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EUROPEAN INDUSTRY ASSOCIATION

Eurovent Recommendation

Interpreting the EU Taxonomy for Sustainable Activities

First Edition

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Introduction

The EU Taxonomy for Sustainable Activities is a common reference system that allows one to assess whether economic activities qualify as environmentally sustainable or not. The Taxonomy is set out in *Regulation (EU) 2020/852 on the establishment of a framework to facilitate sustainable investment* (Taxonomy Regulation for short) and its Delegated Acts (the Climate Delegated Act EU 2021/2139 as amended, and the Environment Delegated Act EU 2023/2486).

It aims to steer private investment into sustainable activities by creating a common understanding of what economic activities can be considered sustainable. The Taxonomy is complemented by the Corporate Sustainability Reporting Directive (EU 2022/2464), which requires large and listed companies to report on the degree to which they invest in, or derive turnover from, sustainable activities according to the Taxonomy.

The scale and ambition of the Taxonomy is enormous: to try to identify, for all sectors of the economy, criteria that could be used to distinguish sustainable from non-sustainable activities. In that ambition, the Taxonomy necessarily falls short, and many sectors and activities are not (yet) covered by assessment criteria. Where assessment criteria do exist, they are often ambiguous and in need of further clarification and interpretation.

That is the problem that this Eurovent Recommendation tries to address. It aims to complement the Taxonomy legal text, to clarify how HVACR manufacturing activities are covered by it, and how to interpret the relevant Technical Screening Criteria. It should serve as a tool for HVACR manufacturers to understand which of their manufacturing activities are eligible under the Taxonomy, and how these activities might qualify for Taxonomy-alignment. By creating a common interpretation, it should also ensure that HVACR manufacturers carry out their Taxonomy reporting in a fair and uniform way.

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Climate Delegated Act

Section 3.5. Manufacture of energy efficiency equipment for buildings

The most important aspect of environmental sustainability for most HVACR technologies is their use-stage energy consumption. This is recognised in the Taxonomy. According to the Climate Delegated Act, Annex I, section 3.5, the manufacture of energy efficiency equipment for buildings (including cooling, ventilation, space heating and domestic hot water systems) can be considered an enabling activity that makes a substantial contribution to climate change mitigation.

The Technical Screening Criteria in section 3.5 covers the following HVACR manufacturing activities:

> The manufacture of one or more of the following products and their key components:
> (i) cooling and ventilation systems rated in the top 2 populated Energy Label classes,
> (h) space heating and DHW systems rated in the top 2 populated Energy Label classes,
> (k) heat pumps with refrigerant GWP ≤ 675.

The following sections further specify which products and equipment are covered by these points and which criteria they should meet, according to Eurovent's interpretation.

Cooling and ventilation equipment with an Energy Label

Equipment with an EU Energy Label is covered by section 3.5., in points (i) and (h). It must be rated in the highest two populated energy classes according to the relevant Energy Labelling measure.

Among the HVACR equipment covered by an EU energy label are air conditioners <12kW (EU 626/2011), residential ventilation units (EU 1254/2017), and refrigerators with a direct sales function (EU 2019/2018).

Heat pumps

Heat pumps are covered by section 3.5., in point (k). They must use a refrigerant with a GWP ≤ 675.

Eurovent interprets this to mean all kinds of heat pumps, both hydronic and direct expansion systems, both water- and air-source, of any capacity, so long as they are capable of operating in heating mode, including reversible, polyvalent or heating-only equipment. By extension, chillers and air conditioners that can operate only in cooling mode are excluded from the definition of 'heat pump'.

In Eurovent´s interpretation, the GWP values of refrigerants to be used are the 100-year GWP values set out in Annexes I, II, III and VI of Regulation (EU) 2024/573 on fluorinated greenhouse gases, which in turn are taken from the Fourth Assessment Report adopted by the Intergovernmental Panel on Climate Change.

