

## THE LAST DECADE FOR FOSSIL FUELS BOILERS

Guarantee consumers an easy switch by 2030

As shown by many studies including our own, consumers would have great financial benefits if they switched to renewable heating solutions such as heat pumps and renewable-based district heating. In addition, a switch to fossil-free heating solutions will also allow consumers to better shield themselves from the price volatility of gas and heating oil.

For these reasons, we support an EU ban on new fossil fuel boilers by 2029 as proposed by the European Commission in its REPowerEU package (through the Ecodesign Regulation). It is an important piece of the puzzle that will allow financial benefits to reach consumers. At the same time, efforts must be scaled up to increase energy efficiency in heating and cooling and ensure the focus remains on reducing the use of energy through adequate home insulation and retrofits.

Setting a phase-out date for new fossil fuels boilers raises a number of questions for consumers: is my home sufficiently insulated to install a heat pump? Will I find a trustworthy installer? Can I afford a heat pump? What do I do after the phase-out if my boiler breaks down and my home is not yet ready for a heat pump?

Answering those questions and setting the right framework conditions will be critical to make the phase-out work for consumers. For this to succeed and to ensure consumers are on board, policymakers must work towards meeting several conditions:



1

### THERE SHOULD BE NO MORE SUBSIDIES TO FOSSIL FUEL BOILERS AS OF NOW.

Many countries still offer incentives to consumers installing them. This misleads consumers into investing in a soon-to-be stranded asset, which is both harmful for their finances and for the environment.



2

### PUBLIC FINANCIAL SUPPORT SHOULD GO TO HELPING CONSUMERS ACCESSING RENEWABLE HEATING SOLUTIONS AS WELL AS HOUSING RETROFIT PROJECTS

(as installing a heat pump in an insufficiently insulated building will turn out to be more expensive). Low- and middle-income consumers should have priority access to subsidies, as the high upfront costs of heat pumps or connection to a district heating network represent a more significant barrier for them than for more affluent consumers. Member States should also promote collective purchase schemes to reduce heat pumps costs for all consumers.

3

**ON TOP OF SUBSIDIES, CONSUMERS SHOULD HAVE ACCESS TO A SET OF FINANCING OPTIONS** for the purchase of a heat pump/housing renovation projects. For instance, green loans<sup>1</sup> can encourage consumers to undertake a renovation project or acquire a heat pump.

4

**MEASURES SHOULD MAKE RENOVATION PROJECTS/HEATING APPLIANCE SWITCHING HASSLE-FREE.** Member States should make sure that trained and accredited installers are available to consumers, together with advisory services, such as one-stop shops. Countries should also carry out awareness-raising campaigns and provide tailored advice (e.g. on installing solar panels or on financing), cooperating with local partners – such as frontline workers and municipalities – and consumer organisations who have a wider reach.

5

**CONSUMERS SHOULD RECEIVE CLEAR AND TIMELY INFORMATION ON WHETHER THERE IS ANY PLAN FOR A RENEWABLE DISTRICT HEATING NETWORK** to be developed in their neighborhood. This can be a valid alternative to investing in an individual heat pump. As such, municipalities should develop local heat plans and communicate widely about their implications for consumers.

6

**SUSTAINABLE OPTIONS SHOULD ALWAYS BE AVAILABLE FOR HOMES NOT SUITED FOR HEAT PUMPS**, for example if they are too small. Those alternatives could include storage heaters or sustainable biomass heating devices.

7

**AVAILABILITY OF SPARE PARTS AND MAINTENANCE SERVICES FOR FOSSIL FUEL BOILERS SHOULD BE GUARANTEED WELL AFTER 2030.** As many households will still heat their homes with gas boilers well after the phase out date of new fossil fuel boilers, it will be important to ensure that they will still be able to maintain their heating appliances.

8

**ELECTRICITY OPERATORS SHOULD MAKE SURE THAT THEIR GRID IS READY FOR THE HEAT PUMP REVOLUTION**, which will increase electricity demand and may create challenges if not well managed.

**BACKGROUND:** The current energy crisis, emphasised by the Russian invasion of Ukraine, has at last shed light on the emergency of reducing European dependency on fossil fuels. One of the most discussed measures by European and national policy makers is an acceleration of the switch to renewable heating solutions and scale-up residential energy retrofits.<sup>2</sup>

Several EU countries are currently taking measures to ban the installation of fossil fuel boilers: for instance, Germany is planning to ban the installation of gas boilers by 2024.

<sup>1</sup> For more details about these different financing options, please refer to [BEUC's checklist on financial instruments](#) to help consumers in the energy transition.

<sup>2</sup> BEUC calls for prevalent energy efficiency via retrofit of the housing stock – recommendations compiled in our position paper on Sustainable Housing [https://www.beuc.eu/sites/default/files/publications/beuc-x-2021-019\\_how\\_to\\_make\\_green\\_and\\_healthy\\_housing\\_affordable\\_for\\_all\\_consumers.pdf](https://www.beuc.eu/sites/default/files/publications/beuc-x-2021-019_how_to_make_green_and_healthy_housing_affordable_for_all_consumers.pdf)