

GCP EUROPE

“Skills for heat-pumps - getting the carrots right!”

views from the building services engineering sector, mechanical contractors, plumbers, and HVAC installers

By Oliver JUNG

Secretary-General of GCP Europe

CA Joint Workshop - Madrid - 29 September 2023



*Image generated
by MidJourney*



About GCP Europe















GCP Europe is the voice of the efficient building engineering services, representing the interests of installers of technical building equipment (mainly plumbing and HVAC – heating, ventilating and air-conditioning) at the European Union level. Installers are at the heart of the European construction sector, a highly competitive and SME-driven sector divided into national markets.

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Our sector

Member organisations

 B.S.H.L. Austria	 Verband der technischen Gebäudeausrüster Austria	 TechLink Belgium	 TEKNIQ Arbejdsgiverne Denmark
 LVI-TU Finland		 M.E. & B.S.C.A. Ireland	 FGT Luxembourg
 Techniek Nederland Netherlands	 Rerentreprenørene Norge Norway	 CONAIF Spain	 Plåt & Ventföretagen Sweden
 INSTALLATÖRSFÖRETAGEN Föreningen Installatörsföretagen Sweden	 BESA United Kingdom		

+150 000 companies in Europe (large and small size)

+350 000 workers* “involved in installation of HVAC systems” (that install or could potentially install heat pumps)

***THESE ARE ONLY ESTIMATES!!!**

Our sector

Understanding our role:

- Practical installation & maintenance
- Choosing of tech solution & sizing
- Close contact with end-users

Understanding the “training routes”:

- **Member States-lead Education/Vocational** (mainly on choice of tech & sizing)
- **Manufacturers-lead** (mainly on practical installation & maintenance - for 1 brand!)
- **Installers-lead** (both on choice of tech & sizing and practical installation & maintenance - multi-brand)





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MAIN PROBLEM:

- We do NOT know how much workforce we actually need ... But we know it will be a lot!
- We have started to improve data collection and we need help (Blueprint proposal).
- We cannot wait for data to start doing more.

WHAT NEEDS TO BE DONE IN ANY CASE:

Skills/workforce must be taken seriously !!!

- Must be priority (e.g. for EU elections/next EC)
- High-level discussions and commitments needed
- Consistent action instead of making excuses

We need to think of good carrots!!!

Why we urgently need the carrots?

- Stick approach won't work because we need to grow quickly
 - We can't afford "losing" the current installers
 - We can't afford frictions
 - We can't wait for "natural" market changes

What kind of carrots?

Carrots must:

- trigger change for sure ;
- bring quick changes;
- in a sector in a sector where the demand is exceeding the supply!
- --> **Need for huge investments and economic stability!**





Attractiveness of the job

Quick(er) growing carrots - financial attractiveness for the worker

- Salaries (above average but not the best paying ones)
- Innovative “bonus schemes” (correlated with contribution to energy performance of buildings)
 - Need to review subsidy/taxonomy state aid

Slow(er) growing carrots - social attractiveness for the worker

- Improving knowledge on and image of the sector
- Stressing the dynamic aspect of the career, no determinism (“you acquire installation skills” <> you become an installer)
- Improving working conditions (e.g. support “nomadism” recognition of competences)
 - Need to act on school systems, internships general communication, standardisation/harmonisation

