



RICS sustainability report

2024



RICS sustainability report

2024

Report written by

Kisa Zehra
Global Sustainability Lead
kzehra@rics.org

Editor
Jack Cunnington

ISBN: 978 1 78321 539 3

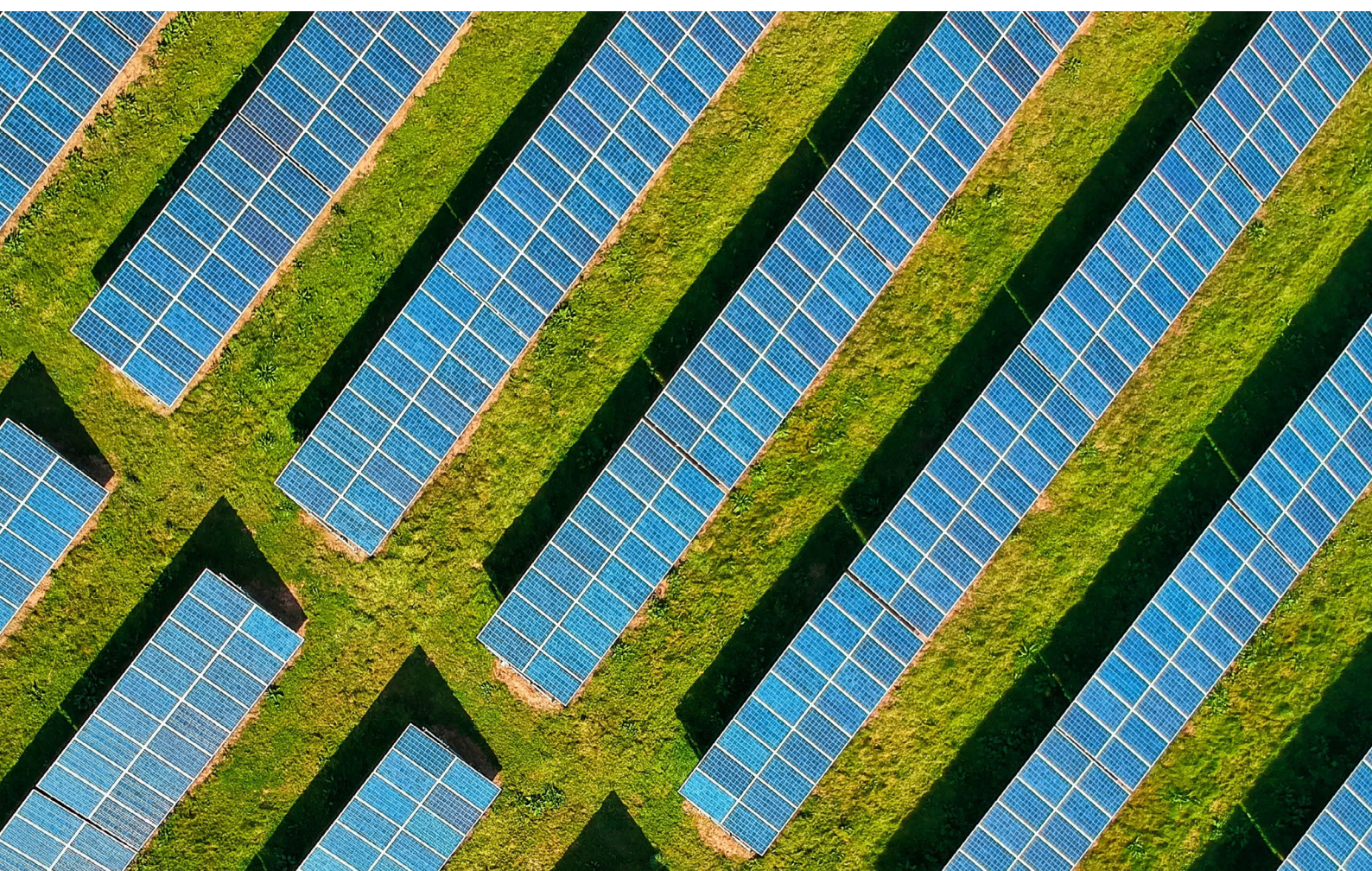
Published by Royal Institution of Chartered Surveyors (RICS)
RICS, Parliament Square, London, SW1P 3AD
www.rics.org

Neither the authors, nor RICS accept any liability arising from the use of this publication.

© Royal Institution of Chartered Surveyors (RICS) November 2024. All rights reserved. No part of this publication may be reproduced or transmitted in any form or by any means, electronic or mechanical, including photocopy, recording, or any information storage and retrieval system, without permission in writing from the publisher.

Contents

Foreword.....	1
Executive summary	3
Global commercial property sector	4
Global construction sector	13
Conclusions and recommendations.....	22



Foreword

Last year, I described the RICS sustainability report as a wake-up call to our industry, with progress on sustainability lagging behind what is required. Even so, I stated my belief that the 2050 targeting for net zero was still within reach, if we committed to pursuing it wholeheartedly.

This year's report suggests that such commitment is lacking. For another year, we present a mixed but underwhelming picture.

Demand for green real estate continues to grow, if at a slower pace than in previous years, but acceptance of the need for climate resilience in new buildings shows regional variations that reflect the unbalanced impacts of climate change.

There is relative complacency in developed nations, even as they contribute disproportionately to the crisis, while nations in the Middle East and Africa are already more aware of, and planning for, the consequences of a changed climate.

Complacency can also be seen in the way that, while an increasing number of construction projects are measuring embodied carbon, for many this does not seem to be significantly affecting the choice of materials and components.

Measurement is not an end in itself, and there needs to be more urgency about turning this data into actionable – and actioned – insight!



Tina Paillet
RICS President

There clearly needs to be more understanding of the purpose of carbon measurement: around 40% of respondents cite a lack of understanding and relevant skills as a constraint on adopting greener practices. Even so, increasing regulation and client demand is pushing the industry down this path. The question we must address, therefore, is what is needed to ease this journey?

Credible policy interventions are essential. Regulation is seen as a major factor driving green real estate investment, while also having an effect on construction practices. RICS will always argue for effective regulation, and for common standards for projects and data, to simplify working across jurisdictions and ensure a level playing field.

These include the current edition of [Whole life carbon assessment \(WLCA\) for the built environment](#), [International Cost Management Standard \(ICMS\)](#) and the [Built Environment Carbon Database \(BECD\)](#).

