

Press release from the German Heat Pump Association (BWP)

Over 50 percent increase: Heat pump sales rise significantly in 2025

Berlin, 27th January 2026. The German heat pump industry has reported a successful year for sales in 2025, with 299,000 central heating heat pumps sold, representing a 55 per cent increase on the previous year. Applications for heat pump incentives have also risen significantly compared with the previous year. In view of the continuing decline in demand for oil and gas heating systems, the association considers it necessary to consolidate the upward trend in heat pump sales in order to strengthen Germany as a business location. However, this would require that the current negotiations on the Building Energy Act (GEG) result in an ambitious, predictable framework and that heating subsidies remain in their current form.

For the first time, just under half of all heat generators sold in Germany are heat pumps. According to the Heat Pump Association, this is primarily due to a steadily growing level of consumer confidence in the technology: "After two years in which the issue of heating has been highly politically polarised, we are now seeing that heat pumps are winning people over primarily through their performance. Furthermore, consumers are increasingly associating the use of oil and gas for heating with price risks, supply uncertainties and negative impacts on the climate," said Dr Martin Sabel, Managing Director of the German Heat Pump Association (BWP) "Consequently, manufacturers and the installation trade have adapted to the increased demand for heat pumps."

The grant scheme incentivises the replacement of outdated heating systems.

However, according to Sabel, alongside a more objective examination of the technology itself, the continuation of the subsidy scheme plays a decisive role: "Consumers have responded very positively to the current subsidy scheme. It rewards investment and thereby generates local economic value within the small and medium-sized heating industry and among local specialists." According to official subsidy statistics, over 288,000 subsidy approvals were granted in 2025 for heat pumps alone. This represents an increase of 91 per cent compared with the previous year, when the restructured subsidy scheme was phased in from February onwards.

80 per cent of new heat pumps are installed in existing buildings

"The KfW heating subsidy is only available for existing properties, where just under 80 per cent of heat pump sales are now generated." Sabel believes this also dispels the preconceptions sometimes expressed that the technology is only suitable for certain types of buildings. However, he is concerned about the situation in Berlin: "The sector can only realise its full potential for investment and jobs in industry and the skilled trades if policymakers ensure reliable framework conditions."

BWP: Politicians must encourage investment, not slow it down

The BWP Managing Director sets out the industry's expectations regarding the forthcoming revision of the Building Energy Act (GEG): "The trade and industry sector have adapted to the current requirements for new heating systems as well as to the subsidy conditions.

Both send a clear signal in support of renewable heating. Our main concern is that a revised law could instead become a barrier to investment if it introduces an entirely new set of rules and once again sends signals in favour of fossil fuels."

From Sabel's perspective, clear signals are needed to stimulate the market: "It is true that the heating market is not yet realising its full potential because many homeowners are waiting for political decisions before installing new heating systems. However, anyone wishing to engage these customer groups must show them a credible path towards energy independence and climate neutrality in the reformed Building Energy Act."

Heat planning cannot serve as the sole guide

Heat planning also plays a role in stimulating investment, with the Heat Planning Act requiring local authorities to develop heat plans. Large cities must finalise their plans for future heat supply by the middle of this year, while all other local authorities must do so by mid-2028. According to Sabel, a general trend is emerging: "However, the statements in local heat plans regarding gas and district heating networks are often vague and, above all, non-binding. Without clear guidance from the GEG, they do not provide a sound basis for investment."

Air-to-water heat pumps dominate the market

Looking at the various types of heat pump, air-to-water heat pumps remain the dominant systems with a 95 per cent market share, compared with ground-source heat pumps, which, with 16,000 units, account for just 5 per cent of the market. In addition to central heating heat pumps, 49,500 domestic hot water heat pumps were sold, which are used exclusively to heat drinking water. Here, the association reports a 20 per cent increase compared with the previous year.

Further information under <https://www.waermepumpe.de/presse/pressemitteilungen/> .

About the German Heat Pump Association (BWP)

The German Heat Pump Association – Bundesverband Wärmepumpe (BWP) e.V. is an industry association based in Berlin that covers the entire value chain surrounding heat pumps. The BWP brings together over 1,350 companies from the heating industry, tradesmen, planning and architectural firms, drilling companies and energy suppliers, all of whom are committed to promoting the increased use of efficient heat pumps.

The German heat pump industry employs around 100,000 people and generates an annual turnover of around 3.5 billion euros. There are currently just under two million heat pumps in use in Germany. Around 95 per cent of the systems installed here are manufactured by BWP member companies.

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