

Contribution of Solar Heat Europe to the consultation on EU public procurement rules – revision

Executive summary

Public procurement should ensure a level-playing field for all solar technologies. First, when a public building is looking for solarisation, the solar thermal, PVT and PV technologies should all be considered on an equal footing. The price criteria should not be the most important: Europe is suffering from dependency for the supply of photovoltaic panels, while our continent has a strong manufacturing basis for solar thermal collectors.

- ⇒ **Solar Heat Europe calls for a Made in Europe criterion in public procurement to protect European-made Net Zero technologies, such as solar thermal.** However, this must not result in overburdening the SMEs that make up the European solar thermal sector. We therefore **call for this European preference to be based on the Solar Keymark Certification.**
- ⇒ We call for **more regular checks** for technologies for which there is currently a single dependency in terms of supply. **For technologies to which the resilience contribution applies (in accordance with Article 25 of the NZIA), controls should be stricter,** in order to support European producers of these technologies.
- ⇒ **A European guidance must be set to inform public authorities – and their consulting bodies – of the whole range of solar technologies available when they seek for the solarisation of buildings.**

The consulting bodies hired by public authorities – and public authorities themselves – are not always trained in all available technologies, therefore tending to focus only on widespread technologies. **This lack of awareness has a significant impact on the solar thermal market.**

- ⇒ Too little knowledge on large scale solar thermal transfers to wrong prescriptions: **National, unbiased and comprehensive guidelines detailing the technologies available for different temperature levels would enable a more structured and objective approach to tendering.**

The European Commission should enable all technologies to compete on a level-playing field and smoothen the cost of heat for public authorities. When it comes to heat, **tendering should focus on heat output** rather than specific technologies.

- ⇒ To put all clean heating technologies on an equal footing, **the Commission must prohibit calls for projects that specify one technology over another.** This would allow public authorities to focus on their need: heat output and temperature.
- ⇒ In addition, the **Commission must encourage – through guidances and awareness raising – innovative business models to enable public authorities to smooth their costs.**

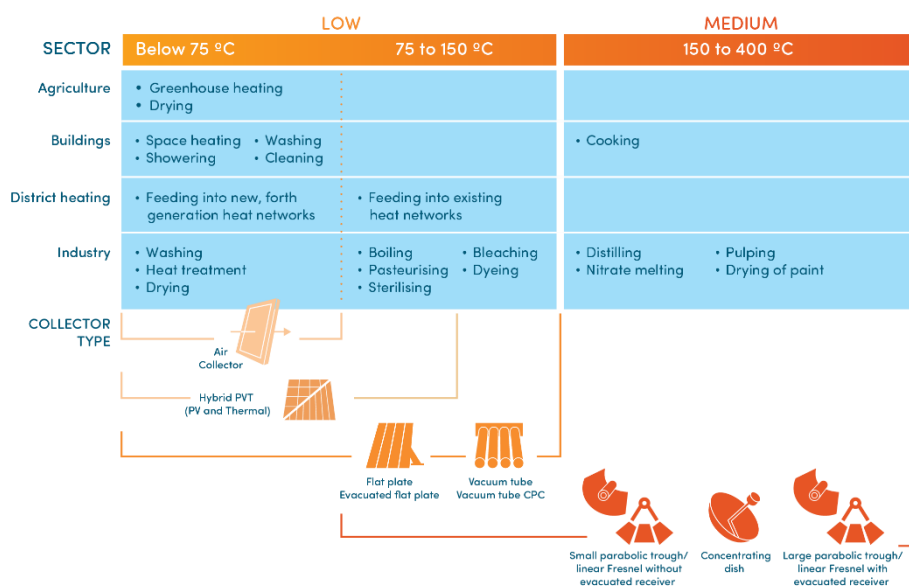
What is solar heat and how does it contribute to energy affordability and Europe's independence?