Underpinning policy, government incentives and subsidies may also be needed to support the sector.

Financial constraints are still seen as the biggest barrier to adopting more sustainable practices, despite widespread belief that a green premium exists. Well-targeted fiscal support could therefore help companies transition to greener business practices.

As an industry, and as RICS, we must also address the gap in education and skills seen across the world. Surveyors need to be able to advise on sustainability questions, providing skilled assessment, knowledgeable advice and actionable insight.

In this context, it is essential for professional and industry bodies to prioritise education, training and interoperability of data collected that enhances sustainability skills and knowledge, both holistically and at a product level.

High costs and lack of data on low-carbon materials, products and components remain as stumbling blocks. Better information, including from real-world examples, can provide confidence to adopt greener practices and products.

Change can be hard, but the longer it is delayed, the harder it becomes. We are moving in the right direction but must move faster to avoid reaching the climate tipping point. With this urgency, we can mitigate environmental damage and better control the consequences.



Executive summary

In Q2 2024, the RICS [Global Commercial Property Monitor](#) (GCPM) and the [Global Construction Monitor](#) (GCM) captured the expert opinions of built environment professionals on critical sustainability-related issues, resulting in over 4,000 responses from 32 different countries.

The data highlights some positive advancements, such as the rising demand for green real estate. The increase in demand for green assets appears to be influencing market values, with green buildings being subject to a rent and price premium over comparable non-sustainable assets.

However, despite substantial risks to the built environment as a result of climate impacts, the resilience of properties to extreme weather is only considered moderately important for occupiers and investors globally. That said, regional circumstances and disparities appear to be playing a key role in how resilience and adaptation is being prioritised by market participants.

Feedback indicates that there has been limited progress across the construction industry around measuring carbon emissions. Additionally, the impact on biodiversity is not being assessed on a significant share of projects globally.

Survey contributors have helped pinpoint key barriers that are preventing the construction industry from adopting sustainable practices.

The high initial costs of green building methods and sustainable materials are seen as some of the biggest obstacles by most. Skill shortages, gaps in knowledge and inadequate training of professionals are also cited as key impediments.

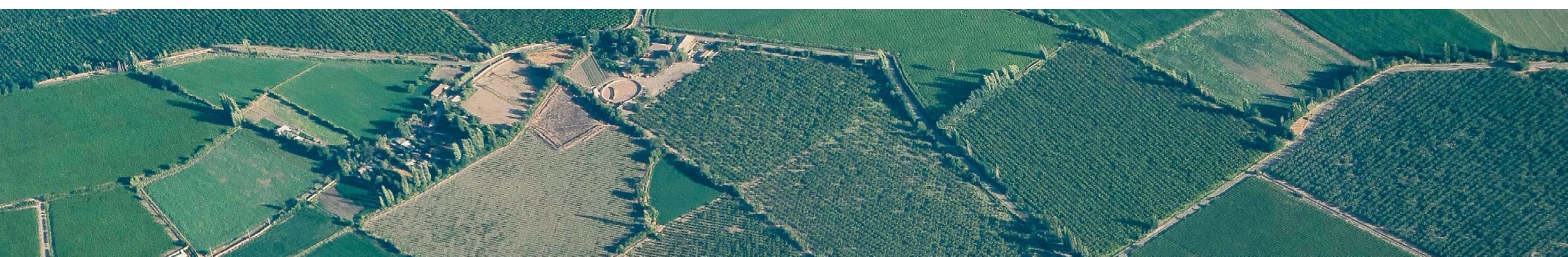
More comprehensive and decisive action is needed to ensure that sustainability is prioritised across the built environment sector.

Policymakers must set a clear position by developing sector-specific targets that align with national climate commitments.

Mandating embodied carbon assessments and encouraging the adoption of global standards such as the current edition of RICS' [Whole life carbon assessment \(WLCA\) for the built environment](#) could lead to a behavioural shift across the sector, helping carbon measurement and mitigation to become fully integrated into construction practices.

Furthermore, industry and policymakers must prioritise education and training programmes linked to sustainable practices, with a focus on building the competencies of professionals working across the built environment.

Collaboration between industry stakeholders will be essential in identifying existing barriers; challenges; and, ultimately, possible solutions and scalable actions to decarbonise the built environment sector and increase its resilience to climate impacts.



Global commercial property sector

RICS indicators point to an increase in occupier and investor appetite for green buildings

The RICS Sustainable Building Index is a measure of occupier and investor demand for green buildings. In this context, green buildings is an umbrella term referring to buildings that are energy and resource efficient, have low-carbon performance and achieve high ratings according to various green building certifications around the world.

In 2024, the indicator posted a net balance reading of +41, signalling a rise in demand for climate-adapted real estate. Net balance is calculated by the proportion of respondents reporting a rise in demand minus the proportion reporting a fall. A positive net balance indicates a rise in demand, while a negative net balance points to a fall in demand.

This follows a series of positive net balance readings of +44 in 2023, +48 in 2022 and +55 in 2021. Even though readings have eased slightly over the past four years, the positive net balance is still pointing to a persistent upward trend in demand for sustainable commercial real estate assets (Figure 1).

