



Policy Recommendations

Building a Resilient Europe:

RICS Policy Blueprint for a Sustainable and Competitive Future



Building a Resilient Europe:

RICS Policy Blueprint for a Sustainable and Competitive Future

The built and natural environment faces a range of challenges, from climate change and housing shortages to the ongoing recovery from the COVID-19 pandemic. The shortage of skilled professionals further complicates this landscape. After the recent election and the re-election of President Ursula von der Leyen, her plan sets ambitious goals to strengthen Europe's competitiveness and promote sustainable innovation. To achieve these goals, decisive action is needed. RICS sees an opportunity to work together to create a sustainable, resilient, and inclusive society.

Drawing insights from the Draghi Report, which highlights Europe's competitiveness and economic sustainability, we aim to align our policies with the broader strategy for Europe's future. [RICS](#) (Royal Institution of Chartered Surveyors), with its commitment to public interest and its global network of professionals, plays a central role in ensuring sustainable development and the effective management of land, real estate, construction, and infrastructure. Our work enhances market confidence, fosters better living and working spaces, and supports positive social outcomes.

1. Advancing Net-Zero Buildings and Climate Neutrality

RICS aligns with the European Commission's climate objectives, particularly the goal of carbon neutrality by 2050, and proposes the following actions:

- **Mandate Life Cycle Carbon Measurement:**

The Commission should enforce whole life cycle (WLC) carbon measurement for both new and renovated buildings. This includes the adoption of a consistent methodology across Member States, ensuring carbon neutrality in the built environment. RICS' [Whole life carbon assessment \(WLCA\)](#) provides a strong framework for this implementation.

- **Reduce Embodied Carbon:**

Prioritizing the retrofitting and repurposing of existing assets over new construction will minimize upfront embodied carbon. We recommend that the European Commission establish a robust EU WLC Roadmap to drive this transition.

- **Develop a Unified EPC and NZEB System:**

A harmonized approach to Energy Performance Certificates (EPCs) and Nearly Zero Energy Buildings (NZEBs) across Europe will ensure that standards and terminology are consistent.

- **Commit to Whole-Life Costing:**

We advocate for the adoption of [International Cost Management Standard \(ICMS\)](#) in public procurement. This approach will provide transparency and ensure an accurate assessment of life-cycle costs in construction projects.

- **Energy Efficiency First:**

Make energy efficiency a cornerstone of all strategies, including construction, transport, and industry, as part of the green transition. Targeted investment in energy-saving measures can significantly reduce emissions.

- **Decarbonisation through Carbon Capture and Storage:**

Decarbonization should prioritize retrofitting and circularity, with carbon capture, utilization, and storage serving as a complementary tool, not the main solution. It can aid in carbon removals, hard-to-abate sectors, and new business models but must align with systemic, transformative strategies.

2. Promoting Sustainability through Circular Economy and Biodiversity Conservation

Achieving climate neutrality requires a holistic approach to sustainability, with all sectors contributing. Drawing on the Draghi Report's emphasis on resilience, we recommend:

- **Incentivize Circular Economy Practices:**

The EC should prioritize the connection between the building and construction sector to the circular economy agenda. Circularity has a key role in decarbonising our sector and circular design practices can save up to 33 Mt CO₂e annually.

- **Prioritise Biodiversity and Nature Restoration:**

The built environment plays an important role in protecting biodiversity across all ecosystems. Preserving biodiversity in our cities contributes to a healthier and more resilient urban environment and an enhanced quality of life. We recommend strategic investments and regulations that align with the EU's Nature Restoration Law to safeguard ecosystems.

- **Integrate Climate Resilience into Infrastructure:**

Climate resilience should play a key role in the next Commission Mandate. Buildings, Infrastructure, energy, water, and land are heavily impacted by our changing climate conditions. Investments and targeted funding will be critical to raise stakeholder awareness. You should also look at incentives for nature-based solutions. Based on the first European Climate Risk Assessment, you will assess the need for future legislation on climate resilience and preparedness and present options.

- **Sustainability Reporting for Real Estate:**

Given that real estate accounts for 40% of energy consumption and 36% of greenhouse gas emissions in the EU, clear industry-specific reporting standards are essential to facilitate the reporting burden and the transition of the sector.

3. Regulatory Alignment and Digital Innovation for Competitiveness

Europe's competitiveness in the global market relies on regulatory coherence and innovation. In line with the Draghi Report's recommendations, RICS proposes:

- **Regulatory Harmonization Across Member States:**

Align regulations, qualifications, and professional standards for surveyors to support Europe's green transition. This harmonization will spur innovation, economic growth, and job creation in green industries.

- **Promote Digitalization in Real Estate:**

Prioritize the implementation of digital tools such as digital twins and data storage facilities, which will enhance efficiency and innovation in construction while safeguarding EU digital sovereignty.

- **Cross-Border Consistency in Standards:**

The adoption of international standards, such as the [International Property Measurement Standards \(IPMS\)](#), will provide consistency in energy performance calculations and facilitate cross-border comparability.

- **A renewed State aid policy for a Competitive Europe**

The construction and real estate sectors are pivotal to achieving the EU's dual goals of sustainability and competitiveness. A forward-looking State Aid policy tailored to these sectors' unique challenges will catalyze investments, promote innovation, and ensure a level playing field across the Union.

RICS stands ready to collaborate with EU institutions and stakeholders to support the development and implementation of policies that drive long-term economic growth and sustainability.

4. Addressing the Social Dimension of the Green Transition

Climate policies must take into account the social impact, particularly on vulnerable communities. We recommend the following to ensure an inclusive transition:

- **Supporting Social Fairness:**
We urge the EC to implement measures to support vulnerable households in mitigating negative externalities of the transition to a clean economy.
- **Support the Social Climate Fund:**
Emissions Trading Scheme revenues should drive decarbonization and support vulnerable communities through the Social Climate Fund, using carbon pricing to internalize environmental costs.
- **Skills Development:**
Invest in education and training programs to equip professionals with the skills needed equipped for emerging industries and can work across borders with recognised qualifications.
- **Addressing the housing crises:**
We support the EC's initiative to address the housing crisis through a European Affordable Housing Plan led by a dedicated Housing Commissioner. The plan should tackle rising costs, boost affordable housing investments, and incorporate New European Bauhaus principles for urban development. Additionally, investing in clean energy infrastructure and combating energy poverty are crucial, as housing and energy crises are deeply interconnected.
- **Sustainable Finance and Investment:**
Encourage public and private investment in green infrastructure and sustainable construction. The right financial mechanisms, including public-private partnerships and green bonds, will be key to advancing Europe's sustainability goals.

RICS is committed to working with the European Commission to advance sustainability and ensure the built environment contributes to Europe's competitiveness, as outlined in the Draghi Report. Through collaboration, regulation, and investment, we can build a future-ready, resilient Europe.

Delivering confidence

We are RICS. As a member-led chartered professional body working in the public interest, we uphold the highest technical and ethical standards.

We inspire professionalism, advance knowledge and support our members across global markets to make an effective contribution for the benefit of society. We independently regulate our members in the management of land, real estate, construction and infrastructure. Our work with others supports their professional practice and pioneers a natural and built environment that is sustainable, resilient and inclusive for all.

Report written by

Fausta Todhe, Senior EU Public Affairs Manager
ftodhe@rics.org

And

Valeria Sepe, EU Sustainability Specialist vsepe@rics.org