Latest news: Germany’s HVAC industry

Here you can find recent news stories related to Germany’s HVAC industry. Be sure to subscribe for monthly updates on energy efficiency in Germany using the link on the right.

May 20: Demand For Solar Heating in Germany Rises With Higher Subsidies

May 2020

The German Solar Association BSW says demand for solar heating systems in Germany has risen markedly in the first three months of 2020, Clean Energy Wire reports.

This is because subsidies for sustainable heating increased at the beginning of the year and a carbon price for fossil-fuels looms. Sales of solar thermal collectors have recently "picked up noticeably," the BSW said, and interest in relevant subsidies has grown significantly. Despite the impacts of the coronavirus on the solar industry, the business climate index compiled by the BSW reached a ten-year high, climbing from 70 to 134 points from January to March. "A short-term corona dent should be followed by a wave of investment. The intensified climate debate of recent years,"
LATEST NEWS: GERMANY’S HVAC INDUSTRY

significantly improved subsidy rates and the introduction of an annually increasing CO2 price starting next year are having an effect,” said Carsten Körnig, CEO of the BSW.

Renewable energy covered 14.5 percent of Germany’s final energy demand for heating in 2019 – a level that had largely stagnated for a decade – while solar heating made up just 4.8 percent of this. At the end of 2019, Germany had about 2.4 million solar heating systems, with 71,000 installed the same year. Since the beginning of 2020, subsidies have covered up to 45 percent of the investment costs for installing a solar heating system in existing buildings in Germany. It has for some years been mandatory to use renewable energy for heating in new buildings. The increased subsidies are part of the government’s climate package passed in fall 2019, which also includes a carbon price for heating and transport sectors.

Read more:
Clean Energy Wire report

April 20: Heat From Sewage Project To Receive Public Funding

Heat from Hamburg’s sewage is set to help take an aging coal power station off the grid.

April 2020

Hamburg considers itself somewhat a pioneer in decarbonized heat and is home to a number of pioneering projects. For a number of years, the city-state’s Environment and Energy Authority has been pushing for a change to federal law so that a large-scale heat pump system planned for the city’s sewage treatment plant would be eligible for government funding.

Now that wish has been granted. The federal law on cogeneration (KWKG) has been changed and heat from treated sewage is now recognized in the same way as ambient heat from environmental sources such as water or the air.

The system in question is based on a modern gas turbine power station and a large-scale heat pump. It will be built at Hamburg’s Dradenau sewage treatment plant and will form part of the Harbour Energy Park. Under the modified legislation, it will be considered an innovative CHP system and thus be eligible for funding. It is set to become the first large-scale sewage heat pump system in the country.

Hamburg’s Senator for Environment and Energy Jens Kerstan: “Large-scale heat pumps in sewage treatment plants make ecological sense but until now their disadvantage in terms of funding meant they rarely made economic sense. We advocated intensively for the federal government to address this issue and now the cabinet has accepted our proposition. It is a big success for climate protection and decarbonizing the heat sector. And it is a breakthrough not only for Hamburg: I expect many municipalities across Germany will follow our example in the near future. It was worthwhile Hamburg leading the way with an ambitious plan,” he continued. “As a renewable source in the energy mix, [the new system] will play a significant role in rapidly taking the old coal power station in Wedel off the grid.”
April 2020: German government makes energy efficiency top procurement criterion

The German government has agreed to make energy efficiency a key criterion for public procurement, Clean Energy Wire reports. In an "important step towards climate neutrality," procurers must "purchase goods and products with the highest available efficiency class" indicated by EU energy labels, the economy ministry said in a press release (in German). "By consistently purchasing energy-efficient products and services, the Federal Government and its own departments are making a significant contribution to achieving the climate protection targets," said economy minister Peter Altmaier. "This means that a completely climate-neutral administration, which we want to achieve in the medium term, is no longer just wishful thinking."

Altmaier’s ministry presented the new procurement guidelines as a replacement for expired previous legislation that was "comprehensively revised" on the basis of the government’s 2030 climate package. Additionally, the government "plans to submit a general administrative regulation on climate-friendly public procurement in a second step to implement the cabinet decisions on the climate protection programme," the press release said. "This is to cover products and services that are particularly relevant to the climate."

Read More

Clean Energy Wire

Federal Ministry for Economic Affairs and Energy: Press Release (in German)

April 2020: Waste Heat to Become Primary Source in Dortmund’s District Heat Network

The second meeting of the "District Heating 2.0 Energy Efficiency Network" was hosted by the German city of Dortmund’s local power and water utility, DEW21. The meeting focused on saving energy by utilizing waste heat, the German Initiative for Energy Efficiency Networks reports (in German).

The participants learned that waste heat from the Deutsche Gasrußwerke (DGW) industrial plant, which manufactures carbon black, is set to become the primary energy source for the city’s district heating supply.
In order to improve the environmental credentials of the downtown area’s heat supply, the existing steam network is to be replaced with a hot water network fed by considerably more waste and CHP heat from the DGW plant. Decommissioning the aging CHP station at the end of 2022 will save 45,000 metric tons of CO₂ annually. By the end of 2023, DEW21 will have invested more than 100 million euros in the project, the article states.

A recent official study estimates that there is 44 to 48 TWh/a of technically usable waste heat in the state of North Rhine-Westphalia in which Dortmund, which has more than half-a-million citizens, is located. Utilizing this energy would save up to 13 million metric tons of CO₂ annually. The waste heat sources can be found in the NRW "Energy Atlas" (in German).

The “District Heating 2.0 Energy Efficiency Network”, which is organized by the German district heating industry association AGFW, comprises eleven district heating companies from central, south-western and western Germany. The businesses in the network aim to achieve annual energy savings of at least 280 GWh by the end of 2020. As such they are aiming to beat the annual savings of 241 GWh achieved by the first AGFW efficiency network.

If you’re interested in learning more about or entering the German district heating market, contact our industry experts Bénédicte Winter and Robert Compton for free business support.

Read more
- Initiative Energieeffizienznetzwerke (Energy Efficiency Network Initiative) (in German)
- LANUV: Official study of potential waste heat (in German)
- NRW "Energy Atlas" heat map (in German)
- German district heating industry association AGFW (in German)

March 20: Germany Sees Strong Growth in Solar District Heating

March 2020

The abundance of municipal utilities is a defining characteristic of the German energy market. In 2019, it was these local companies, known as Stadtwerke, that contributed in particular to the large growth in solar-thermal plant installations. New plants with a total surface area of about 35,000 m² were connected to district heating networks, which represents a doubling of capacity.

According to the Stuttgart-based Steinbeis Research Institute Solites, Germany has about 70 MW of solar-thermal capacity for district heating. Some of these solar district heating plants will start operation in the coming months, but the collectors were installed in 2019 and thus the course is set for growth.