Heat pumps with an Energy Label

The manufacture of certain heat pumps is also covered by the points (h) and (i). These are heat pumps covered by the Energy Labelling measures for water heaters (Regulation (EU) 812/2013), space and combination heaters (Regulation (EU) 811/2013), and air conditioners (Regulation (EU) 626/2011).

Eurovent´s interpretation is that these criteria are *not* cumulative. That would mean that an activity that manufactures heat pumps is aligned (assuming all DNSH criteria and minimum safeguards are

met) if the heat pumps are either in the top 2 energy classes according to the relevant Energy Labelling measure *or* use a refrigerant with GWP ≤ 675.

Other equipment

It is ambiguous how to treat other cooling, ventilation, and space heating products and components, which are not covered by an EU Energy Labelling measure and cannot be considered a heat pump. The Technical Screening Criteria in section 3.5. covers 'products' and 'key components' that are part of cooling, ventilation and space heating 'systems' but does not specify how to assess their alignment.

Equipment in this category includes chillers and air conditioners that can operate only in cooling mode, non-residential ventilation units, heat rejection equipment, air distribution equipment, fan coil units, and key components like energy recovery components, air filters, and fans.

The internal logic of section 3.5 implies that these products and components could be covered as well, as long as they meet high energy efficiency thresholds, analogous to the top EU Energy Label classes. These alternative energy efficiency thresholds or classes could come, in order of precedence, from:

1. Other EU legislation (like ecodesign)
2. ISO or EN standards
3. Pan-European third-party certification programmes
4. Any other benchmarks or classifications

Eurovent puts forward the following non-exhaustive energy performance benchmarks for selected products, which could be used to assess Taxonomy alignment:

Non-residential air handling units: The product is rated in the top two populated classes of energy efficiency according to the Technical Certification Rules of the Eurovent Certified Performance Mark for Air Handling Units (ECP 05), or equivalent.

Air filters for general ventilation: The product is rated in the top two populated classes of energy efficiency according to the Technical Certification Rules of the Eurovent Certified Performance Mark for Air Filters (ECP 11 FIL), or equivalent.

Fan coil units: The product is rated in the top two populated classes of energy efficiency according to the Technical Certification Rules of the Eurovent Certified Performance Mark for Fan Coil Units (ECP FCU), or equivalent.

Cooling towers: The product is Eurovent-certified and meets the thermal energy efficiency targets of Eurovent Recommendation 9/12 – Performance Efficiency Standard for Evaporative Cooling Equipment.

Air coolers, air cooled condensers, CO2 direct expansion air coolers, and CO2 gas coolers: The product is rated in the top two populated classes of energy efficiency according to the Technical Certification Rules of the Eurovent Certified Performance Mark for Heat Exchangers (ECP 02 HE), or equivalent.

Cooling-only rooftop units: The product is rated in the top two populated classes of energy efficiency according to the Technical Certification Rules of the Eurovent Certified Performance Mark for Rooftops (ECP 13 RT), or equivalent.

Ducts and ductwork components: The product is rated in the highest class of air leakage according to EN 12237, EN 1507, EN 17192, EN 15727, as applicable.

Dampers and valves used in air distribution systems: The product is rated in the top two populated classes of casing leakage according to EN 1751.

Summary of HVACR product coverage in the Climate Delegated Act, Annex I, section 3.5.

