EUROVENT Market Intelligence

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ROOFTOPS 2022 MARKET IN SPAIN

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Rooftops 2022 Market in Spain

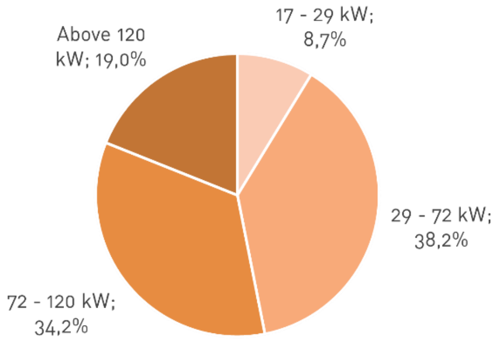
Paris, France. Eurovent Market Intelligence concluded the 2022 market statistics on the HVACR market and contributed to the special Rooftop edition of PROInstalaciones with the latest rooftop market figures and trends.

According to the latest rooftops market data from Eurovent Market Intelligence, Spain maintained as a frontrunner in 2022, establishing itself once again as the second largest rooftop market, trailing only behind France. Following a robust rebound in the previous year, the Spanish rooftop market experienced a moderate growth rate in the recent period. While the market continued to expand, the pace of growth was relatively subdued compared to the previous year.

The Spanish rooftop market increased by +1.9% and reached about 2100 units sold in 2022, worth about 49,84 million euros (+10.2% compared to 2021). It's worth noting that, in 2022, the Spanish rooftop market experienced a rather stronger increase in turnover, surpassing the growth in the number of units sold, which suggests a potential price increase. Inflation plays a crucial role in this scenario, causing higher interest rates and material costs. Adding on top of the shortage during the past year, the whole European HVAC industry has witnessed cost escalations in terms of raw materials, components, and labour, which influenced market prices in 2022.

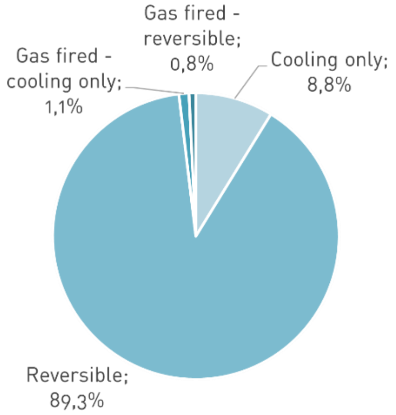
In Spain, the rooftop market exhibits a notable concentration on medium and large-sized units. While the market encompasses a range of rooftop sizes, including small and very large installations, rooftops with a capacity between 29 and 120 kW hold a prominent position and they make up almost three-quarters of the market (72%), while the same category makes only two-thirds of the European market (67%). The larger units on the other hand are more extensively used in the European average than in Spain (25% and 19% respectively).

Spain - Rooftop market by capacity



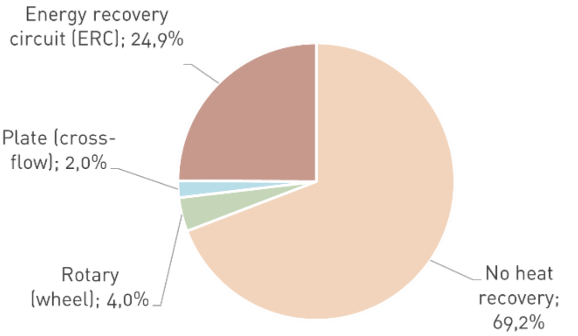
The Spanish rooftop market is primarily characterized by the prevalence of reversible rooftop units, making up 90% of the market, as they offer the advantage of year-round comfort, allowing buildings to efficiently regulate temperatures during both hot summers and mild winters. This flexibility and convenience have made them a preferred choice for various applications, including commercial buildings, offices, retail spaces, and residential complexes throughout Spain. The emphasis on energy efficiency and cost-effectiveness has further contributed to the widespread adoption of reversible rooftop units in the Spanish market, as they enable efficient utilisation of energy resources and optimal climate control in a single integrated system. Although reversible rooftop units have gained significant popularity in the Spanish HVAC market, it is worth noting that cooling-only rooftop units still find their relevance and application in certain contexts within

Spain - Rooftop market by cooling type



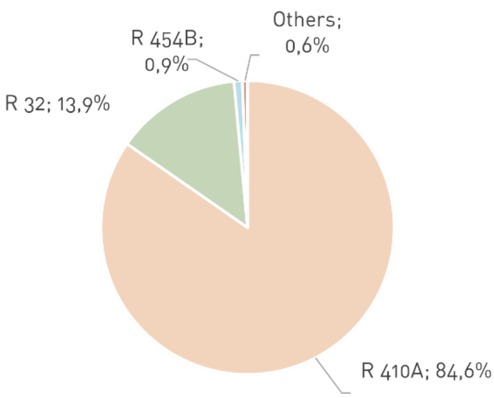
the Spanish market of which they cover about 10%. The distribution of reversible and cooling-only rooftop units is similar on average across Europe (88% and 12% respectively).