The municipal utility Stadtwerke Ludwigsburg-Kornwestheim in the south-western state of Baden-Württemberg is planning to feed solar heat into their district heating network in the first quarter of 2020. They currently own the largest German thermal solar-heating plant with a surface of 14,800 m². In Bernburg in the state of Saxony-Anhalt, the collectors were completed in December with the thermal storage set to be installed in Spring.

“In 2019, it was mainly Stadtwerke in metropolitan areas that discovered the potential of solar-thermal”, says Thomas Pauschinger, a member of the institute’s management. That solar-thermal has become an economically attractive option for established suppliers with existing district heating networks is a noteworthy development, the academic states. He points to the myriad successful reference plants and many good arguments. For energy suppliers, solar-thermal is now clearly seen as a way to decarbonize district heating networks.

Large scale solar-thermal is a mature technology. Word on the strong performance of the first commercial plants has spread rapidly among suppliers. Meanwhile, federal incentive programs compensate for the high installation costs,
LATEST NEWS: GERMANY’S HVAC INDUSTRY

which combined with the long-term lower operating costs makes solar-thermal even more attractive. Germany’s announcement of a CO2 price will further improve prospects for the technology.

Nevertheless, as Pauschinger notes, “the share of solar heat in the district heating market is still negligible. We see a market potential of 20 GW and expect a continuous growth in the coming years.”

Read more

Press release (in German)

March 20: German Heating Industry Optimistic for 2020

March 2020

The German heating industry is expecting a positive 2020. Uwe Glock, president of the German Heating Industry Association BDH, considers growth rates of up to 10 percent possible for heating systems that combine efficiency and renewable energy. The reason behind this is the increased funding rates in government incentive programs that were introduced at the beginning of 2020.

“We expect a clear plus this year especially for heat pumps, wood pellet systems and gas condensing boilers combined with solar thermal”, says Glock.

“The potential in the heating sector is huge. The new incentive program is a strong signal in favour of climate protection”, says Andreas Lücke, managing director at BDH. About 32 million tons of CO2 per year could be saved if the approximately 12 million obsolete heating systems were retrofitted. That corresponds to two thirds of the emission reduction goal of the heating sector for 2030. The remaining third could be saved by improving building envelopes. “To achieve this goal, the current retrofitting rate needs to almost double from around 580,000 at present to about 1 million systems per year”, calculates Glock.

In the past year however, the heating market grew only slightly by 2 percent. Almost 80 percent of the heating systems sold in 2019 were gas-based. Modern gas condensing boilers were by far the most in demand with 518,000 units sold – a 5 percent increase. The second most popular technology was heat pumps – as was already the case in 2018 – with 86,000 units sold, albeit with growth down to 2 percent (compared to 8 percent in 2018). The sales of oil-based heating systems declined by 17 percent. Demand for biomass boilers decreased slightly by 1 percent.

The heating sector sees itself as very well positioned in technological terms: "We can achieve the climate goals of the Federal Government with our highly efficient technologies", explains Glock. Manufacturers have invested €695 million in R&D. Glock considers this to be evidence for strong innovation in a heating sector that is further developing its international leadership. Worldwide sales increased to €15.7 billion. The 105 companies represented by the BDH industry association employ about 76,800 people – 36,800 thereof in Germany.

Read more

BDH Press release (in German)

March 20: Germany Boosts Incentives for Energy Efficiency in Buildings

March 2020

In Fall of 2019, the German government introduced new and binding climate goals. To help meet these, several incentive programs for energy efficient construction and renovation were improved and relaunched at the start of 2020.

Germany’s KfW development bank has increased repayment- and investment grants as well as the maximum loans in many construction and renovation programs. The following chart shows a summary:
The Federal Office for Economic Affairs and Export Control (BAFA) has also improved the funding conditions for **renewable heating**. The amount funded is calculated as share of the eligible costs of switching or extending a heating system. In new buildings, the funding rate for solar heating systems is now 30% of the eligible costs. The funding rate for biomass systems and heat pumps is now 35% of the eligible costs. There are minimum technical requirements that have to be fulfilled.

In existing buildings (i.e. buildings, in which the heating or cooling system to be switched out or extended was installed more than two years ago), the following systems are funded:

- Hybrid heating systems
- “Renewable ready” gas condensing boilers
- Solar thermal
- Biomass systems
- Efficient heat pumps
- Replacement bonus for oil-based systems

**NB:** *This information is provided as a courtesy only. No claim is made to completeness, accuracy, or timeliness. Further terms and conditions apply. Refer to the original funding conditions for official information.*

### Overview of Changes in KfW Incentives

**Main Changes to Residential Building Incentive Programs**

<table>
<thead>
<tr>
<th>Program</th>
<th>Measures</th>
<th>Changes</th>
<th>Comments</th>
</tr>
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<tbody>
<tr>
<td>Renovation credit (151)</td>
<td>Energy efficient homes 55 – 115 and monuments</td>
<td>Repayment grant max loan</td>
<td>+12.5% ‬ + € 20,000</td>
</tr>
<tr>
<td>Renovation credit (152)</td>
<td>Single measures</td>
<td>Repayment grant max loan</td>
<td>+12.5% ‬ No longer funded: • Oil and gas condensing boilers, complementary systems for renewable energies</td>
</tr>
<tr>
<td>Renovation investment grant (430)</td>
<td>Energy efficient homes 55 – 115 and monuments</td>
<td>Repayment grant max loan</td>
<td>+10% ‬ + € 20,000</td>
</tr>
<tr>
<td>Renovation investment grant (430)</td>
<td>Single measures</td>
<td>Repayment grant max loan</td>
<td>+10% ‬ No longer funded: Heating and ventilation packages</td>
</tr>
<tr>
<td>Construction credit (153)</td>
<td>Energy efficient homes 40 Plus - 55</td>
<td>Repayment grant max loan</td>
<td>+10% ‬ + € 20,000</td>
</tr>
</tbody>
</table>

*NB: This information is provided as a courtesy only. No claim is made to completeness, accuracy, or timeliness. Further terms and conditions apply. Refer to the original funding conditions for official information.*

**Read more**

- KfW Incentive Programs (in German)
- BAFA (in German)
One third of Germans (31%) own at least one smart home application. That is a notable increase compared to 2018 when only 26% of the respondents reported using at least one smart home application. Intelligent lamps and lights are the most common application (18%) followed by smart heating thermostats (14%). These are the findings of a representative survey conducted among more than 1000 German adults by Bitkom, Germany’s digital association.

