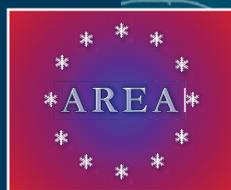


*For a clean,  
decarbonised  
and sustainable  
heating and  
cooling sector*

# AREAVISION2030



# AREA VISION

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The Refrigeration, Air Conditioning and Heat Pump (RACHP) sector is pivotal to the wellbeing of society. Having to adapt to challenges and the evolving landscape, the RACHP contracting sector has undergone fundamental changes due to a combination of factors, from the energy crisis to the fight against climate change.

Recognising the need to actively tackle the challenges and changes faced while preparing for the future, the AREA Vision 2030 outlines four pillars that are indispensable for ensuring a safe and swift transition towards a sustainable RACHP sector:

- \* **Refrigerants:** Succeeding in the transition towards alternative refrigerants
- \* **Human capital:** Attracting and retaining skilled personnel
- \* **Sustainable innovation:** Supporting energy and resource efficiency principles in a lifecycle approach
- \* **Framework conditions:** Promoting a coherent and supportive regulatory and standardisation framework.

These pillars will serve as overarching strategic imperatives that will guide AREA's activities in the next five years.



# ABOUT AREA

AREA is the European association of refrigeration, air conditioning and heat pump contractors. Contractors are the essential link between end users and manufacturers. They design, install and maintain refrigeration, air conditioning and heat pump equipment, using every available solution with complete neutrality towards equipment and refrigerants, in the sole aim of ensuring the highest level of reliability, energy efficiency, sustainability and cost-effectiveness.

## AREA IN A NUTSHELL

**25 national associations**

**23 countries**

**13,000 companies**

**110,000 people**

**€23bn turnover**



# ABOUT THE REFRIGERATION, AIR CONDITIONING AND HEAT PUMP CONTRACTING SECTOR

Temperature control, and more specifically cooling, are essential to modern life: It makes people's lives better by preserving foodstuff, medicine and other sensitive products, providing thermal comfort, industrial machinery cooling and keeping data centres running. Versatile and omnipresent, temperature control has become critical to people's well-being and will be even more important in the face of climate change and digital transformation.

Refrigeration, Air Conditioning and Heat Pump (RACHP) technologies are also key to the decarbonisation of the heating sector. In particular, the roll-out of heat pumps offers a cleaner, more effective and more sustainable alternative to fossil fuel heating systems.

By recirculating indoor air and regulating the air temperature and the relative humidity, air conditioners and ventilation cooling also have an important role to play to ensure good indoor air quality.

In this context, contractors fulfil an essential mission: they ensure the proper design, installation and functioning of the refrigeration, air conditioning and heat pump systems that satisfy these various societal needs.

While the need for temperature control increases, mainly because of climate change and technological developments, its impact on the environment conversely decreases under the combined effect of several factors: transition towards alternative refrigerants with low global warming potential, decarbonisation and circular economy measures, technological advances and increased competence of personnel.



# CURRENT CONTEXT

In the past five years, the RACHP contracting sectors has been affected by several factors which have been leading to profound changes:

## **An unprecedented energy price and supply crisis:**

- \* The energy crisis resulted in a stronger focus on reducing energy consumption and energy savings by investing in energy efficient products and in particular on heat pump technologies.

- \* However, the high inflation rate reduces the consumers' buying power who would need financial support to adapt their energy installations. In addition, disruption of the supply chain has led to long delivery times and component price increases. The combination of both factors has delayed the deployment of energy efficient products.

## **A heavy administrative burden:**

- \* In the coming years, the RACHP sector will have to comply with many new European legislations adopted over the past few years, such as the Energy Efficiency, Energy Performance of Buildings and Renewable Energy Directives, but also stricter Ecodesign Requirements, the new F-gas Regulation and most probably the upcoming REACH Regulation on PFAS.





### **The acceleration of the transition from F-gases to alternative refrigerants:**

- \* This transition goes hand in hand with an increasing need for qualified personnel. Yet, attracting and retaining talent is challenging. At the same time, a high number of workers need to be quickly upskilled to work with alternative refrigerants which all present safety issues.
- \* The sector will have to define new safety requirements for the installation and maintenance of equipment with alternative refrigerants.
- \* The price and lack of refrigerant available to service existing clients and, as a side effect, illegal trade, will be a key issue in the coming years.

### **Rapid digital advancements in RACHP sector systems:**

- \* The fast developments in electronics, Internet of Things and Artificial Intelligence present opportunities to offer new services to clients, such as digitalisation of measuring and control of components and systems, predictable and preventive maintenance and the development of systems that are easier to install and maintain with increased repairability. However, remaining up to date with the latest technology and digital piracy is challenging for the contractors.