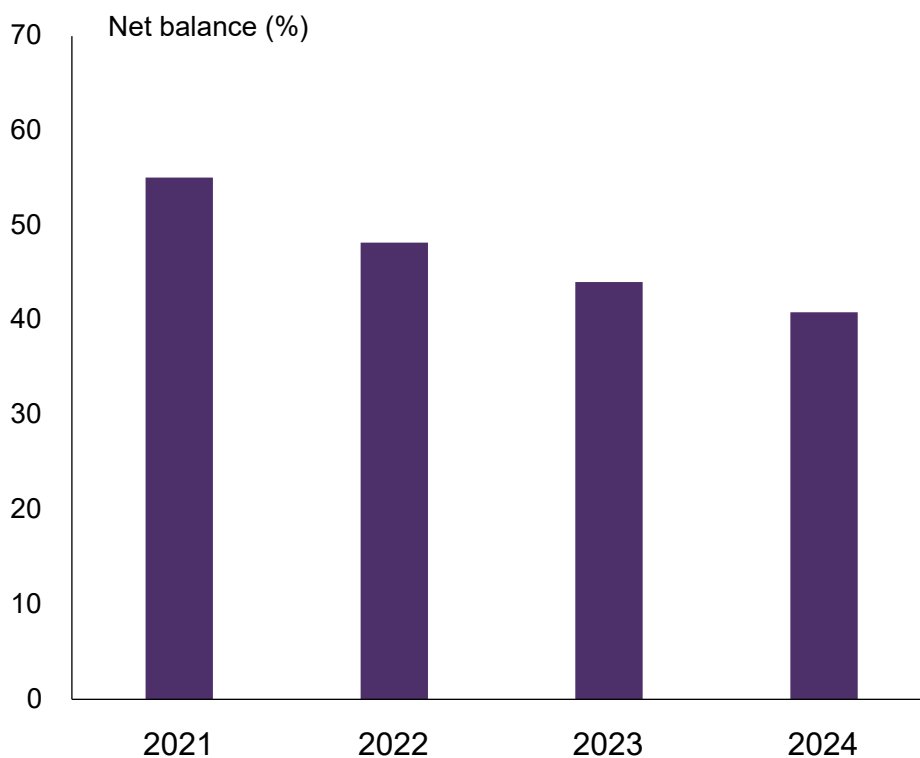


Figure 1: RICS Sustainable Building Index

The pick-up in demand is reported across all regions covered in the survey. Similar to the results over the last three years, demand growth across Europe appears to be leading other areas. The Sustainable Building Index for Europe came in at +63. In comparison, the index is +54 in the UK and below +50 across the Middle East and Africa, Asia and the Pacific (APAC), and the Americas.

Globally, almost half of the survey respondents report a rise in the demand for green buildings in the last 12 months. 41% note a modest rise, while 8% point to a more significant increase.

Regional results show that around 50% or more of commercial property sector professionals see a rise in occupier demand for sustainable built assets in the last year across virtually all regions (Europe, UK, APAC and the Middle East and Africa). The Americas is the only exception, with 34% of respondents reporting a rise in demand (Figure 2).

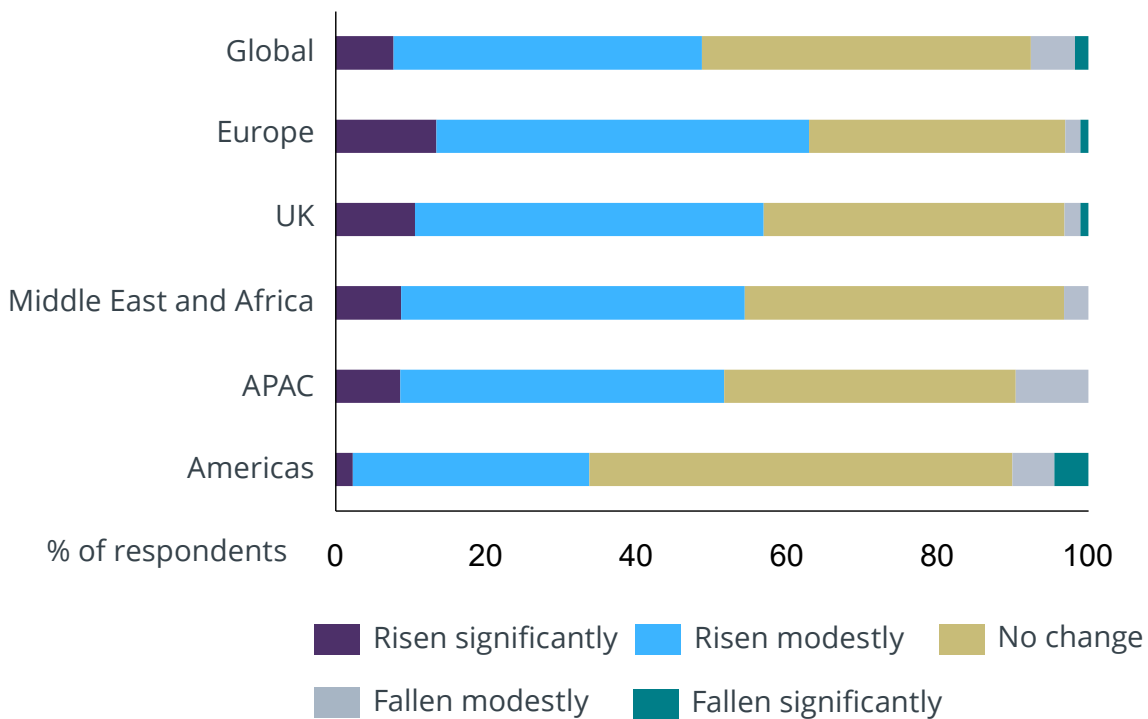


Figure 2: How has occupier demand for green/sustainable buildings changed in the last 12 months?

Investor demand for green real estate takes the lead in Europe but lags across the Americas

The results for the investment side of the market are broadly similar. Roughly half of the survey respondents globally note a rise in investor demand for green buildings in the past year. 40% report a modest increase, while 9% report a more significant rise.

The [2023 report](#) noted that investor demand across the Americas appeared to be trailing behind other regions. This year’s results suggest that the picture has not changed significantly (Figure 3). Across the Americas, 36% of respondents point to a rise in investor appetite for green buildings. This share is lower than in the other regions surveyed. 55% of respondents in the Americas suggest that there has been no change in investor interest in green buildings in the past year. This is above the global average of 42%.

Europe stands at the other end of the scale. 68% of the professionals across the region suggest that investor appetite for green buildings has risen to some extent in the past 12 months. A modest increase was noted by 48%, while 20% see a significant rise in investor appetite.