BEST PAYING JOBS IN EUROPE



DOCTORS

AVERAGE ANNUAL SALARY: €120,000

BEST EU UNIS TO STUDY MEDICINE:
UCL, UNIVERSITÉ DE PARIS, OXFORD
UNIVERSITY



PARALEGAL

AVERAGE ANNUAL SALARY: €60,000

BEST EU UNIS TO STUDY LAW:
CAMBRIDGE UNIVERSITY, UNIVERSITÉ
DE PARIS I PANTHÉON-SORBONNE, LSE



DATA SCIENTISTS

AVERAGE ANNUAL SALARY: €84,000

BEST EU UNIS TO STUDY DATA SCIENCE:
ÉCOLE FÉDÉRALE DE LAUSANNE, ETH,
TECHNICAL UNIVERSITY OF MUNICH



PUBLIC RELATIONS

AVERAGE ANNUAL SALARY: €50,000

BEST EU UNIS TO STUDY PR:
CARDIFF UNIVERSITY, UAL,
UNIVERSITY OF AMSTERDAM

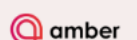


FINANCE PROFESSIONALS

AVERAGE ANNUAL SALARY: €70,000

BEST EU UNIS TO STUDY FINANCE:
LSE, HEC PARIS, ESSEC BUSINESS SCHOOL,
CAMBRIDGE UNIVERSITY

EUROPE
LANGUAGE
JOBS





Attractiveness of the training

Quick(er) growing carrots - financial attractiveness for the installation company

- Insurance / compensation schemes for days off
- Innovative “bonus schemes” (correlated with contribution to energy performance of buildings)
 - Need to review subsidy/taxonomy state aid

Slow(er) growing carrots - social attractiveness for the worker

- Get paid as you learn schemes
- Financing of new training centers
- Up-to-date training material (new refrigerants, smart control systems, repairability, etc.)
 - Need to mobilise finance for these purposes, need to harmonise curricula

Beyond the carrots

Reduce need for working/training hours

- Smart use of digitalisation & AI
 - Plug & play / installer-friendly / interoperable products
 - Requirement on certification of companies (>< individual installers)
- **Access to Data for installers, standardisation of products, certification schemes**

Safeguard the reputation of the sector

- Support the right of the consumer for a personalised optimal solution
 - "one-stop shops"... with burden of liability
 - allow installers to choose the best renewable option (not only heat pumps) and best brand or set of brands
- Give as much importance to maintenance as to installation (heat pump "cruise-control")

→ **Ecodesign that allows different solutions (beyond heat-pumps) and combination of brands, new liability/ warranty systems**

+ "Know yourself"! Data, data, data but still need for action!