“Smart home technologies are increasingly attracting interest and give people better security, a higher quality of life and more efficient energy use” says Achim Berg, Bitkom’s president. “Smart technologies have big potential for home applications, especially in light of current societal developments. The number of elderly people is increasing; they all want to be able to stay in their home as long as possible – smart home applications can be helpful in such cases, for instance with sensors recognizing when the inhabitant has fallen or the cooker has been left on. They also help against climate change: smart control of heaters and home appliances saves energy and money.” Currently, 7% of the respondents use smart meters for electricity, gas and water. 10% control their consumption through Wi-Fi or wireless sockets.

The majority of users (80%) operate their applications from their smart phones (2018: 76%). The number of respondents using a tablet remained stable at 44%. Voice control has increased by 7%; now 44% operate their smart home systems with Amazon Echo, Apple HomePod and co, compared to 37% in 2018. 35% of smart home users use a remote control, 11% of them own a smart watch.

“Smart phones are now established as operating panels across different systems and manufacturers, thus making smart home products easier to use”, says Berg. “On top of that, the use of voice control is expected to increase. In the future we will control even more appliances with our voice.”

Read more:
- Bitkom (Germany’s digital association) – Press release (in German)

Germany’s Federal Office for Economic Affairs and Export Control (BAFA) has been successfully funding heating systems based on renewable energy for 20 years on behalf of the federal government.

The first funding directive entered into force on September 1, 1999. In the two decades since then, over 1.8 million systems have received financial support amounting to more than €3 billion, triggering investments amounting to €23.7 billion.

Torsten Safarik, president of BAFA states: “I am very happy about the success of the MAP market incentive program. Together with citizens, companies, institutions and cities that are investing, BAFA is making a major contribution to the energy transition in the heating market.”

The MAP program supports the use of heat from solar panels, solid biomass and efficient heat pumps. In addition to the funding, BAFA awards grants for especially innovative technologies for heating and cooling based on renewable energy or for the retrofitting of systems that have already received funding.

Currently, heating and hot water alone represent 40% of the energy consumed in Germany. The federal government wants increase the share of renewable energy in the heating market and the MAP market incentive program is a key element in this plan.

The Federal Ministry for Economic Affairs and Energy (BMWi) provides hundreds of millions of euros in funding every year to this end.
Sep 2019: Dresden District Heating Project Set Up In Regulatory Sandbox

September 2019

Nearly half of the households in the city of Dresden are connected to its district heating network. Now a project that aims to make the system more energy efficient and environmentally friendly has been set up within a so-called regulatory sandbox.

CityImpuls DD is one of 20 industrial-scale field tests of energy technologies that recently won access to a federal funding pot worth 100 million euro per year. A further 200 million euro will be made available for projects in regions of structural change. Over 90 consortia participated in the competition, representing 500 players from industry and R&D institutions.

This first round focussed on three topics:

- Sector coupling and hydrogen technologies;
- Large-scale energy storage in the electricity sector;
- Energy optimized neighbourhoods.

CityImpuls DD foresees a gradual reduction in flow temperatures in Dresden’s heating network. Six solar-thermal plants, heat pumps, and a large heat storage facility will feed energy from renewable sources into the network, reducing its carbon intensity. The network’s hydraulics will be completely overhauled and a number of new technical aspects introduced.

The German federal government introduced the regulatory sandbox concept to enable new products and business models to be tested under real-life conditions but with legal flexibility in the regulatory environment. Authorities also hope to gain insight into potentially beneficial regulatory changes.

Read more:

- BMWi: Regulatory sandboxes – Article [link]
- BMWi: Funding industrial field tests of energy technologies – Press release [link] (in German)
- BMWi: Energy research – Website [link] (in German)

July 2019: Big Growth Expected for Solar-Thermal in District Heating in Germany

July 2019
It is an ever more cost-effective proposition: Using solar-thermal collectors to feed carbon-free heat into district heat networks to supplement or replace other sources. Indeed, it seems German heat providers have discovered the biggest supplier of them all: the sun.

To date, solar-thermal plants have delivered only a tiny share of the energy supplied through district heat networks in the German market. However, growth is expected to accelerate, with experts mooting the need for annual installations to increase multitudinously if government climate targets are to be met.

Thirty-four solar-thermal plants with a total collector area of 62,700 m² and an installed capacity of 44 MWth currently feed into district heating networks in Germany, with a further 19 MWth planned to start operations in 2019.

The largest facility is operated by the municipal utility Stadtwerke Senftenberg in the state of Brandenburg in the east of the country. Last year alone the 8,300 m² array generated an impressive 4,720 MWhth.

However, Stadtwerke Ludwigsburg-Kornwestheim, a municipal utility in the south-western state of Baden-Württemberg is set to take the crown shortly with a plant spanning nearly 15,000 m².

"Solar-thermal is essential to the decarbonisation of district heating," says Helmfried Meinel, Director General at Baden-Württemberg’s Ministry of the Environment, Climate Protection and the Energy Sector. "We are happy and also a bit proud that our state has become a hotspot for large solar district heating plants. As a state, we will continue to support this dynamic development."

Dirk Mangold, head of the research institute Solites, expects the number of plants to double and capacity to treble in the next five years: "This figure is based on ongoing projects and concrete feasibility studies with the probability of realisation factored in," he states.

But Mangold sees this as just the start: "The German government wants to increase the share of solar-thermal in district heating massively by 2050. A 15 percent share would correspond to 12 TWh per year. That would require an installed capacity of around 21 GW or a collector area of around 30 million m². That means we need to be constructing 1 million m² per year. And that means fifty times more than the current market."

Read more:
- Solar District Heating – Press release (in German)
- Fact Sheet Solar Wärmenetze (in German)

May 2019: Federal Ministries Consult Each Other on Building Energy Act

May 2019
In response to an official question from the Alliance 90 / The Greens the Federal Government stated that the draft of the delayed Building Energy Act (GEG) is now in the interministerial coordination process. The draft was put forward by the Federal Ministry for Economic Affairs and Energy and the Federal Ministry of the Interior, Building and Community.

The act is intended to simplify the many regulations on climate protection in the building sector by bringing together in one law the Energy Conservation Act (EnEG), the Energy Conservation Ordinance (EnEV), and the Renewable Energy Heat Act (EEWärmeG).

Germany’s federal government has set a target of reducing greenhouse gas emissions from the building sector by 66 to 67 percent on 1990 levels by 2030.

An attempt by the previous government to pass the act in 2017 was unsuccessful.

The current coalition agreement states that the parties wish to de-bureaucratize the regulations currently laid down by the EnEG, EnEV and EEWärmeG legislation by bringing them together under a new GEG act.

Read more:

- [Official Answer 19/9775](#) (in German)
- GTAI: Germany’s Building Industry
- GTAI: Energy Efficiency in Buildings in Germany

May 2019: Retrofitting and Smart Heating Solutions receive Energy Efficiency Award

May 2019

The 2019 Perpetuum Energy Efficiency Prize of the German industry association for energy efficiency DENEFF was awarded to the companies ecoworks GmbH (jury prize) and vilisto GmbH (audience prize).