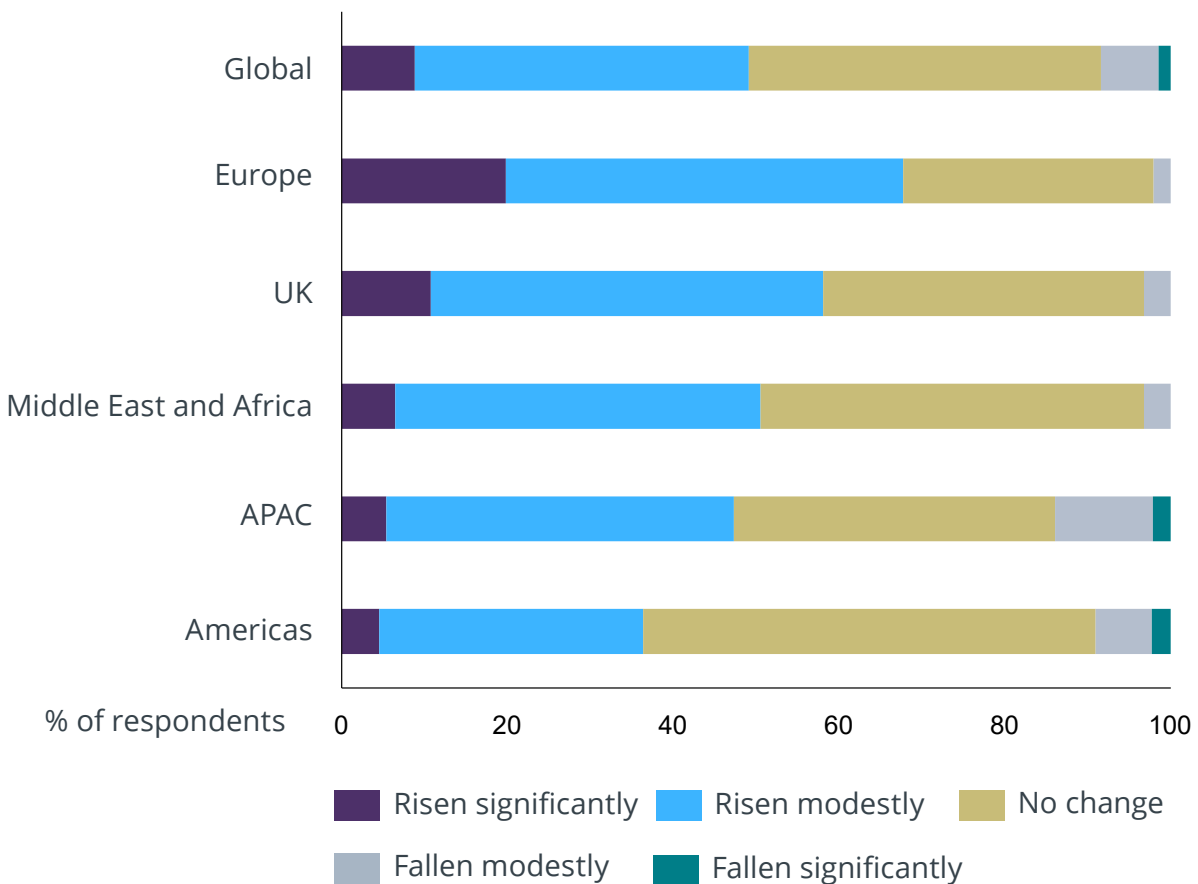


Figure 3: How has investor demand for green/sustainable buildings changed in the last 12 months?

Contributors suggest that there is a green premium linked to sustainable buildings

In [last year's report](#), a significant proportion of respondents indicated that the sustainability features of a building have a fairly strong impact on rents and capital values. This year's survey was used to explore whether green buildings are attracting higher market values in comparison to buildings not classed as green or sustainable.

Globally, 44% of survey respondents suggest that green buildings are subject to a rent premium over comparable non-green buildings. 31% believe that the premium is up to 10%, while 13% believe the premium could in fact be higher. Even if there is no rent premium, around 31% of professionals indicate the likelihood of a brown discount, i.e. a reduction in rents for buildings that are not classed as either green or sustainable compared to green buildings. 25% of respondents perceive there to be no premium nor a brown discount (Figure 4).

The results are slightly more robust when looking at the impact of green credentials on prices. Globally, almost 50% of professionals believe that green buildings are subject to a price premium over comparable non-green buildings. 34% state that this premium is likely to be between 0% and 10%, while 14% believe it to be higher. 30% of respondents state that there is no price premium for green buildings, but buildings that are not considered to be green are subject to a brown discount. 22% state there is no premium or a brown discount linked to sustainable buildings.

