

### 4) Affordability of heating in times of an energy crisis and beyond

Moreover, the current energy crisis also created an 'affordable energy' crisis, driving more and more Europeans into energy poverty. With European winters still being relatively harsh, it is essential for human health and wellbeing to have appropriate, affordable heating. LSH can often easily and quickly be upgraded to achieve higher performance; for example, LSH can be equipped with smart controls to optimise energy use and interact with a smart grid through demand-side flexibility. This makes LSH

suitable for affordable and easy solutions to help-millions of people, especially in dwellings where it is cost-ineffective and/or technically infeasible to install AAHPs, such as most collective housing blocks.

In line with that, the proposal for a merged energy label penalises households that are living in buildings that, due to historical reasons (and cost-effectiveness and rentability reasons), cannot install an AAHP. Upgrading and replacing LSH then requires an energy labelling system that distinguishes the efficient from the inefficient appliances, which means that LSH need to be able to move between various energy labelling classes. By lumping LSH in one or two default energy labelling classes (as proposed by the Commission), consumers and installers will not be supported anymore by the energy label to choose the most efficient device and manufacturers will not be incentivized to produce more efficient devices.

**Therefore, we believe that LSH should not be subject to a combined energy labelling scale with AAHPs.** We would appreciate the decision-makers taking these views into consideration and ask for your support in this matter. Should you require any additional information, we would gladly provide a further explanation in a meeting at your earliest convenience.

For your information, [attached](#) is a technical joint industry position (dated 31 August 2022) against the proposed merger of the energy labelling classes under ENER Lots 10 and 20.

Yours sincerely,

#### **About the undersigned organisations**

##### **About Bioenergy Europe**

Bioenergy Europe is the voice of European bioenergy. It aims to develop a sustainable bioenergy market based on fair business conditions. Founded in 1990, Bioenergy Europe is a non-profit, Brussels-based international organisation bringing together 42 associations and 135 companies, as well as academia and research institutes from across Europe.

##### **About CEFACD**

The Comité Européen des Fabricants d'Appareils de Chauffage et de Cuisine Domestique (CEFACD) represents the European manufacturers of individual heating and cooking appliances. We represent over 300 local companies generating € 5 billion in sales volume. Our members have a strong European footprint and contribute to wellbeing by providing local heating appliances to European households. More information: <https://www.cefacd.eu/>

##### **About Équilibre des Énergies (EdEn)**

EdEn (Équilibre des Énergies) is a cross-sectional association gathering companies from the energy, building and mobility sectors. EdEn makes concrete recommendations for the reduction of GHG emissions in the European Union and in France. We aim at facilitating the uptake of low-carbon energy sources, the development of new technologies that contribute to the energy transition and the development of energy efficient processes.

### **About the European Heating Industry (EHI)**

EHI represents 90% of the European market for heat and hot water generation, heating controls and heat emitters, 80% of biomass central heating, as well as 75% of the hydronic heat pump and solar thermal markets. Our Members produce advanced technologies for heating in buildings, including: heating systems, burners, boilers, heat pumps, components and system integrators, radiators, surface heating & cooling and renewable energy systems. In doing so, we employ directly more than 160.000 people in Europe and invest more than 700 million euro a year in energy efficiency.

### **About the European Infrared Heating Alliance (EIHA)**

The European Infrared Heating Alliance (EIHA) is a network of national associations that represents infrared heating manufacturers who have a strong European footprint. Together, we develop environmentally friendly heating that is powered by renewables. Our products are fully repairable, sustainable, and improve the comfort and wellbeing of users. More information: [www.ig-infrared.com/en/home.html](http://www.ig-infrared.com/en/home.html)

### **About the Electric Underfloor Heating Alliance (EUHA)**

The Electric Underfloor Heating Alliance (EUHA) represents European manufacturers of electrical underfloor heating and their immediate supply chain. Our members foster energy savings through the adoption of renewable-powered smart grid infrastructure, and continuously improve the comfort and wellbeing of users. See also: [www.euha-alliance.eu](http://www.euha-alliance.eu).

### **About BVF**

The Federal Association of Surface Heating and Surface Cooling e.V. (BVF) is the neutral, competent and established partner for companies in the field of surface heating and surface cooling in Germany.

Founded in 1971, the BVF has been committed to establishing standards in technology and quality in more than 50 years of association history. It represents over 60 companies from the system and component construction and cooperates with research institutes, associations and companies from related areas.

Underfloor heating, wall heating systems as well as ceiling heating and cooling and both water-based and electrical systems are on an equal footing and are presented in a product-neutral manner.

### **About BVIR**

The aim of the Federal Association of Infrared Heating e.V. (BVIR) is to validate the many advantages of infrared heating. The BVIR is actively involved in the area of standardization, legislative procedures and scientific research projects and thus offers members and interested parties a platform for active participation and company-neutral information about the development and application of infrared heating. The aim of the BVIR is also to take into account the technological advantages of infrared heaters in the area of energetic evaluation and comfort in the recognized rules of technology.