Ecoworks persuaded the jury with its “net-zero retrofitting” solutions. The company employs industrial prefabrication methods and highly efficient energy systems to renovate apartment blocks with up to five stories within just a few days. The company aims to leave behind a building that produces at least as much electricity every year as its residents use for heating, hot water and household appliances. According to Dr. Camilla Bausch, director of the Ecologic Institute and chair of the jury, “ecoworks impressed the jury with its integrated approach that brings different trades together. The solution addresses important challenges in retrofitting existing building stock and is very cost-efficient thanks to its industrial production methods. It makes complex retrofits more calculable.”

Vilisto convinced the audience with its ovis solution, a self-learning heating control system. The AI-based tech learns user behavior and the building parameters for each room and controls the heating automatically, anticipating needs and under consideration of weather data. The company claims ovis has proven energy savings of above 32%.

Read more:

- [German industry association for energy efficiency DENEFF](#) – Press release (in German)

April 2019: EUR 30,000 Energy Efficiency Award open for entries

April 2019

Every year the German Energy Agency dena recognises outstanding energy efficiency projects and concepts with its Energy Efficiency Award. The competition is open to private and public companies both in Germany and further afield.
Entries to the 2019 competition can be submitted from the beginning of April until June 30th in one of the following four categories:

- Energy transition 2.0
- Energy efficiency: from clever to digital
- Energy services and energy management
- Energy efficiency concepts

The search is on for innovative approaches and concepts that enable real efficiency gains. The winners of the award will take home a share of a EUR 30,000 prize pot. Germany’s KfW Development Bank and Danfoss are supporting the award as partners. A project website will be available soon. In the meantime, questions can be sent to the Energy Efficiency Award Team. If your company is interested in expanding to Germany’s energy efficiency market, don’t hesitate to get in touch with our industry experts who are here to support you.

Read more:
- German Energy Agency - Announcement (in German)

**November 2018: EUR 6 Billion for Energy Innovation**

November 2018

Germany’s Federal Government recently adopted its seventh energy research program, which defines energy research policy for the coming years. The budget for the period to 2022 totals a hefty EUR 6 billion. The funding announcement defines four focus areas for energy research:

- Energy use: buildings and neighborhoods, industry and commerce, energy transition in the transport sector and fuel cells
- Energy supply: wind, solar, bioenergy, geothermal, hydro- and marine energy as well as solar and conventional thermal plants
- System integration: power grids, power storage, sector coupling, hydrogen technologies
- System-wide energy transition research: e.g. CO2 circular economy, digitization, resource efficiency

If your business is interested in researching and developing the clean energy solutions of tomorrow here in Germany, don’t hesitate to contact our team.

Read more:
- Federal Ministry for Economic Affairs and Energy – Funding Announcement (in German)
- Energy research funding (in German)

**November 2018: German Energy Consumption Set to Fall Sharply in 2018**

November 2018
The energy market research group AGEB expects Germany’s energy consumption to decrease this year by around 5 percent to 12,900 petajoules based on preliminary data for the first three quarters, which saw a drop of around 5.3 percent.

Consumption of all fossil fuels fell across the first nine months while the consumption of renewable and nuclear energy sources increased. Consequently, AGEB is predicting a disproportionately large decrease in CO2 emissions (Q1-Q3: -7 percent).

The drivers behind the change include higher prices, mild weather and improved energy efficiency. On the other hand, the positive economic situation and population growth were factors that increased consumption, AGEB notes.

Energy consumption in Q1-Q3 2018 compared to Q1-Q3 2017:

- Oil -7.4% (decreased motor fuel consumption and considerably reduced fuel oil sales)
- Natural gas -7.2% (lower consumption due to mild weather, less gas used to generate power)
- Hard coal -12.8% (decrease in power and heat production)
- Lignite -1.9% (decrease in power production)
- Nuclear +4.9% (increased power production)
- Renewable energy +3.1% (wind +13%, solar +14%, hydro -10%, biomass no change)

Read more:
- AG Energiebilanzen e.V. – Press release (PDF in German)

November 2018: Perpetuum Energy Efficiency Award 2019 Open for Entries

November 2018

The German industry association for energy efficiency DENEFF is inviting companies, individuals or teams with innovative energy-efficient solutions to enter the Perpetuum 2019 Energy Efficiency Award.

Ten finalists will be invited to DENEFF’s annual kick-off conference on April 9th, 2019 in Berlin, where they will present their solution – be it a technological improvement, an innovative business model or a new sales or financing approach – to the audience in a five-minute elevator pitch.

The innovations will be evaluated according to international potential, innovative character, broad impact and the pitch. A jury of seven representatives from business, politics and science will select the winners. There will also be an audience prize.

This year’s awards will emphasize the international nature of the innovation.

Previous winners include interpanel (Germany), Fresh Energy (Germany), Aurelia Turbines (Finland / Germany) and Joulia (Switzerland).

Entries can be submitted until December 31st, 2018. Visit the link below for terms and conditions.

Read more:
- Perpetuum Energy efficiency award
- Website: interpanel
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• Website: fresh energy

• Website: Aurelia Turbines

• Website: joulia

Oct 18: One Million Heat Pumps in Germany

October 2018

Germany's Federal Association of Master Chimney Sweeps (ZIV) has released the results of its 2017 survey on central heating in Germany. For the first time, the total number of heat pumps installed in Germany has crossed the one million mark. Even though heat pumps make up only 5% of the total 21 million central heating systems in the country, new annual installations saw strong growth of 17% in 2017. Manfred Greis, President of the Federal Association of German Heating Industry (BDH), notes that heat pumps use a high share of renewable energy to heat buildings and therefore make a significant contribution to increasing the share of renewable energy in the heating market. “The 1 million mark can be considered as a market breakthrough for this efficient technology”, he says. The survey confirmed that the installed fleet of 7.5 million obsolete gas boilers still outweighs the 5.8 million more efficient condensing gas boilers. There are also around 5 million obsolete oil-fired systems and 0.7 million oil-based condensing boilers in German basements.

According to Oswald Wilhelm, president of the ZIV, 64% of German boilers do not meet modern standards. “The modernization market is stagnating. The huge CO2 reduction potential in existing buildings can therefore not be realized fast enough”, he says. In their joint press release, the ZIV and BDH ask the government to improve support for the modernization of the obsolete existing heating systems. “There is enough capital for energy-efficiency refurbishment, but it should be activated through public incentives” according to Andreas Lücke, managing director of the BDH.

