



His Excellency Mr. David Cameron
10 Downing Street
London
SW1A 2AA, UK

September 23, 2014

Subject: Fuel switch to renewable heating sources: now is the time to act towards a secure, sustainable, and affordable energy supply

Your Excellency,

In its proposal for a “European Security Energy Strategy”, the European Commission rightly highlights that “*a fuel-switch to indigenous renewable heating sources can displace significant amounts of imported fuels*”. Regrettably, however, this statement is neither accompanied by concrete measures nor commitments that address the supply side of heating at European level.

Security of energy supply is threatened by our long-standing dependency on fossil fuel imports from unstable regions. This is not only weakening the EU’s geopolitical influence but is also fuelling a dramatic GDP-leakage as the EU as a whole spent €545 billion or 4.2% of its GDP to import fossil fuels in 2012.

The subsequent energy security crisis really is a heat crisis. Just 25% of natural gas is being used in power plants whereas 41% is being used for the heating of buildings and 31% for industrial processes. Better and more efficient options are available!

Currently available **renewable heating technologies**, in combination with energy efficiency measures, can provide more stable and affordable options to households and industry. Their support results in less dependence on fossil sources and is beneficial to the environment, while also promoting investment, local development and the creation of jobs within EU borders.

For all these reasons, the renewable heating and cooling sector should be considered as a priority sector. It is ready to deliver, provided stable and long-term framework conditions are put in place including:

- ***Higher targets for renewable energy for 2030 and specific measures for the full integration of renewables for heating and cooling into EU climate and energy policies.***
- ***Comprehensive EU, national, and regional strategies to tap into the potential of renewables to switch from fossil fuels in the heating and cooling sector. This should be combined with more intense energy efficiency measures addressing in particular the existing building stock.***
- ***Adequate and dedicated measures to activate the current and future available funds for RHC, in combination with energy efficiency measures, including EU Structural and Investment Funds and EIB loans;***
- ***The phase-out of fossil fuel subsidies and the adequate taxation of carbon emissions, to eliminate direct and indirect political incentives to fossil fuel consumption in Europe.***
- ***A modernisation fund to support Renewable Energy demonstration projects***

We wish to convey the high interest and commitment of our industries, both at European and national levels, to provide clean, secure and affordable options that will help to shape a sustainable energy system. We sincerely hope that our concerns are shared by your Excellency.

Yours sincerely,



Jean-Marc Jossart
Secretary General
AEBIOM - European Biomass Association
Renewable Energy House
Rue d'Arlon 63-67
B-1040 Brussels, Belgium
T: +32 24 00 10 29
F: +32 25 46 19 34
jossart@aebiom.org
www.aebiom.org



Philippe Dumas
Secretary General
European Geothermal Energy Council
Renewable Energy House
Rue d' Arlon 63-67
B - 1040 Brussels, Belgium
T : +32 2 400 10 24
p.dumas@egec.org
www.egec.org



Thomas Nowak
Secretary General
European Heat Pump Association
Renewable Energy House
Rue d'Arlon 63-67
B-1040 Brussels, Belgium
T: +32 24 00 10 17
F: +32 24 00 10 18
thomas.nowak@ehpa.org
www.ehpa.org



Pedro Dias
Secretary General
European Solar Thermal Industry Federation (ESTIF)
Renewable Energy House
Rue d' Arlon 63-67
B-1040 Brussels, Belgium
Tel: +32 2 400 10 80
Fax: +32 2 546 19 39
pedro.dias@estif.org
www.estif.org

CC:

M. Edward Davey MP, Secretary of State for Energy and Climate Change

Geothermal Engineering

GSHP Association UK

Solar Trade Association

UK Ground Source Heat Pump Association

Background: status quo of heating coverage under current legislation

The Commission's 2030 proposal of a 40% reduction target for GHG emissions and a 27% target for renewable energy would result in an increase in renewable heating and cooling (RHC) of just 4 percentage points, from 21% in 2020 to some 25% in 2030. Considering the energy efficiency gains and the resulting decreasing energy demand in the coming years, in absolute terms the current proposal is merely the equivalent of 'business-as-usual' and needs to be reconsidered urgently. RHC will amount to 111 Mtoe in 2020 according to Member State projections; however, the European RHC industry estimates that with strong enabling policies it could be possible to generate 148 Mtoe by 2020 and up to 300 Mtoe by 2030.