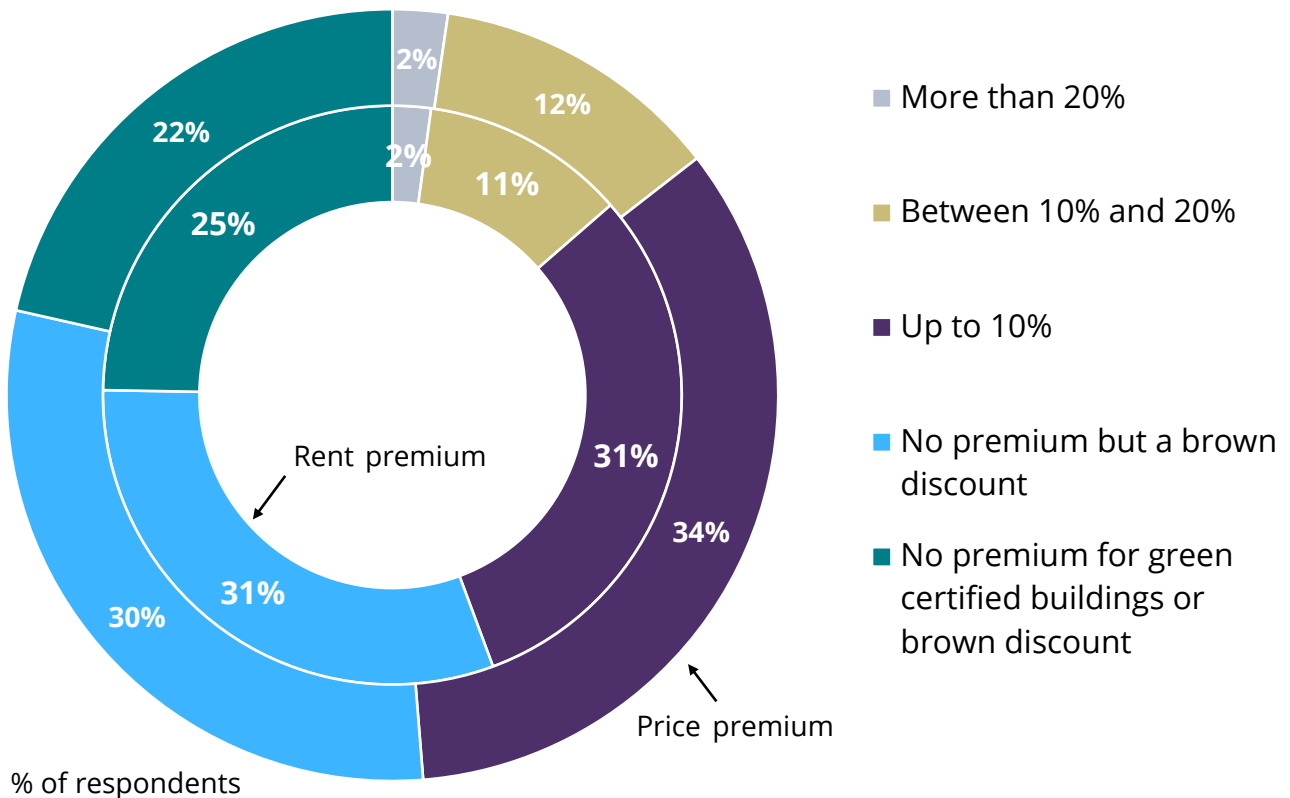


Figure 4: In the area you operate in, do green buildings achieve a rent or price premium over comparable non-green buildings?

In the Middle East and Africa, 64% of respondents point towards a price premium linked to green buildings

This could be in response to greater emphasis being placed on enhancing sustainability considerations in the built environment sector and the growing relevance of sustainable real estate as the region tries to address challenges posed by climate change and rapid urbanisation. This has led to an increase in the adoption of green building standards and the development of new building regulations focused on reducing energy consumption.

Across APAC, 56% believe that green buildings are subject to a price premium over comparable non-green buildings. Feedback from across Europe is also worth pointing out, with an average of 50% of respondents across the region indicating that there is a rent and price premium linked to green buildings. Growing emphasis on green real estate across APAC and ambitious policies set by the European Commission to decarbonise the building sector could be steering this trend.

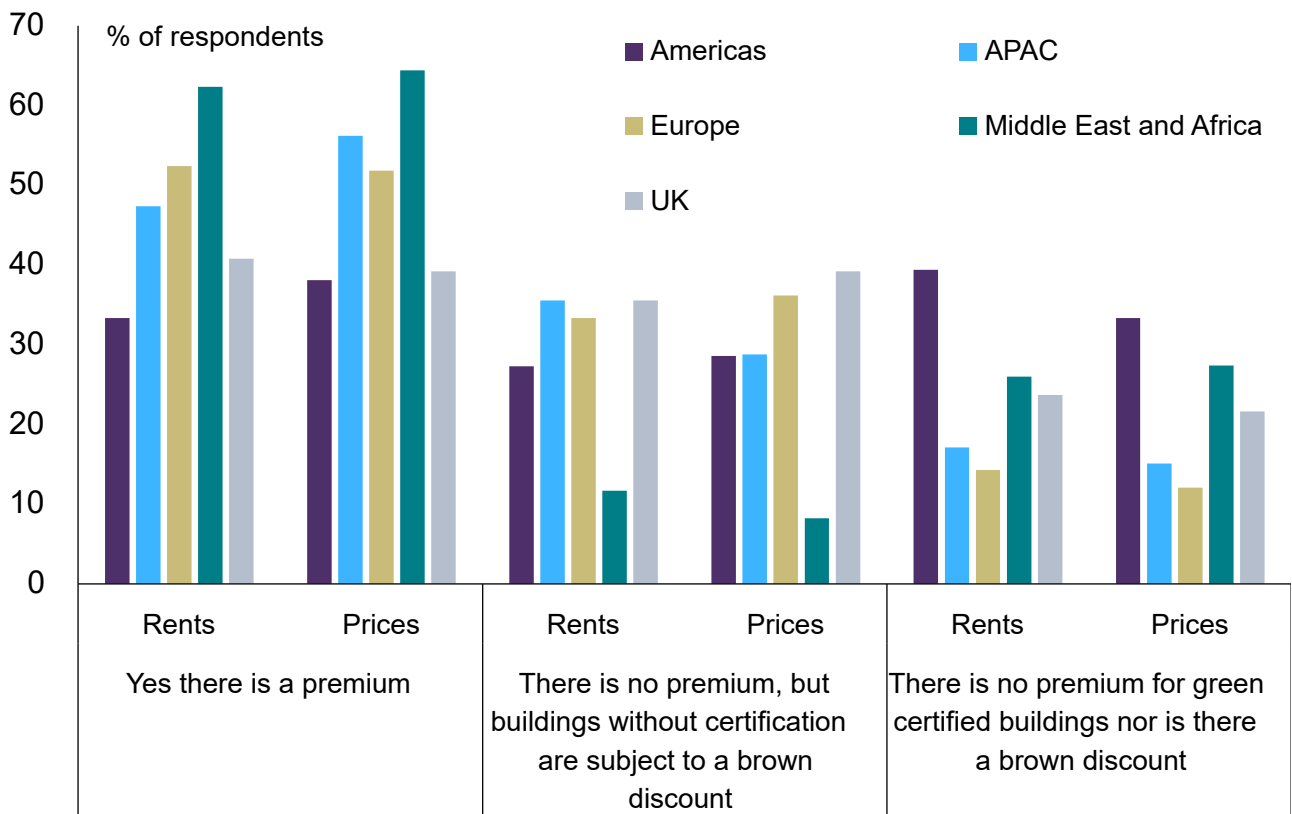


Figure 5: Regional breakdown: In the area you operate in, do green buildings achieve a rent or price premium over comparable non-green buildings?

Resilience to climate change is only moderately important to occupiers and investors globally

Adapting to and building resilience against the adverse effects of climate change is one of the most pressing challenges facing the built environment today. According to the [Intergovernmental Panel on Climate Change \(IPCC\)](#), the frequency and intensity of extreme weather events are expected to increase significantly in the coming decades. This will place pressure on human health and livelihoods but also severely impact the built environment.

For investors in particular, climate risks could lead to: increases in insurance premiums, accelerated depreciation of assets, greater incidences of stranded assets and considerably higher capital costs.

The built environment sector must adapt to climate change to address these challenges. This includes: adopting proactive design methods to increase resilience to extreme weather, assessing risks to existing assets and focusing on delivering scalable and measurable actions.

The RICS GCPM was used to gather data on what level of importance market participants place on a property’s resilience to extreme weather conditions and the adverse effects of climate change (Figure 6).