The coalition agreement between Germany’s governing parties states that the replacement of old, inefficient heating systems with modern, high-efficiency heating systems (including condensing boilers) will continue to be promoted to achieve the country’s climate goals. Public funding is currently made available through the MAP & APEE programs. At the time of writing and where the conditions are met, homeowners receive a minimum of EUR 2000 for solar-thermal systems that both support heating and provide hot water, a minimum of EUR 3500 for biomass-based systems such as a pellet boiler with heat storage, while heat pumps are eligible for a minimum of EUR 4500.

Read more

• Federal Association of German Heating Industry (BDH) – Press release (in German)

• MAP funding (support for renewable energy in the home) – Deutschland Macht’s Effizient (in German)

Aug 18: Germany’s ESCO Market Growing Thanks to New Buildings

August 2018

The German Association of Heat Suppliers VfW has published its annual survey of energy contracting companies amongst its membership. The group estimates this to cover 60% of the market players.
The results suggest the market grew in 2017, with 4 percent more contracts and revenues up 12% year-on-year. The reported growth in new contracts was down slightly on the previous year. Total turnover in 2017 amounted to EUR 3.1 bn.

- The questionnaire asked about projects according to the type of contracting services realised: 85% energy supply contracting
- 8% energy performance contracting
- 2% technical management
- 1% financing contracting

The contracting market has benefitted from the boom in new construction in Germany: 50 percent of new energy contracting projects in the housing sector were implemented in new buildings.

Nevertheless, the association called for more clarity regarding energy market regulation and for climate issues to be given higher priority in German politics, citing lower business expectations amongst its members.

The government is keen to support contracting, as discussed for example in last year’s Green Paper on Energy Efficiency (see links below). You can read more about government support for energy contracting in German SMEs and municipalities on the “Deutschland Macht’s Effizient” website (see links below). The program was extended in December [Press release in German].

**Read more**
- VfW: Press release (in German)
- Federal Ministry for Economic Affairs and Energy: Green Paper on Energy Efficiency
- Deutschland Macht’s Effizient: Funding for Energy Contracting (in German).

**Aug 18: Germany’s Successful Heating Optimization Funding Program**

**August 2018**

Heating optimization has now been funded with attractive grants by Germany’s Federal Office for Economic Affairs and Export Control (BAFA) for two years. The program has become well established in the market: around 170,000 highly efficient pumps and 90,000 hydraulic balancing measures have received around EUR 50 million in funding. BAFA reports receiving a large number of enquiries from owners of commercial properties, housing societies and heating installers and thus expects increasing demand for funding. The program has become integrated into business models with companies including the program in client acquisition processes.

Millions of old and power-hungry heating circulation pumps are still used in Germany. Switching to a highly efficient pump can bring considerable efficiency gains for little effort. Furthermore, substantial energy and fuel savings can be made by hydraulically balancing a heating system.

BAFA supports the replacement of heating and hot water circulation pumps as well as hydraulic balancing together with additional measures such as installing thermostatic valves and measurement and control technologies. The grant currently covers 30% of the net costs, ensuring short amortization times.

Refer to the BAFA website for terms and conditions.
July 2018: Innovative Construction Companies Wanted For Serial Retrofits

The German Energy Agency dena and the German Real Estate Association GdW are looking for innovative construction companies that could develop retrofit solutions for the German market according to the “Energiesprong” principle. The objective of the program is to retrofit prototype buildings in a climate-neutral way with prefabricated elements throughout Germany in the next two years.

Nine German housing organizations are already involved and prototype solutions are being developed for 60 apartments. Solution providers are needed for 57 further apartments. Dena estimates that the market potential in apartment buildings amounts to EUR 120 billion and 500,000 buildings.

Energiesprong Germany is currently looking for general contractors and suppliers of prefabricated facade elements, solar roofs, heating, cooling and storage technologies as well as energy monitoring systems. The Energiesprong program will start with a “Challenge Day” in Berlin on September 20th, 2018, where housing organisations will present the projects they want to implement with solution developers. An “Innovation Day” will follow at the end of October in order to clarify questions regarding the building envelope, technical modules and other aspects. Finally, the solution developers will present their concepts during a “Pitch Event” at the end of the year in Berlin.

Read more:
- GdW press release (in German)
- Energiesprong Germany
- Register for Energiesprong Germany (in German)
- GTAI: Building Industry
- GTAI: Energy Efficiency in Buildings

July 2018: New waste heat atlas for Frankfurt

The city of Frankfurt am Main has released the results of a study into sources of waste heat in a new waste heat atlas. It highlights a combined potential of 200 MW in waste heat from wastewater, industry and data centres. If this heat were recovered, it could in theory deliver 470 GWh in space heating and hot water annually, representing 16% of current demand from residential customers in Frankfurt and almost 60% of the forecast demand for 2050.

Read more:
- Municipal Energy Agency Frankfurt am Main (in German)

July 2018: Successful first year for innovative heat networks funding program
LATEST NEWS: GERMANY’S HVAC INDUSTRY

Germany’s Federal Ministry for Economic Affairs and Energy launched a funding program for innovative heat networks in July 2017 and is now reporting a successful first year. The program supports the planning and construction of heat networks that deliver efficient, environmentally friendly and economic heating and cooling based on renewable energy and waste heat. To date funding has been available for feasibility studies (module I) and system realisation (module II).

BAFA, The Federal Office for Economic Affairs and Export Control, which manages the program, has released the following statistics:

- Module I: 62 applications submitted (39 accepted to date with grants amounting to EUR 3.7 million);
- Module II: 3 applications submitted;

Market players are showing strong interest in the funding program with a higher number of applications expected in the future.

The application process is now open for the final two modules:

- Module III: Publicity measures to achieve the necessary connection rates and profitability;
- Module IV: Support for academic cooperation.

Read more:

- BAFA Press release [in German]
- GTAI, August 2017: Germany launches funding for innovative pilot heat networks
- BAFA: Heat Networks 4.0 [in German]

June 2018: German energy efficiency market expected to grow at average 9.1% p.a.

June 2018

The German energy efficiency market is expected to expand at an average 9.1 percent per annum from 2016 to reach a volume of EUR 182 billion in 2025, according to the German environment ministry’s recently published “GreenTech Atlas”.

The report’s market definition includes energy-efficient production processes, buildings and appliances as well as cross-sector components such as pumps, electric drive systems and heat exchangers.

The authors expect the German market to outperform the global average:

“The global lead market for energy efficiency will reach a volume of EUR 1,365 billion in 2025. That is equivalent to average annual growth of 4.3 percent in the period from 2013 through 2025”, they state.

An estimated 400,000 people worked in the German energy efficiency sector in 2016, according to the study.