Spain - Rooftop market by heat recovery



In the Spanish HVAC market, the predominant approach to rooftop units leans towards the absence of heat recovery systems, where 69% of the rooftops are delivered without heat recovery. While heat recovery is a widely recognized feature in HVAC technology, its implementation in rooftop units in Spain is not as prevalent. However, when heat recovery systems are utilised, the most popular type is the energy recovery circuit, making up 25% of the market. This type of heat recovery technology enables the transfer of heat between the exhaust and supply airstreams, improving energy efficiency by utilizing the heat that would otherwise be wasted. The preference for energy recovery circuits indicates a growing recognition of the importance of energy conservation and sustainability in the Spanish rooftop market. While the adoption of heat recovery systems in rooftop units may not be as widespread overall, the incorporation of energy recovery circuits showcases a notable trend towards optimizing energy usage and reducing environmental impact in the Spanish HVAC market. Energy recovery circuits are not as extensively employed in the European average (16%), but Spain stands out as the second-largest user of this technology after Italy (%45).

Spain - Rooftop market by refrigerant



Despite a growing global focus on transitioning towards more environmentally friendly refrigerants with lower global warming potential (GWP), R-410A is still widely used in Spain and makes up about 85% of the market. Currently, R-32 refrigerant holds a relatively small share of approximately 14% in the Spanish rooftop market. Spain currently exhibits a higher utilisation of R-410A refrigerant, and a lower adoption of R-32 compared to the European average. As awareness of environmental concerns continues to grow and regulations evolve, the demand for R-32 refrigerant is rising overall in the European market, since it is considered as a potential alternative to R-410A, thanks to its lower GWP. Despite R-410A remaining more prevalent than R-32 also in Europe, the ratio between these refrigerants is closer compared to Spain (71% and 24% respectively), which suggests that Spain remained behind the European average while implementing regulations and initiatives aimed at reducing greenhouse gas emissions and promoting the use of low-global warming potential (GWP) refrigerants. Although Spain may be slightly behind the European average in this aspect, it is expected that the country will catch up and align with the broader European trend of transitioning towards more eco-friendly refrigerants in the near future.

In Spain, the retail sector stands as the largest vertical market that extensively uses rooftops for HVAC systems, which makes up about 53% of the rooftop applications within the Spanish market. With Spain's vibrant retail industry and the presence of numerous shopping complexes and stores throughout the country, the retail sector emerges as the primary vertical market that extensively embraces rooftop HVAC systems. Following the retail sector, warehouses and storage facilities hold the second spot as a prominent vertical market that widely uses rooftops. in Spain. With the significant presence of logistics and distribution centres in Spain, warehouses and storages make up about 19% of rooftop applications. In the European average, retail also makes up half of the market, however, the second spot is occupied by the industrial process sector such as industrial facilities, such as manufacturing plants, factories, and production facilities that require efficient climate control systems to ensure optimal operating conditions, whereas this sector is on the third spot in Spain with 9%.

In Spain, the primary responsibility for handling rooftop units lies with HVAC installers, as two-thirds of the rooftops are sold to installers (67%). These skilled professionals play a vital role in the successful implementation and installation of rooftop systems across various sectors in Spain. In 19% of the projects, the rooftops are being sold directly to the end user. Lastly, on the third spot, contractors are covering about 11% of the rooftops sold. The top three list of sales channels in Europe exhibits remarkable similarity across countries, however, installers have a slightly greater importance in the European average (approximately 70%).

The Spanish rooftop market relies predominantly on local companies to meet its demands, with two-thirds of the market supplied by domestic manufacturers. However, there is also a notable presence of rooftop units imported from foreign manufacturers, primarily from other European countries, with France at the top of the list, followed by Italy. The combination of local and imported units ensures a diverse range of options for customers in the Spanish market. It also promotes healthy competition and fosters technological advancements within the industry.

Overall, Spain remains one of the most important rooftop markets in Europe in 2022 and is expected to maintain its significance. The rooftops are dynamic and demanded sector within the Spanish HVAC industry, given the country's climate with hot summers and mild winters. The increasing trend is expected to continue as many retail construction projects continue to be realised in the country.

About Eurovent Market Intelligence

Eurovent Market Intelligence (EMI) is the European statistics office on the HVACR market. It provides key market data since 1994. The guiding principle of EMI is to establish a detailed map of the European, Middle Eastern, and African market with the participation of the manufacturers in the data collections.

The single sales data collected from the participants remain confidential and the overall results can be received by the participants only. EMI provides the manufacturers with the annual and quarterly collection results, total market estimations, market trends, and analyses. The participants can also view their own market share and ranking in the collection and see the top 5 player of the collection in an alphabetical order. While collection results are strictly reserved for the participants of the corresponding collections, EMI reports containing only the total market estimations are available for sale for non-manufacturers.

Our participants and programmes

Tripled its number of participants in the last 6 years, today EMI reaches more than 450 manufacturers worldwide within 19 different programmes.

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