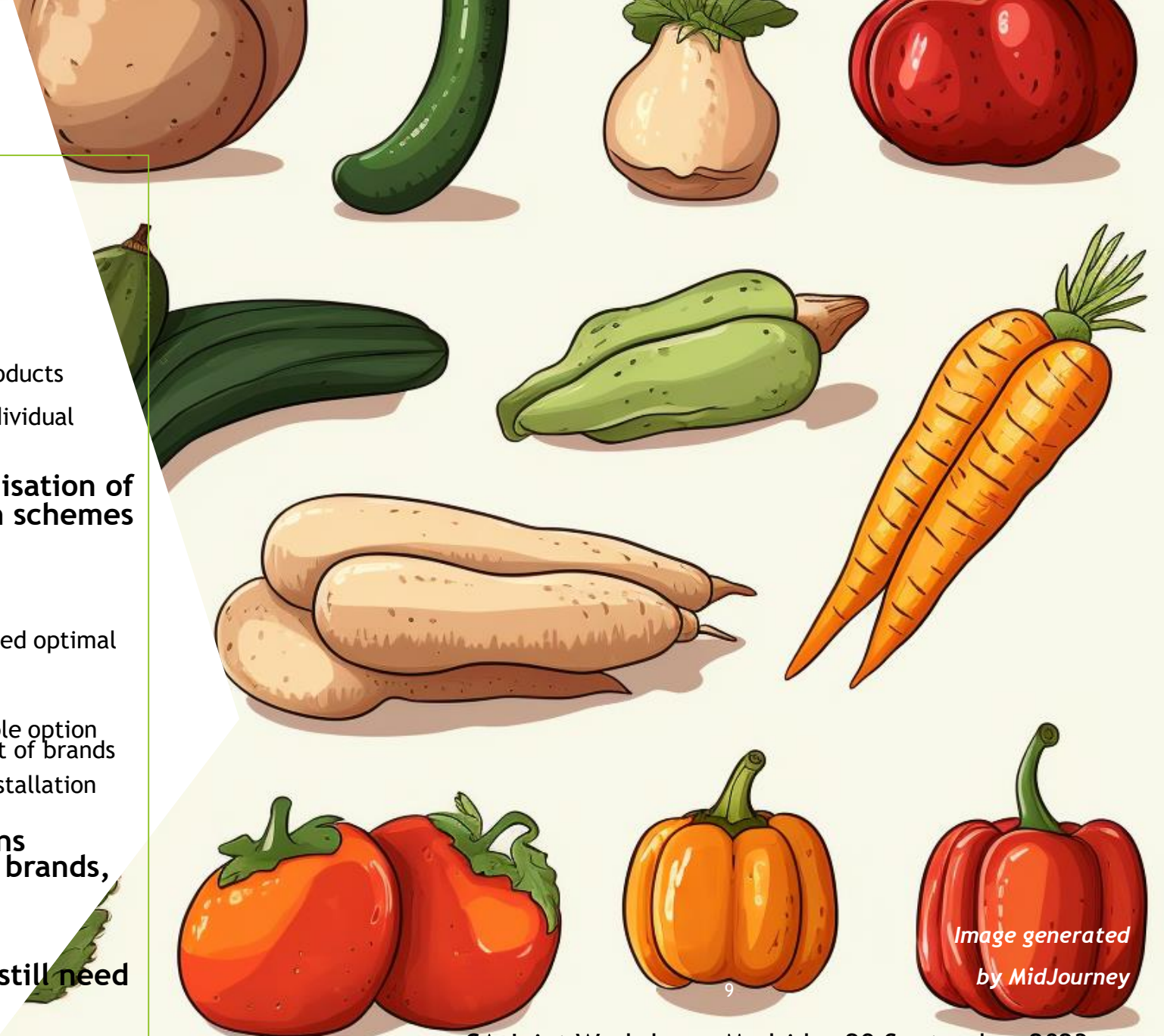


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Main take-aways:

- The solutions to bridge the skills gap will naturally unfold once installers (who are in direct contact with end-users) get persuaded and motivated to install the most-climate friendly solutions (which should not necessarily be heat pumps, nor a certain brands).

Non-expert end-users - even if they have received private/public financial support - are not likely to push for the installation of heat-pumps against their installers' advice if the latter are not convinced about the technology. On the contrary, entrusted installers may convince end-users to install heat-pumps even in the absence of compelling financial support towards end-users.

- From all the suggestions above, **the most important measure is to correlate the installers' "financial bonus" to their objective contribution to energy efficiency goals** (as assessed by e.g. EPCs).
- This "bonus" should be distributed over time as accelerated installation without proper maintenance can do more harm than good.
- Once there is a clear business case for accelerated deployment for installers, the real need around skills (and other) will become more visible and better targeted supportive measures could be identified.



Conference of the

INSTALLERS SUMMIT

Brussels, European Parliament, 9 November

Part 1: Skills (60 minutes) / 13h30-14h30

- Keynote speech by hostess **MEP Sylvie Brunet**: looking back at the European year of Skills
- Context by outsider speaker: **David Goodhart**, author of *Head, Hand, Heart* - TBC
- Best practice from the installation sector: **Skills working group** +Q&A
- Main policy requests and next steps (by EuropeOn or GCP's Sec.Gen.)

Networking break (30 minutes)

Part 2: Artificial intelligence (60 minutes) / 15h00-16h00

- Keynote speech by **Commission Director Lucilla Sioli** (DG CNECT)
- Video message by **MEP Brando Benifei**
- Context by outsider speaker: **Saadia Zahidi**, Managing Director at the World Economic Forum - TBC
- Best practice from the installation sector: Transatlantic discussion between **Josh Bone** (Director of the US research institute ELECTRI/NECA) and **Terry Heemskerk** (Research manager at Techniek Nederland): productivity, digitalisation, new services... +Q&A
- Main policy requests and next steps (by EuropeOn or GCP's Secretary General)

Final conclusion (30 minutes)



Illustration created with MidJourney

Thank you!

GCP Europe

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