German companies generate an average of 20 percent of sales in their home state, 36 percent in other German states, and 44 percent internationally, although there is strong variation according to whether the provide products or services, according to the survey.
LATEST NEWS: GERMANY’S HVAC INDUSTRY

Market volume development in Germany, 2016-2025 – Lead market for energy efficiency

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<td>Energy-efficient production processes</td>
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<td>Energy-efficient buildings</td>
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<td>Energy-efficient appliances</td>
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<td>Total</td>
<td>83</td>
<td>182</td>
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Source: Greentech made in Germany, 2018

Read more:
- GreenTech made in Germany 2018
- GreenTech made in Germany: Energy efficiency retains the biggest market volume

March 2018: German market for energy services estimated to have reached EUR 9 billion in 2016

March 2018

The Federal Agency for Energy Efficiency (BfEE) conducted an empirical study of the German market for energy consulting, energy contracting, and energy management services. The survey, conducted from June to September 2017, estimated the following market sizes:

- Energy consulting: approx. EUR 790 – 850 million
- Energy contracting: approx. EUR 7.7 billion
- Energy management services: approx. EUR 435 million

Market players are optimistic about the development of their respective segment for the next three years: 42 percent of the energy contracting and energy management players expect strong to very strong growth. Digitization and decentralization of energy production were identified as the main trends impacting the market.

Read more:
- Federal Agency for Energy Efficiency – Market study (in German)
March 2018: Record sales of heat pumps in Germany in 2017

March 2018

Around 78,000 heat pumps were sold in Germany in 2017, the highest sales volume ever, with 17 percent growth compared to 2016. The strongest growth was achieved in the air-source segment with approximately 55,000 units sold. The number of heat pumps installed in Germany consequently increased to about 800,000 in 2017. Air-source heat pumps have a market share of 71 percent; the remaining 29 percent was made up by ground-source heat pumps and others.

The German Federal Association for Heat Pumps expects stable sales figures in 2018.

Read more:

German Federal Association for Heat Pumps BWP – Press release (in German)

Jan 18: New funding program for drain water heat recovery systems (DWHR)

January 2018

The objective of the new “Small series for Environmental Products” funding program is to support the market entry of market-ready technologies. Module 3 of this program is dedicated to decentral units for heat recovery from waste water in buildings. Other units cover micro hydropower plants, local oxygen production systems, and drilling equipment for innovative ground storage heat exchangers.

The following decentral appliances or installations for DWHR in buildings are eligible for funding:

a) Shower channels with heat exchanger;
b) Shower trays with heat exchanger;
c) Shower pipes with heat exchanger;
d) Systems for heat recovery from a whole buildings’ sewage or gray water.

Expenditure for the investment in and installation of the above technologies is eligible for funding up to a maximum of 30 percent of the eligible costs.

For a) to c), the incentive is EUR 250 per DWHR device. Each funding application for a) to c) must be for a minimum of six appliances. In applications covering more than 20 DWHR devices, the incentive decreases to EUR 200 per device. The technology employed in a) to c) has to achieve 25% minimum efficiency at a balanced average flow rate of 12.5 liters per minute.

For technology d) the level of funding is EUR 250 per connected unit (e.g. per shower). In buildings with more than 20 units (e.g. showers), the incentive decreases to EUR 200 per unit. Where a secondary gray water network must be installed to enable heat recovery with technology d), additional funding of EUR 300 per connected unit may be granted.

This information is provided as a courtesy only. No claim is made to completeness, accuracy, or timeliness. Further terms and conditions apply. Refer to the original funding conditions for official information.

Read more:
- BAFA – Announcement (in German)
- National Climate Initiative – Program Information (in German)
- GTAI – Incentive Programs
Dec 17: Construction starts on major waste heat utilization project in Hamburg

December, 2017

Work began in October on a 2.7-kilometer-long district heating line from a copper smelting plant in Hamburg to the nearby and newly constructed HafenCity district. The plant owner, Aurubis, will deliver waste heat from an exothermic chemical reaction in its copper production process to the edge of its facility. The energy company enercity will then transport it to the district heating grid.

Heat will at first only be supplied from one of the plant’s three production lines — nevertheless enough to satisfy demand in the east of HafenCity even in the winter months.

Heat delivery is scheduled to begin in April 2018. As the construction of HafenCity continues, the project will be built out successively in the coming years. Once completed, the project will reportedly save 4500 tonnes of CO2 emissions annually.

The project is being funded in part by Germany’s KfW development bank and the European Regional Development Fund.

District heating is just one of many potential uses for waste heat in Germany. If your company works in waste heat avoidance, storage, or utilization, get in touch with one of GTAI’s industry experts today. We would be happy to advise you on the vast opportunities and potential for your company in Germany.

Read more:
- [Welt.de](https://www.welt.de) (in German)

Oct 17: More fuel cells in German basements

October 2017

According to Germany’s KfW development bank, 1,100 grant applications were received for natural gas-powered fuel cells units between August 2016 and July 2017.

Germany’s federal government has been subsidising the units in private households for almost a year and the successful funding programme has since been expanded to include companies and municipalities.

Natural gas-powered fuel cells are setting new standards in terms of efficiency and climate protection. The units are no bigger than a fridge and produce heat and electricity at the same time. The technology represents one of the most efficient forms of combined heat and power. Compared to an old oil-fired boiler, gas-powered fuel cells emit almost 60 percent less CO2.

Grants are available for units from 0.25 to 5 kW electrical power. The grant consists of a fixed sum of EUR 5,700 and a performance-related sum. Accordingly, for large fuel cell systems with an output of 5 kW, subsidies of up to EUR 28,200 are feasible.

Read more:

Aug 17: Federal fuel cell incentive program expanded to include commercial buildings

August 2017
Germany’s generous federal funding for fuel-cell heating systems was expanded at the start of July to enable small and medium-sized enterprises, contractors, and municipalities to apply for support for applications in non-residential buildings.

Funding for the installation of fuel-cell heating systems in private residential buildings was launched in August 2016. The changes will provide a boost to the government’s technology-launch programme for fuel-cell heating systems.

State Secretary Baake said: “The new rules for the commercial sector will play an important role in making this highly efficient and forward-looking technology widely available on the market.”

At the time of writing, grants of between EUR 7,050 and EUR 28,200 were being awarded for fuel cell systems with an output of between 0.25 and 5.0 kW according to performance and the total eligible costs. The part of the grant awarded according to performance is made up of a fixed sum of EUR 5,700 with an additional EUR 450 for every additional started 100 W of electrical output. A 1.0 kW system thus receives a grant of EUR 10,200 while a 5.0 kW system receives EUR 28,200.

The total eligible costs include installation, set costs for the first 10 years of a full-service contract, and the costs for an energy efficiency expert. 40 percent of these costs are awarded as a grant up to the maximum grant level for the performance class.

This information is provided here as an indication. The full conditions can be found on the KfW website.

If you would like more information about the opportunities for your business in Germany’s stationary fuel cell and HVAC market, get in touch with Germany Trade & Invest’s industry experts, who would be glad to support you. Our incentives team can let you know how your investment project can benefit from public funding.