Product family	Eligible	TSC	Alignment assessment
Air conditioners and air-to-air heat pumps			
Split air conditioners and A/A heat pumps <12kW	Yes	3.5.(i) or (k)	The product is rated in the top 2 populated classes of energy efficiency according to Regulation (EU) 626/2011, or the product uses a refrigerant with GWP ≤ 675
Single duct and double duct air conditioners <12kW	Yes	3.5.(i)	The product is rated in the top 2 populated classes of energy efficiency according to Regulation (EU) 626/2011
Reversible air conditioners and A/A heat pumps >12kW	Yes	3.5.(k)	The product uses a refrigerant with GWP ≤ 675
VRF systems	Yes	3.5.(k)	The product uses a refrigerant with GWP ≤ 675
Rooftop units, heating only or reversible	Yes	3.5.(k)	The product uses a refrigerant with GWP ≤ 675
Rooftop units, cooling only	Yes	3.5.(i)	The product is rated in the top 2 populated classes of energy efficiency according to the Technical Certification Rules of the Eurovent Certified Performance Mark for Rooftops (ECP 13 RT) or equivalent
Hydronic heat pumps and chillers			
Hydronic heat pumps (≤70kW) for space heating	Yes	3.5.(h) or (k)	The product is rated in the top 2 populated classes of energy efficiency according to Regulation (EU) 811/2013, or the product uses a refrigerant with GWP ≤ 675
Hydronic heat pumps (≤70kW) for DHW	Yes	3.5.(h) or (k)	The product is rated in the top 2 populated classes of energy efficiency according to Regulation (EU) 812/2013, or the product uses a refrigerant with GWP ≤ 675
Heat pumps and reversible chillers (70-400kW)	Yes	3.5.(k)	The product uses a refrigerant with GWP ≤ 675
Heat pumps and reversible chillers (> 400kW)	Yes	3.5.(k)	The product uses a refrigerant with GWP ≤ 675
Ventilation units			
Non-residential ventilation units	Yes	3.5.(i)	The product is rated in the top 2 populated classes of energy efficiency according to the Technical Certification Rules of the Eurovent Certified Performance Mark for Air Handling Units (ECP 05) or equivalent
Residential ventilation units	Yes	3.5.(i)	The product is rated in the top 2 populated classes of energy efficiency according to Regulation (EU) 1254/2014
Heat rejection equipment			
Cooling towers	Yes	3.5.(i)	The product is Eurovent-certified and meets the thermal energy efficiency targets of Eurovent Recommendation 9/12 – Performance Efficiency Standard for Evaporative Cooling Equipment
Air coolers, air cooled condensers, CO_2 direct expansion air coolers, and CO_2 gas coolers	Yes	3.5.(i)	The product is rated in the top two populated classes of energy efficiency according to the Technical Certification Rules of the Eurovent Certified Performance Mark for Heat Exchangers (ECP 02 HE), or equivalent
Commercial refrigerators			
Refrigerators with a direct sales function	Yes	3.5.(i)	The product is rated in the top two populated classes of energy efficiency according to Regulation (EU) 2019/2018
Air filters			
Air filters for general ventilation	Yes	3.5.(i)	The product is rated in the top two populated classes of energy efficiency according to the Technical Certification Rules of the Eurovent Certified Performance Mark for Air Filters (ECP 11 FIL), or equivalent.

Air distribution components			
Ducts and ductwork components	Yes	3.5.(i)	The product is rated in the highest class of air leakage according to EN 12237, EN 1507, EN 17192, EN 15727, as applicable
Air dampers and valves	Yes	3.5.(i)	The product is rated in the top two populated classes of casing leakage according to EN 1751.
Air diffusion components, like louvers and grills, for which there is no equivalent air leakage standard	No		

About Eurovent

Eurovent is the voice of the European HVACR industry, representing over 100 companies directly and more than 1.000 indirectly through our 16 national associations. The majority are small and medium-sized companies that manufacture indoor climate, process cooling, and cold chain technologies across more than 350 manufacturing sites in Europe. They generate a combined annual turnover of more than 30 billion EUR and employ over 150.000 Europeans in good quality tech jobs.

Mission

Eurovent's mission is to bring together HVACR technology providers to collaborate with policymakers and other stakeholders towards conditions that foster fair competition, innovation, and sustainable growth for the European HVACR industry.

Vision

Eurovent's vision is an innovative and competitive European HVACR industry that enables sustainable development in Europe and globally, which works for people, businesses, and the environment.

→ For in-depth information and a list of all our members, visit www.eurovent.eu

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