- Solar heat technologies (including solar thermal and PVT technologies) are very flexible and can adapt to a wide range of situations, suitable both for small and large-scale applications. These include hot water and space heating in residential and tertiary buildings, district heating, industrial process heat, and air conditioning and cooling.
- Solar thermal technologies produce heat in a decentralised manner (outside of electricity grids), using equipment manufactured in Europe.
- Solar thermal has a resilient and reliable supply chain. The raw materials used can all be sourced in Europe and are easily recyclable.
- Thousands of workers work in the solar thermal sector for manufacturing, engineering, and installation in Europe. This social sustainability should not be underestimated to achieve Europe's strategic independence.
- Solar thermal helps reducing the bills of critical infrastructures (hospitals, manufacturing sites, district heating networks...).

⇒ The European Union's energy independence must therefore be defended by technologies manufactured on the continent, which can reduce costs for European consumers and industries. Solar thermal installations thus contribute significantly to this energy independence.

There are three main technologies behind solar heat:

- Non-concentrated technologies, used in the majority of solar thermal installations;
- A hybrid technology called PVT (Photovoltaic-Thermal), which produces both electricity and heat with the same solar panel;
- Concentrated technologies, more suitable for large-scale applications.



How can public procurement be a key enabler for the deployment of solar thermal and the implementation of EU directives?

Public procurement represents the easiest way to implement EPBD and EED on the ground. Furthermore, by diversifying the energy sources used on rooftops and in heating networks, **we offer more options for consumers, thereby reducing their dependence on a single technology.**

1) **Implementation of the solar mandate (Article 10 of EPBD)** in swimming pools, social housing, hospitals...

Public procurement should be used as a key delivery mechanism for implementing the EU solar mandate, particularly for public buildings having high heating needs (such as swimming pools, social housing, hospitals, schools...). Solarisation of publicly owned assets offers a strategic opportunity to prioritise high-quality, EU-manufactured solar technologies, in line with sustainability, resilience, and industrial policy objectives.

⇒ By **targeting public buildings with high and predictable heat demand**, procurement can accelerate solar thermal deployment.

2) **Procurement linked to local heating and cooling plans under Article 25 of the Energy Efficiency Directive** should explicitly support the deployment of renewable heating and cooling solutions. Clear procurement criteria can help translate planning obligations into concrete investments while fostering innovation and supply chain security within the EU.

⇒ Integrating **clear renewable heating and cooling criteria into public procurement** allows local authorities to turn energy planning into tangible investments.

⇒ Prioritising levelized cost-of-heat when assessing call for tenders.

3) **Public procurement for district heating networks** should include criteria addressing the origin, sustainability, and resilience of fuels and technologies used (Article 26 of EED).

⇒ This should include **requirements or award criteria favouring EU-manufactured components and fuels** that contribute to decarbonisation and energy security objectives.

Public procurement as an opportunity to support EU-made clean technologies

Public procurement should ensure a level-playing field for all solar technologies. First, when a public building is looking for solarisation, the solar thermal, PVT and PV technologies should all be considered on an equal footing. The price criteria should not be the most important: Europe is suffering from dependency for the supply of photovoltaic panels, while our continent has a strong manufacturing basis for solar thermal collectors.

In the upcoming months, the Solar Keymark certification for solar thermal products will include the place where the collector is manufactured. This makes it easy to monitor the manufacturing of products in Europe. This should also avoid time-consuming controls which would over-burden the solar thermal sector, composed at 95% by SMEs.

- ⇒ **We call for a Made in Europe criterion in public procurement to protect European-made Net Zero technologies, such as solar thermal.** However, this must not result in overburdening the SMEs that make up the European solar thermal sector. Solar Heat Europe therefore **calls for this European preference to be based on the Solar Keymark Certification.**
- ⇒ We call for more regular checks for technologies for which there is currently a single dependency in terms of supply. **For technologies to which the resilience contribution applies (in accordance with Article 25 of the NZIA), controls should be stricter,** in order to support European producers of these technologies.
- ⇒ **A European guidance must be set to inform public authorities – and their consulting bodies – of the whole range of solar technologies available when they seek for the solarisation of buildings.**

Lack of awareness of available clean technologies in public procurement

The consulting bodies hired by public authorities – and public authorities themselves – are not always trained in all available technologies, therefore tending to focus only on widespread technologies. **This lack of awareness has a significant impact on the solar thermal market.** Furthermore, the consultants preparing the tenders are not always familiar with the operating processes of solar thermal installations (sizing, maintenance...), especially for district heating networks.

