

5 reasons home appliances are key to Europe's new industrial strategy

On 26 February, the new Von der Leyen Commission is expected to launch the highly anticipated Clean Industrial Deal. At its core, the Deal aims to enhance the competitiveness of EU industry, while advancing decarbonisation efforts. This will strengthen the EU's position in manufacturing clean technologies such as home appliances.

Today, there are about 130 home appliance manufacturing facilities in Europe, supporting over 1 million jobs. Appliances such as fridges, washing machines and irons sit in the homes of every European household, highlighting the importance of these products in our everyday lives.

The home appliance industry is a driving force to the EU economy and pivotal to the decarbonisation of Europe. Home appliances are significant contributors to household energy consumption, and improving their energy efficiency can remarkably reduce carbon emissions. However, the sector's potential contribution to decarbonisation is currently overlooked in European policies such as the Net-Zero Industry Act. This is a missed opportunity for Europe to accelerate its progress towards decarbonisation and risks leading to a decline in the industry's footprint and a loss of jobs, impacting the livelihoods of many families.

The Clean Industrial Deal presents a crucial opportunity to further strengthen the domestic home appliance manufacturing sector. Therefore, it is essential that home appliances are explicitly addressed within the Deal to ensure their potential is fully realised and integrated into Europe's industrial strategy.

Here are **five key reasons why home appliances are a strategic sector** for Europe's decarbonisation and industrialisation goals:

1. A key driver of energy efficiency in households.

Households account for over a quarter of Europe's final energy consumption, creating significant potential for energy savings through more efficient home appliances. By prioritising this sector, the Clean Industrial Deal could directly address a substantial portion of Europe's energy use, while reducing dependence on fossil fuels. In 2023 alone, energy savings in households



amounted to 92 Mtoe (million tonnes of oil equivalent)¹, showcasing the enormous potential for energy efficiency improvements.

2. Energy efficient appliances reduce costs and carbon emissions.

Modern, energy-efficient appliances not only reduce household energy consumption but also lower energy bills. Thanks to innovation in home technologies, energy consumption in Europe went down by 12Mtoe (million tonnes of oil equivalent), since 2019². This reduction in energy use translates into lower environmental impact and financial savings for consumers, demonstrating how home appliances can contribute both to sustainability and cost-effectiveness.

3. Home appliances are essential socio-economic elevators.

Products in everyone's home such as refrigerators, washing machines, and heating and cooling devices are fundamental to the quality of life in every European household. These products provide access to basic services like food preservation, hygiene and health, improving our living standards, saving time and reducing inequalities. However, high upfront costs for energy-efficient technologies, such as heat pumps, especially for the most vulnerable part of our community. It is essential that the Clean Industrial Deal supports the accessibility and affordability of these products, to foster the market for efficient technologies and make them accessible and affordable to all.

4. The home appliance industry is a major economic asset.

Over 75% of large appliances and 50% of small appliances sold in Europe are produced within the EU. In designing the Clean Industrial Deal, the European Commission must ensure that this industrial excellence is preserved and enhanced. As emphasised by President von der Leyen, "decarbonisation and industrialisation are happening at the same time" and the home appliance industry is strategic to both objectives. In a [recent statement](#), 25 top European home appliance brands urged policymakers to take collaborative action to safeguard the competitiveness of the sector. The sector's substantial workforce, supporting 1 million families in the EU, is at risk if there are no clear signals from policymakers encouraging manufacturing within Europe.

¹ Enerdata, 2024, "Energy efficiency trends for households in the EU." *Odyssey-MURE Webinar Series on Energy Efficiency*. <https://www.odyssee-mure.eu/events/webinar/energy-efficiency-trends-household-sector-webinar-november-2024.pdf>

² *Applia Statistical Report 2022-2023*. <https://statreport2023.applia-europe.eu/>





5. Protecting over 1 million jobs in Europe.

Today, there are about 130 home appliance manufacturing facilities in Europe for a total of over 1 million jobs supported by the industry making the sector one of the continent's largest employers. However, recent market declines, rising energy costs, and disruptions to the supply of key raw materials have put considerable strain on the industry. These challenges have led to reduced production levels and job losses, creating a perfect storm of economic difficulties. Without a clear strategy to support European manufacturing, the industry faces an uncertain future, and so do the families who depend on these jobs for their livelihoods.

The home appliance industry is integral to Europe's decarbonisation strategy, energy efficiency goals, and the well-being of its citizens. As the European Commission prepares to launch the Clean Industrial Deal, it must recognise the strategic importance of home appliances and include them explicitly in its plans. This will ensure that the sector remains competitive, sustainable, and an essential part of Europe's industrial future.