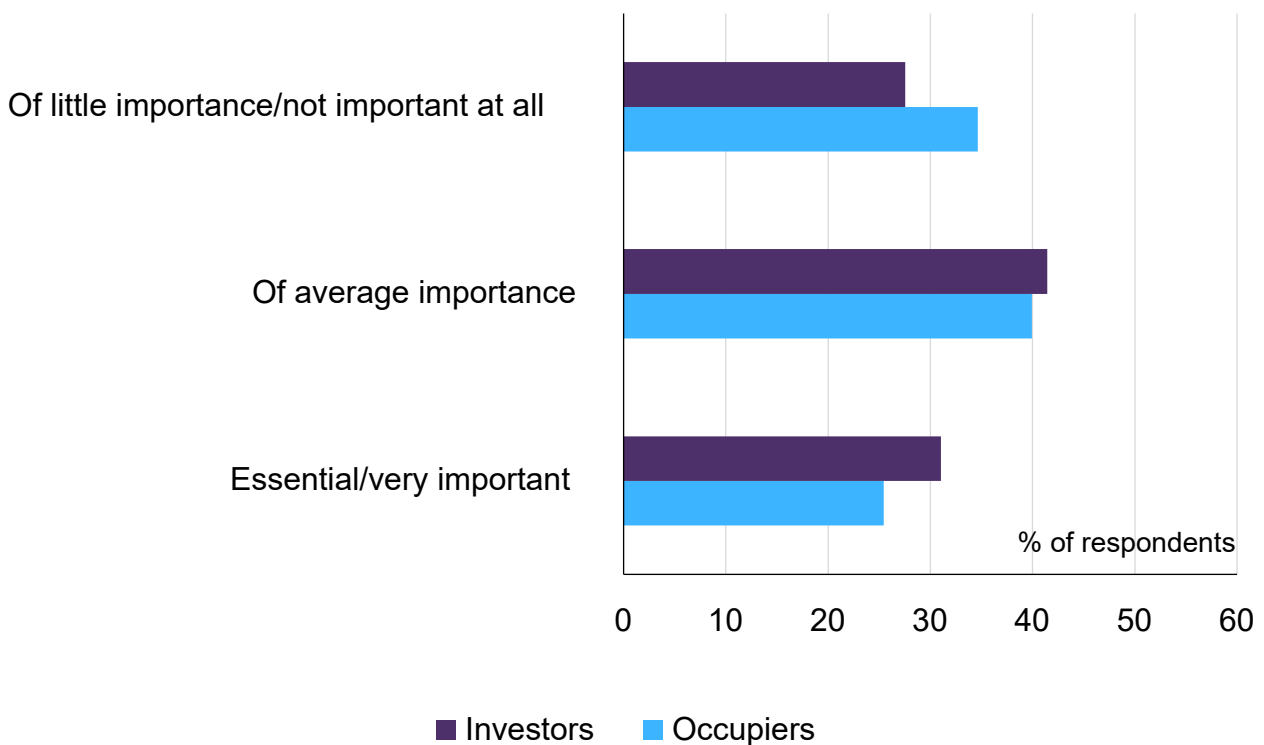


Figure 6: To what extent is a property’s resilience to extreme weather conditions and the adverse effects of climate change important for occupiers and investors?



Climate vulnerabilities across the Middle East and Africa appear to be influencing regional results

Feedback from the Americas, APAC and Europe is in line with the global picture. However, results from the Middle East and Africa stand out. Across the region, more than 40% of contributors state that resilience of a property to extreme weather and other adverse effects of climate change is an essential or very important factor for occupiers and investors. This share is notably higher than the global average in this category.

The Middle East and Africa are considered to be disproportionately impacted by the effects of climate change. Analysis by the [World Bank](#) suggests that the region is perceived to be one of the most vulnerable to the effects of climate impacts, such as high temperatures, extreme weather events, declining water resources, drought and eroding coastal land. These factors could be playing a big part in influencing the survey results.

The UK sits at the other end of the spectrum, with 21% of respondents in the region stating that resilience to adverse effects of climate change is essential or very important for investors. Only 15% believe it to be essential/very important for occupiers.

Demand from clients, stakeholders and customers is seen as the driving force behind the surge in environmental, social and governance (ESG) investment

Contributors were asked to select what they believe to be the driving forces behind the growing popularity of ESG funds, which has seen the value of funds invested in sustainable assets surpass \$30tr. Demand from clients, stakeholders and customers is at the top of the list, with 38% of respondents globally stating this to be one of the main factors.

Government regulations and legal requirements are the second most influential factor, with 25% of contributors globally believing this to be a critical driver of the ESG investment boom. This is closely followed by continued high energy prices and high construction costs. Regulatory incentives and subsidies, and an increase in the availability of ESG-related data, research and insights are placed towards the end of the list, with only around 10% of contributors globally citing these to be among the major drivers.