Read more:
- GTAI: Incentive programs
- BMWi: Press release
- KfW Development Bank: Funding program information (in German)

Aug 17: Germany launches funding for innovative pilot heat networks

August 2017

The start of July saw a new funding program launched in Germany that will support the planning and construction of highly innovative multivalent heat networks. The program aims to incentivize larger pilot projects that form a bridge between energy research and real-world practice, and thus pave the way for wider market entry. The aim is to provide environmentally friendly heat from a large share of renewable sources and waste heat through district networks as cheaply as conventional fossil-based systems.

Heat networks that operate at temperatures of 20 to 95 °C have a number of advantages over conventional systems. These typically include utilizing high shares of heat from renewable sources and waste heat, providing large-scale seasonal heat storage, improving flexibility in the electricity grid, and delivering efficient district-scale solutions for heating and cooling.

At the same time, such systems can deliver heat at competitive prices by employing waste heat sources that were previously unusable, for example at the edge of towns or on neighbouring properties. By connecting cheap industrial waste heat to consumers in industrial-scale pilot projects, the program aims to accelerate the learning curve and generate scale effects in the branch.
Furthermore, the program will support sector coupling by enabling the heating grid to provide flexibility to the electrical grid by combining large-scale heat pumps with large-scale seasonal heat storage, or even other power-to-x solutions.

State Secretary Baake said: "By launching funding for 4th generation heating networks, we are promoting systems that correspond to what we want the future heating infrastructure to look like in the context of the energy transition. In view of the very long investment cycles in this area, this is particularly important when it comes to reaching our 2050 energy-policy targets."

Funding will be provided in two steps: first, for feasibility studies (up to 60 percent / max. EUR 600,000), and second, for the realisation of the system (up to 50 percent of the eligible project costs / max. EUR 15 million). Applications can be submitted to the Federal Office for Economic Affairs and Export Control (BAFA). Additional information can be found on the BAFA website (link below).

If you would like more information about the opportunities for your business in Germany's district heating market, get in touch with Germany Trade & Invest’s industry experts, who would be glad to support you. Our incentives team can let you know how your investment project can benefit from public funding.

Read more:
- GTAI: Incentive programs
- BMWi: Press release
- BAFA: Heat Networks 4.0 (in German)

Aug 17: 60 percent of residential buildings completed in Germany in 2016 wholly or partly heated by renewable energy

August 2017

Heating systems which use renewable energy were installed in 60.3 percent of the just under 110,000 residential buildings completed in 2016, the Federal Statistical Office Destatis reports. 37.6 percent of the residential buildings completed were primarily heated by energy from renewable sources.

Renewable energies ranked second among primary energy sources after gas, which was used for heating purposes in 52.9 percent of the new buildings. Together, the other energy sources (such as district heating, oil, and electricity) accounted for 9.5 percent.

Where new residential buildings were primarily heated by renewables, this was usually achieved with environmental heating (air or water-source heat pumps) or geothermal systems (ground-source heat pumps).

Where environmental heating, geothermal systems or gas were the primary energy source, these were also the sole source in 50 percent of new residential buildings. Where they were not the sole source they were most often supplemented with renewable sources. Wood was primarily installed to support environmental heating (22.9 percent) and geothermal systems (16.2 percent). Gas was most often combined with solar-thermal technologies (26.8 percent).

Renewable sources include environmental heating, geothermal systems, solar-thermal technologies, wood, biogas/biomethane and other biomass. Conventional energy sources include oil, gas, and electricity. District heating is a further energy source.

If you would like more information about the opportunities for your business in Germany's HVAC and green building markets, get in touch with Germany Trade & Invest’s industry experts, who would be glad to support you.
Read more:

- Destatis: Press release [1]

**Aug 17: Super-efficient housing estate celebrates completion in Bavaria**

**August 2017**

After nearly a year and a half of construction, an estate of 13 new super-efficient homes was opened in a ceremony near the southern German city of Augsburg on July 14th.

The estate, known as the “Effizienzhaus Plus-Siedlung”, is located in the village of Hügelshart near the Bavarian city of Augsburg.

Over the course of a year, the nine detached and four semi-detached homes will produce more energy than their residents consume. The buildings were constructed according to the “Effizienzhaus Plus” criteria laid down by the Federal Ministry for the Environment, Nature Conservation, Building and Nuclear Safety.

The project is just one example in Germany of both energy-efficient and economical construction.

Franz Josef Pschierer, state secretary in the Bavarian Ministry of Economic Affairs and Media, Energy and Technology, considers the project a role model: “Germany’s transition to renewable energy is not only an electricity transition. Heat also plays a big role. Modern construction techniques and innovative technologies - as we see here in Hügelshart - make an important contribution to the electricity and heat transitions.”

The local mayor, Roland Eichmann, said: “The Effizienzhaus Plus-Siedlung is a trailblazer for energy efficient construction. The concept finds a way to optimally implement good construction and energy efficiency in architecture. For us, it’s a reference project.”

Part of the energy collected by the photovoltaic systems on the buildings’ south-facing roofs is stored in lithium-ion batteries, while some is transformed into heat and stored in a thermal water storage system. An energy monitoring system controls all aspects of the system automatically and ensures the photovoltaic energy is used optimally.

Over the course of a year, the buildings predominantly generate the energy they need and feed excess power into the grid or charge an electric vehicle directly next to the house. The majority of excess energy is generated in the summer months. In winter, the photovoltaic systems won’t generate quite enough to meet the buildings’ needs and so some power will come from the grid. Nevertheless, over the course of a year, the buildings are around 70 percent self-sufficient.

At the heart of each of the buildings is a combination of an air-water heat pump, inverter technology, and a thermal water storage system. The heat pump, which is primarily powered with electricity from the photovoltaic system, heats water in the storage tank which is then used in the heating system. Hot water is also provided by the heat pump and stored in a 235 liter tank.

You can find further information and photos on the project homepage in the links below.

If you would like more information about the opportunities for your business in Germany's green building market, get in touch with Germany Trade & Invest’s industry experts, who would be glad to support you.

Read more:

- Die Effizienzhaus Plus-Siedlung: Project homepage [1] (in German)
July 17: Vattenfall announces Germany’s largest power-to-heat system

July 2017

The energy company Vattenfall has announced its intention to build Germany’s largest power-to-heat system in Berlin, replacing one block of a hard-coal-fired power plant.

The 100-million euro investment comprises three hot water generators with a total capacity of 120 MWth, gas-fired peaker units, and investments in hydraulic and electrical infrastructure.

The system is expected to supply hot water to the Spandau district heat network following the 2019/2020 winter heating season, at which point it is planned that block C of the Reuter West power plant will be taken offline.

Vattenfall aims to exit coal-fired power and heat generation in Germany’s capital by 2030. In May of this year, the company switched the fuel source at the Klingenberg cogeneration plant, located in Berlin’s Lichtenberg district, from lignite to natural gas.

