





Joint Heating Commission Response to the European Commission's Call for Evidence: European Affordable Housing Plan

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Introduction

The Joint Heating Commission (JHC), which includes ECFD, Eurofuel, FuelsEurope, and UPEI, welcomes the European Commission's initiative to create the European Affordable Housing Plan. We represent the liquid heating fuel supply chain, including technology providers, fuel producers, and energy distributors operating in urban and rural heating markets across Europe.

We fully support the objectives of this Plan, which aims to guarantee that all citizens, particularly vulnerable groups and middle-income households, have access to affordable, sustainable, and decent housing. This goal is closely related to providing access to clean, efficient, and cost-effective heating solutions, essential for residential comfort and energy efficiency.

General Observations

We commend the Commission for recognising the link between energy and climate policies with housing affordability, especially regarding heating. In this context, we would like to highlight the following points:

1. Inclusive and affordable heating decarbonisation

- a. Renovating the EU's building stock is essential, but the costs associated with these renovations, especially for upgrading heating systems, can impose a significant financial burden on households, particularly those in the most vulnerable segments of society.
- b. A variety of solutions is necessary, including the use of renewable liquid fuels and hybrid heating systems, which can provide cost-effective, low-carbon options for existing homes without the need for extensive renovations.

2. Off-Grid and rural housing needs

- a. 20 million households live in rural and off-grid homes not connected to the gas network, relying on liquid fuels. Transitioning to electric or district heating poses significant challenges and costs.
- b. The Affordable Housing Plan should prioritise technology neutrality and energy diversity, supporting renewable liquid fuels like HVO and FAME.

3. Fuel flexibility and renovation readiness

- a. Efficient boilers and hybrid systems can be made "renewable-ready," allowing for a gradual transition to renewable fuels.
- b. EU policies should facilitate this transition through supportive funding schemes and renovation requirements.

Recommendations

We urge the European Commission to ensure the following elements are reflected in the Affordable Housing Plan:

- 1. **Recognition of renewable liquid fuels** as a viable decarbonisation option, especially for the existing housing stock and households not connected to gas or district heating networks.
- 2. **Funding and incentives** that support technology-inclusive heating system upgrades, considering life-cycle emissions, infrastructure readiness, and the actual cost borne by households.
- 3. **Policy coherence** across EU initiatives—ensuring the Affordable Housing Plan, the Energy Performance of Buildings Directive (EPBD), the Renewable Energy Directive (RED), the Energy Taxation Directive (ETD), and national energy and climate plans (NECPs) work together in enabling accessible heating transitions and do not create unnecessary burdens.
- 4. **Data and monitoring** frameworks that include heating fuel choice, system readiness for renewable fuels, and consumer cost impacts.

Conclusion

The Joint Heating Commission is prepared to support the development of the European Affordable Housing Plan by offering evidence, technical input, and examples of best practices related to affordable and sustainable heating.

It is crucial to ensure that heating decarbonization policies benefit all citizens across all regions, thereby achieving both social equity and the EU's energy and climate objectives.

We welcome ongoing engagement with the Commission and would be pleased to participate in the outlined consultation activities.

About ECFD

The ECFD represents the interests of more than 10,000 independent, often family-owned, distributors of liquid fuels for the mobility and heating sectors. For more information, visit: www.fuel-distributors.eu.

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About Eurofuel

Eurofuel represents companies and organisations that develop and promote low-carbon liquid fuels for domestic heating in Europe. For more information, visit <u>www.eurofuel.eu</u>.

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About FuelsEurope

FuelsEurope, the voice of the European fuel manufacturing industry. FuelsEurope represents, within the EU institutions, the interest of 41 companies manufacturing and distributing conventional and renewable fuels and products for mobility, energy & feedstocks for industrial value chains in the EU. For more information, visit <u>www.fuelseurope.eu</u>

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About UPEI

UPEI is the European association representing the independent energy and mobility suppliers. Our members are national associations or companies in the heating and transport energy sectors. For more information, visit <u>www.upei.org</u>.

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