***In this context, and with a new EU political cycle starting, AREA's strategic vision for the European refrigeration, air conditioning and heat pump contracting industry outlines what we view as essential elements to prioritise for the next five years.***



# OUR VISION AND RECOMMENDATIONS



## REFRIGERANTS:

### *Succeeding in the transition towards alternative refrigerants*

#### *AREA vision*

AREA fully subscribes to the F-gas Regulation's objective of reducing emissions of fluorinated greenhouse gases through an ambitious transition to alternatives to F-gases. However, these alternatives must be handled safely by competent personnel.

#### **AREA will:**

- \* Support members in the transition from F-gases to alternatives
- \* Support the fight against illegal trade and behaviours which may increase due to the phase out of F-gases
- \* Provide guidelines, advise on interpretation and share best practices with members
- \* Promote proper training and certification of technicians and engineers who will handle alternatives and higher quality of trainings for all refrigerants

#### *Key recommendations*

- \* Closely monitor the implementation of the new F-gas Regulation at national level to ensure a level playing field in the European Union
- \* Promote campaigns on low global warming potential and alternative refrigerants at EU and national level
- \* Ensure that there are no conflicting requirements or overlaps between the new F-gas Regulation and the upcoming REACH regulation on PFAS

## HUMAN CAPITAL:

### *Attracting and retaining skilled personnel in the sector*

#### *AREA vision*

Attracting and retaining qualified personal has been one of the biggest challenges of the sector for many years. Reasons are numerous, ranging from misperceptions to a lack of visibility of the sector and of understanding of its technological edge and societal purpose.

#### **AREA will**

- \* Communicate on the societal purpose and sector's positive contribution to citizens' daily life to attract new talents: this includes young people, women and professionals from other sectors, and, particularly, heating installers and plumbers
- \* Promote a more inclusive workforce
- \* Facilitate the exchange of information and best practices among members

#### *Key recommendations*

- \* Identify the skills gap when adopting new legislation relevant to the sector
- \* Support training programs and workforce development
- \* Run promotion campaigns on training and education at EU level and encourage such campaigns in the Member States.



## SUSTAINABLE INNOVATION:

### *Supporting energy and resource efficiency principles in a lifecycle approach*

#### *AREA vision*

Installers can play a key role in ensuring the sustainability of the building sector by installing and maintaining efficient and safe RACHP systems that use refrigerants with a low global warming potential or alternative refrigerants, and by ensuring an optimal use of residual heat of RACHP systems and heat recovery.

#### **AREA will:**

- \* Support members in the transition towards greener solutions
- \* Ensure that sustainability of the refrigeration and air conditioning sector is taken into consideration in energy legislation
- \* Collaborate with manufacturers to develop systems easier to install and maintain
- \* Build up sustainability educational programs in cooperation with manufacturers associations

#### *Key recommendations*

- \* Focus on implementation of European legislation in a harmonised fashion in the next legislative term
- \* Provide financial support to deploy green RACHP, and, in particular, for heat pumps to accelerate their deployment
- \* Increase funding for research and development in the sector
- \* Place greater emphasis on indoor air quality: Ventilation should be a key aspect of the energy renovations as well as in new buildings to ensure that healthy buildings are delivered



## FRAMEWORK CONDITIONS:

*Promoting a coherent and supportive regulatory and standardisation framework*

### *AREA vision*

Because of its technological features and environmental dimension, the refrigeration and air conditioning sector falls under a large amount of legislations and standards. Consequently, the industry's success with refrigerants, sustainable innovation and human capital depends, to a large extent, on a coherent and supportive framework.

### **AREA will:**

- \* Work for a supportive legal framework and international standards through advocacy, networking and collaboration with both institutional and industry stakeholders
- \* Ensure that members stay up to date with legislation

### *Key recommendations*

- \* Make compliance feasible, affordable, and enforceable: Current regulations and standards can be too complicated for small companies
- \* Ensure that national legislations on safety (especially with regards to flammable refrigerants) are uniform across Europe
- \* Limit the number of new legislative proposals to focus on the implementation
- \* Ensure a uniform implementation of the Pressure Equipment Directive



# LOOKING TOWARDS 2035

In a continuously evolving working environment, the RACHP sector is already looking further ahead.

A new era with a minimum role for F-gases will start from 2030: The phase-out schedule will have reached a point where the use of F-gas will only be possible for maintenance (with mainly reclaimed refrigerants).

Consequently, this means that the whole sector must be trained, certified and equipped for a future without F-gas from 2030.

Considering the fast technological advances in the sector, we can expect that the work of contractors will have evolved considerably, with technology and artificial intelligence assisting them in establishing and maintaining a high level of operational performance of equipment.



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