The lack of awareness regarding certain technologies is partly due to the drafting of procurement rules. If public authorities do not include the right parameters when drafting the call for tenders, they do not broaden the options.

Bad practices:

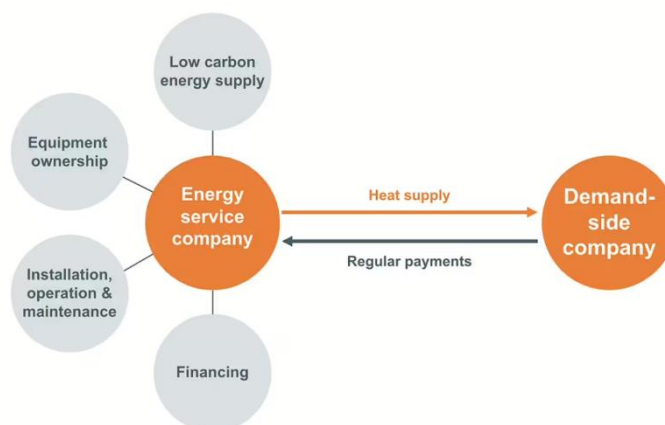
- Cases in Germany: tender cancelled before being launched. Cause of the cancellation: wrong assumptions in the feasibility study by consultants of the tendering authority. In summary, poor tender management from consulting companies can lead to cancellations.
- Tender was cancelled by a judge in France because the tender was awarded with the wrong procedure.

- ⇒ Too little knowledge on large scale solar thermal transfers to wrong prescriptions: **National, unbiased and comprehensive guidelines detailing the technologies available for different temperature levels would enable a more structured and objective approach to tendering.**

Public procurement should be opened to all available clean technologies and not biased towards one through output-driven call for tenders

The European Commission should enable all technologies to compete on a level-playing field and smoothen the cost of heat for public authorities. When it comes to heat, **tendering should focus on heat output** rather than specific technologies.

Many solar thermal players use heat-as-a-service contracts (see Figure 1) or heat purchase agreements. These models focus primarily on the amount of heat delivered by clean technologies and are therefore technology-neutral.



To learn more on heat-purchase-agreements: <https://newheat.com/en/understand-how-heat-purchase-agreements-work/>

- ⇒ To put all clean heating technologies on an equal footing, **the European Commission must prohibit calls for projects that specify one technology over another.** This would put companies on an equal footing and allow public authorities to focus solely on their need: heat output and temperature.
- ⇒ In addition, the **Commission must encourage – through guidances and awareness raising – innovative business models to enable public authorities to smooth their costs.**

Good practice:

In Voreppe (France), **the call for tenders for the district heating expansion was issued for heat output, regardless of the technologies used.** The municipal team admitted that they had no knowledge of solar thermal energy, so assistance from INES (the French National Solar Energy Institute) was required. This example shows that **local stakeholders are not always aware of the available heat sources and that support is needed to present them with the full range of options.**

Reduce the duration and simplify the procedure

This reduction must be implemented from internal decision to the signature and execution of the respective contract, by:

- ⇒ Prioritising publication of information as soon as the internal decision for the procurement is made.
- ⇒ Widening the use of digital tools to ensure that all interested parties can easily have access to the original information at the same time.
- ⇒ Discouraging delays / extended timelines and rewarding fast and on-spec execution.
- ⇒ Removing unnecessary resource-intensive and lengthy administrative procedures for change management.
- ⇒ As there are tens of thousands of procurers going to use the rules, there should be clear guidelines. For example, it has been unclear for solar thermal companies how any other quality than price could be used.