To:  
Ms von der Leyen, President of the European Commission

Cc  
Mr Timmermans, Executive-Vice President  
Ms Simson, Commissioner for Energy  
Mr Seibert, Head of Cabinet  
Mr Samsom, Head of Cabinet  
Mr Grassi, Head of Cabinet  
Ms Juul-Jorgensen, Director-General, DG Energy

Tuesday 22 March 2022

Dear President von der Leyen

Mass deployment of renewable heating and cooling is key to the successful of the REPowerEU plan

The Renewable Heating & Cooling Alliance calls on the Commission to come forward with concrete measures to effectively put the REPowerEU plan into action to accelerate the phase-out our dependencies on Russian fossil fuels by 2027.

Mass deployment of geothermal and ambient heat pumps, solar thermal and renewable district heating & cooling directly replace Russian gas imports whilst injecting local economic stimuluses in households, business and industry across the EU. At least 300 TWh of Russian gas imports can be directly replaced by 2030.

The following measures are key:

- **Introduce a Renewable Heat and Cooling Accelerator** to deliver 300 TWh reduction (100 million installations in households, communities, district heating and cooling systems and industry) of Russian gas demand by 2027. This can be modelled on the CO₂ standards for cars, to ensure that manufacturers operating on the EU market sell an increasing share of renewable heating appliances. It also includes a mandate for **Distribution System Operators (DSO)** to plan and invest in renewable communities and district heating and cooling systems. This mandate must be issued as a Commission Decision amending the Electricity Market and Gas Market Regulations.

- **Frontload the VAT Directive** agreement which called for an end to reduced rates for fossil appliances by 2030 to 2022 Furthermore, renewable energy generation equipment must have the lowest or zero VAT thresholds applied.

- **Introduce Minimum Energy Performance Standards** for existing buildings by 2022 and ensure that the 25% worst performing non-residential and residential buildings are ready for low-temperature renewable heating by 2027 and 2030.
• **Prohibit installation of new fossil fuel-only boilers** in new buildings, by supporting an earlier introduction of the zero-emission building standard for new buildings.

• **End direct and indirect subsidies for single use fossil fuels applications** and infrastructure by 2022. The subsidies must be redirected to renewable heating & cooling investments.

• **Accelerate permit approvals.** Over 300 permits for geothermal district heating systems are awaiting different stages of approval. Furthermore, Member States must publish geological data identifying ‘go-to’ areas for renewable heating investments.

• Establish a **financial risk mitigation framework** by 2022 to leverage private capital into large-scale renewable heating and cooling projects.

• Finance **capacity for local authorities** to undertake renewable heating and cooling planning.

• Financing the roll-out of “**one-stop-shops**” in all regions, by 2023 to guide both citizens and industries in their renewable heating and cooling renovations.

• Ensure all Member States provide **re-and-up skilling programmes** to ensure a qualified workforce and address the shortage of skilled labour.

• Ensure a **proper value chain** for renewable heating and cooling **equipment** by addressing the semi-conductor shortage and keeping track of the price development of materials.

• EU must support a massive **reallocation of funding envelopes** (including unspent money from the Resilience & Recovery Facility) to directly support local authorities in delivering emergency demand reduction plans shifting energy consumption to essential activities in concentration with local stakeholders.

The Renewable Heating & Cooling Alliance comprises:

[Logos of various organizations]