

## EUROHEAT & POWER'S VIEWS ON

### The EU Recovery Plan

[Euroheat & Power](#), the association representing the district heating and cooling sector (DHC) in Europe and beyond, believes that the way forward to overcome the societal and economic crisis caused by COVID-19 is to adopt a recovery plan, based on the core principle of the EU Green Deal, which is to enshrine the fight against climate change. In line with the objectives set by our [2050 decarbonisation pledge](#), Euroheat & Power believes that the post-COVID19 recovery plan should prioritise low-carbon investments, which will spur green economy, while creating jobs and improving people's health and life. The following represents what the DHC sector believes are the main points to be considered to achieve the goals of a "Green Recovery Plan".

- The **sector integration initiative** could provide financial and funding opportunities to new sectors who could benefit many regions across Europe. But its scope needs to broaden in order not to focus only on gas and electricity, but to include heating, transport and industry sectors as well. Euroheat & Power believes that there's a great opportunity for our sector to facilitate the integration and storage of intermittent renewable electricity and gas, while providing a link between a wide range of local sources of heat or cold and the buildings in which they are needed, particularly in cities.

Given the role that heat networks can play in providing flexibility and a route to market for renewable electricity and gas, they should be brought into the scope of the next version of the TEN-E Regulation and, where the size and strategic importance of specific projects warrant it, be eligible to be designated as projects of common interest (PCIs).

- The **Renovation Wave** also has the potential to speed up the EU Green Recovery. Building renovation accompanied by a full decarbonisation of the heat sector through heat pumps and DHC can improve EU's citizens life quality, whilst providing lots of benefits for local communities such as spurring the use of local renewable energy sources and creating new jobs both in the construction and the energy market. According to the EU-funded research project Heat Road Map Europe, 220.000 new and greener jobs could be created from today to 2050 by expanding DHC networks in Europe.

DHC networks and their potential to cost-effectively decarbonise the urban building stock should be explicitly addressed in the Commission's forthcoming Communication on a Renovation Wave.

By providing energy efficient buildings supplied by decarbonised and efficient energy, the Renovation Wave can also help fight energy poverty. Heat networks are often considered one of the best option to help alleviate energy poverty in cities by local authorities. Furthermore, heat networks allow heat production from different sources (including local and renewable sources) which reduces dependency on the fluctuations of international energy markets.

For the abovementioned reasons, heat networks should be identified as a priority for investment support in the forthcoming Recovery Plan.

- **A closer cooperation with local actors** such as cities and municipalities could benefit each of the upcoming EU initiatives. Policymakers should support exchange and scaling up of best practices with

these local stakeholders who have extensive experience on the decarbonisation of their cities/district and the fight against energy poverty.

- **Digitalisation** is a prerequisite for the success of the Green Recovery. Our sector keeps evolving and becoming more and more efficient thanks to digital technologies that enable data management relating to temperatures, flows, pressure and leak detection. Investing in digital technologies will speed up the decarbonisation of the EU economy and benefit its citizens at the same time.

Finally a green recovery plan should be aligned with the necessary **increased level of ambition for the 2030 climate target**; the ambition to raise the EU's 2030 carbon emission reduction target still this year should be maintained in line with the timetable set by the Paris Agreement.

The DHC sector is ready to be serious about and commit to a Green Recovery Plan and asks other stakeholders to join this call.