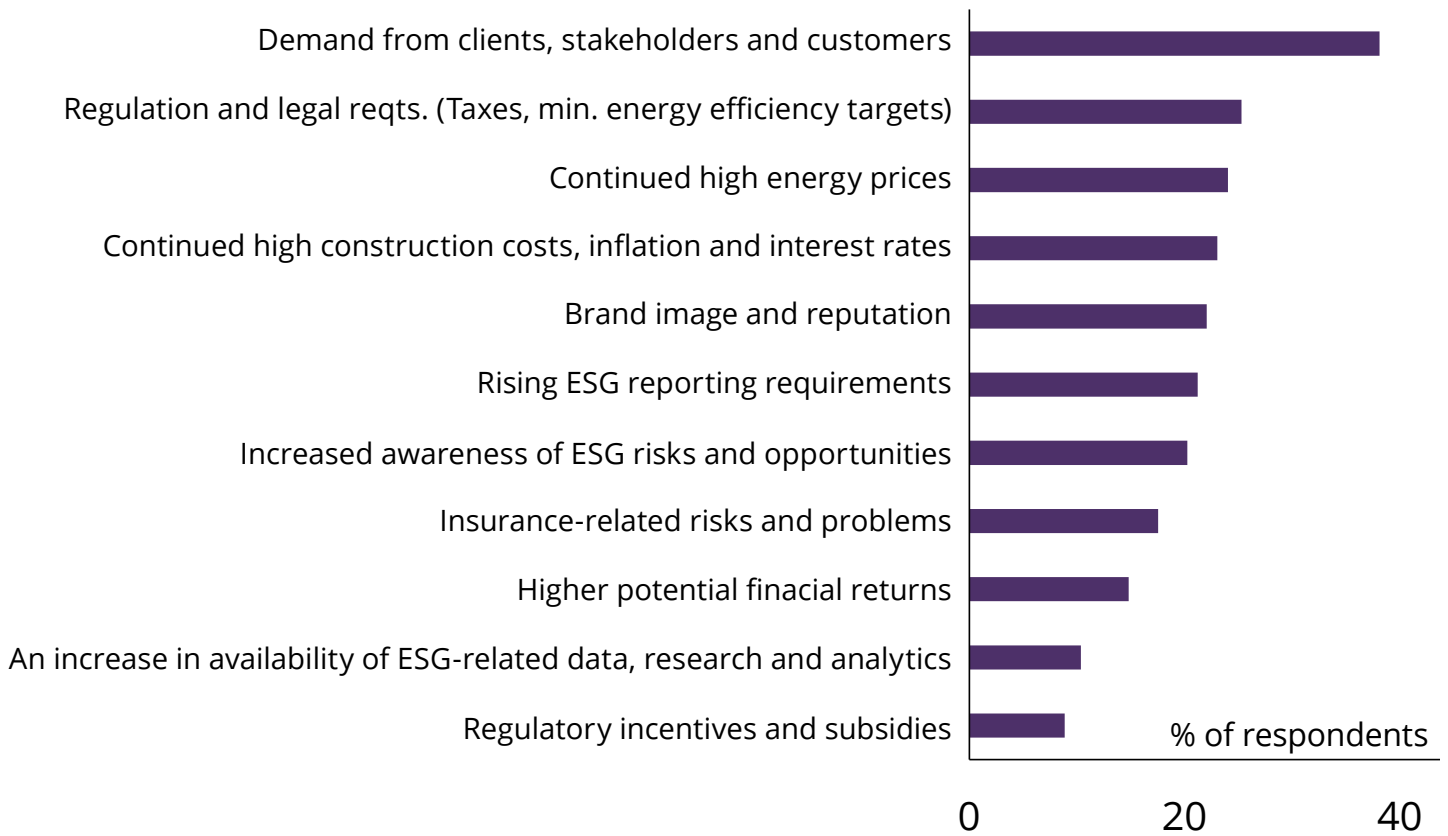


Figure 7: If ESG considerations are impacting investment decisions, what factors are currently driving this trend? (Respondents were asked to select up to three factors)

Continued high construction costs, inflation and interest rates are seen as major factors in driving ESG investment across the Americas

Results from Europe, APAC, the UK and the Middle East and Africa are in line with the global results, with a substantial share of contributors (varying from 43% to 48%) identifying demand from clients, stakeholders and customers as one of the key drivers of ESG investments.

34% of respondents based across Europe believe that regulation and legal requirements are a leading factor in driving the ESG investment boom. This is a larger share than in any other region. This could be in response to the European Commission's [Strategy for financing the transition to a sustainable economy](#), which includes a comprehensive set of measures to increase investments in sustainable technologies and businesses to help meet the targets of the [European Green Deal](#).

Across the Americas, continued high construction costs, inflation and interest rates are noted as principal factors by 29% of contributors; 28% believe that insurance-related risks are a leading cause. 27% name both regulation and legal requirements and continued high energy prices as a major influence.



Global construction sector

Legislation is influencing practices across the construction sector but more targeted policies are needed

According to the latest [Global Status Report for Buildings and Construction](#), carbon emissions from the buildings and construction sectors are at an all-time high, leaving the sector off-track to reach net zero carbon goals by 2050.

Targeted policy actions are needed to close the gap between current emissions and the path required to decarbonise the global building stock over the next 30 years. The GCM was used to gather data on how government policies are influencing trends and practices in the sector.

The feedback suggests that regulations do seem to be having an impact, but only to a limited extent.

Combined, 38% of contributors globally believe that legislation is having a high or very significant impact on trends and practices across the construction sector (the share suggesting that policies are having a significant impact is just 12%). Globally, 39% state that regulations are having only a modest impact on industry activities, while 23% see them as having low impact or no impact at all.