The power-to-heat project is taking place within the SINTEG program, which aims to develop intelligent energy-supply solutions with a rising share of renewable power in the grid. The program is funded by the Federal Ministry for Economic Affairs and Energy.

Read more:
- Vattenfall: Press release - Power-to-heat investment (in German)
- Vattenfall: Press release - Klingenberg power station (in German)

July 17: Germany’s energy efficiency branch growing despite lower energy costs

July 2017

German businesses providing energy efficiency solutions turned over 143 billion euro in 2016, a study published by the German energy efficiency industry association DENEFF and PricewaterhouseCoopers (PwC) has found. The extrapolated figure represents growth of nearly 6 percent on 2015. According to the paper, the branch now employs 600,000 people.

The report attributes these positive developments primarily to the political framework - despite the current low energy prices.

DENEFF notes that the branch is seeing a growing number of new market entries, many of which are startups, and cites trends such as digitalization and innovative business models.

Read more:
- DENEFF: Press release and report (in German)

June 17: New funding strategy for energy efficiency and renewable heating published

June 2017

Germany’s Federal Ministry for Economic Affairs and Energy has published a new strategy for federal funding and incentives for energy efficiency and renewable heating. The document lays down a number of modifications such as the bundling of major programs and a new user-focussed approach. The various programs will be reformed by 2020.
Hybrid heating systems that use renewable energy sources will continue to be funded to support the transition to renewables in the heating sector. However, support for systems based solely on fossil fuels will be phased out by 2019.

The strategy also defines a number of core areas, namely energy consulting, energy efficiency in buildings, energy efficiency in industry and trades, and heating infrastructure. All of the programs will be provided as combinable modules in each of the four areas. As a consequence, a number of existing programs will be merged. For example, the two large programs in the building sector (KfW energy efficient construction and renovation and the MAP renewable heating program) are to be fused under “energy efficient building”, according to the document.

Read more:
- Federal Ministry for Economic Affairs and Energy (BMWi): Press release (in German)
- BMWi: Funding strategy for energy efficiency and heating with renewable energy (in German)

June 17: One third of new residential buildings in Germany included a heat pump in 2016

June 2017

The share of heat pumps in newly constructed residential buildings in Germany grew slightly in 2016 to 31.8 percent, up 0.4 percent on 2015, figures released by the country’s Federal Statistical Office show.

The BWP heat pump industry association reports that buildings with one or two residential units were particularly well represented (34.0 percent), while heat pumps maintained their market share in multi-unit buildings (16.0 percent) and non-residential buildings (13.6 percent).

A total of 36,500 new buildings were equipped with heat pumps, around 2000 more than the previous year, in part due to Germany’s strong construction sector, the BWP notes.

The south-western federal state of Baden-Württemberg was a clear leader, where heat pumps took a 47.9 percent share - up 6.6 percent.

The official statistics differentiate between geothermal and so-called “environmental heat” systems, the latter denoting air- and groundwater-source heat pumps. Environmental heat source systems were by far the most popular choice, with the vast majority of these being air-source systems, according to the BWP. Geothermal sources accounted for 6.8 percent of the heat pumps installed with strong regional variations in the technology employed.

The BWP expects a strong 2017 after the share of heat pumps in new residential buildings granted a construction permit in 2016 rose to 37.4 percent. Buildings permitted in 2016 (and thus likely to be completed in 2017) must fulfill tighter efficiency regulations than those permitted in 2015.

Read more:
- BWP: Press release (in German)

April 17: High demand for renewable heating incentives

April 2017

Be it for solar-thermal, heat pump, or biomass systems – ever more Germans are applying for support under Germany’s Market Incentive Programme (MAP) for renewable heating, the Federal Ministry for Economic Affairs and Energy (BMWi) reports. The number of applications rose 17 percent from 62,000 in 2014 to 72,000 last year.
LATEST NEWS: GERMANY’S HVAC INDUSTRY

More than 1.5 million systems have been funded via the program since 2000. In 2016, a total of EUR 250 million in investment and repayment grants was granted through the MAP and the subordinate APEE efficiency programme. Support for renewable heating systems was topped up by the ministry last year with an additional 20 percent bonus and EUR 600 grant.

The MAP is formed of two parts: support for smaller systems can be applied for from BAFA, which supports private persons, the self-employed, and smaller firms looking to switch to a renewable heating system. Larger systems, heat storage, and heat networks (primarily used in companies and municipalities) are supported through the KfW development bank’s “premium” program under which investors are awarded low-interest KfW loans and repayment grants from the MAP.

Read more:
Market Incentive Programme FAQs (BMWi website)

March 17: Heat pump sales in Germany hot in 2016
March 2017

With sales up 17% to 66,500 units, 2016 was a record year for heat pumps in Germany, figures published by the federal heat pump industry association BWI show.

The biggest winners were ground-source systems (+21.8% to 20,700 units) while sales of air-source systems grew by 14.5% to 45,800 units. Of these systems, monobloc sales grew by 19.5% to 25,100 while split-system sales increased by 8.9% to 20,700. Hot water heat pump turnover remained static at 12,500 units.

The figures suggest that the ratio of ground-source to air-source systems has remained roughly constant in recent years. The BWI estimates that approximately 750,000 heat pumps have been installed in Germany to date with every third new residential building now employing a heat pump - despite low oil and gas and relatively high electricity prices.

March 17: Record KfW energy efficiency funding in 2016
March 2017

Much of the financial support and incentives for energy efficiency in buildings and industry in Germany is issued by the KfW development bank. Demand for the promotion of energy efficiency in the home and in businesses was particularly high in 2016, the bank reports.

Growth was particularly strong in the bank’s housing priority, where commitments reached a volume of EUR 20.8 billion (2015: EUR 16.5 billion), with more than EUR 11 billion disbursed in the energy-efficient construction programme alone (2015: EUR 7.0 billion). The strength of the new construction sector and low interest rates have provided a strong and lasting boost to demand. The bank reports that the tighter KfW efficiency house standards have been very well received. 290,000 existing housing units underwent energy efficient refurbishment in 2016 with KfW funding.

The overall increase in funding issued to businesses under the bank’s environment and energy priority was largely due to the energy efficiency program, which was restructured and significantly improved in 2015 and through which a total of EUR 5.2 billion (2015: EUR 3.8 billion) was issued. The expansion of the energy efficiency program has leveraged energy-saving potential in companies, for example through the promotion of systems aimed at avoiding or using exhaust heat, which was launched in May 2016.
LATEST NEWS: GERMANY’S HVAC INDUSTRY

Read more:

- GTAI: Press release - “Germany’s Energy Efficiency Drive Accelerates”

Contact Us

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✉️ Submit your question

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