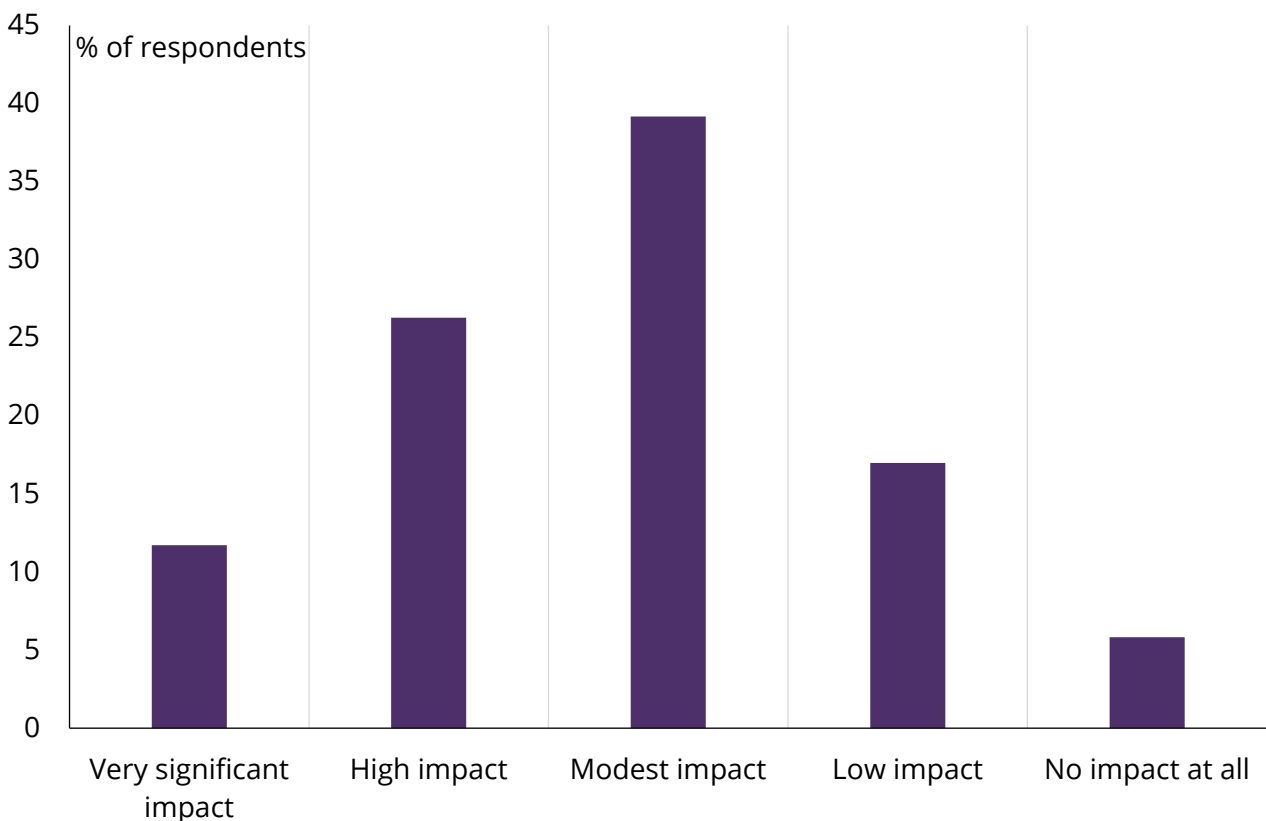


Figure 8: In the area you operate in, to what extent are green/sustainable construction legislations and regulatory requirements impacting trends and practices across the sector?

Government regulations are influencing construction practices across Europe

Regional results are more varied. More than half of Europe-based respondents state that government regulations are having either a high or very significant impact on trends and practices across the sector. This is a higher share than in any other region for this category. The European Commission’s wide-ranging set of [sustainable construction regulations](#), which include green standards for construction products, a carbon levy on certain imported goods, and the [Level\(s\) framework](#) for assessing and reporting on the sustainability performance of buildings, are likely to be steering these trends.

Across the UK, 40% of contributors believe that legislation is having either a high or very significant impact on trends and practices across the sector. That said, the share of respondents stating that regulation is having only a modest impact is equally significant, at 42%. The picture across the other regions is similar, with a range of 38% to 43% of contributors suggesting that government policy is only having a modest impact on the industry (Figure 9).

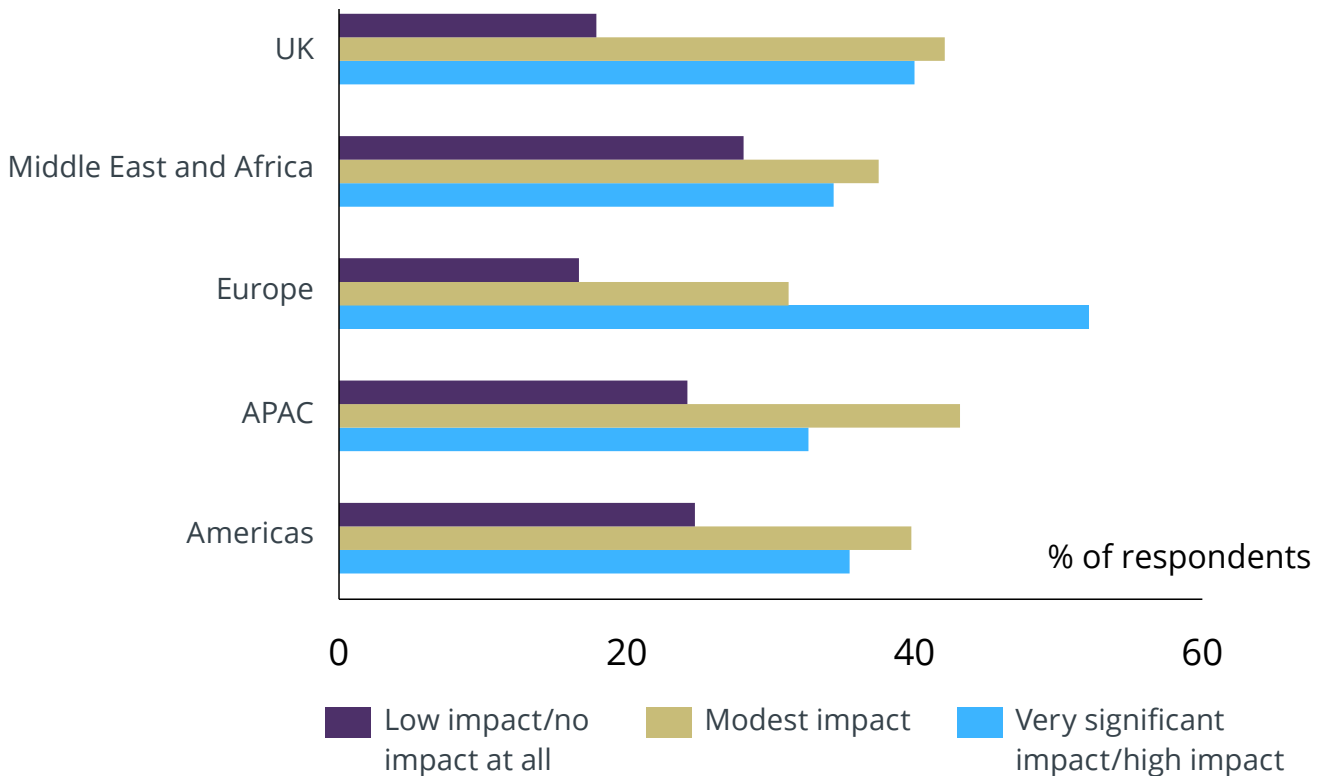


Figure 9: Regional breakdown: In the area you operate in, to what extent are green/sustainable construction legislations and regulatory requirements impacting trends and practices across the sector?

Measurement of embodied carbon is still uncommon across the industry

Despite the built environment still accounting for almost 40% of global carbon emissions, there is limited evidence to suggest that the sector is meaningfully assessing embodied carbon across projects.

Globally, 34% of respondents state that they make no measurement of embodied carbon across projects. This share has steadily fallen over the past three years but remains substantial (Figure 10). 21% of professionals globally state that they measure carbon across projects and use this to guide their selection of materials and components. Meanwhile, just under a quarter of respondents globally state that they do measure embodied carbon, but this does not significantly affect their choice of materials and components.

Alongside this, 22% of contributors globally state they would like to measure embodied carbon if there was a standard approach to doing so.

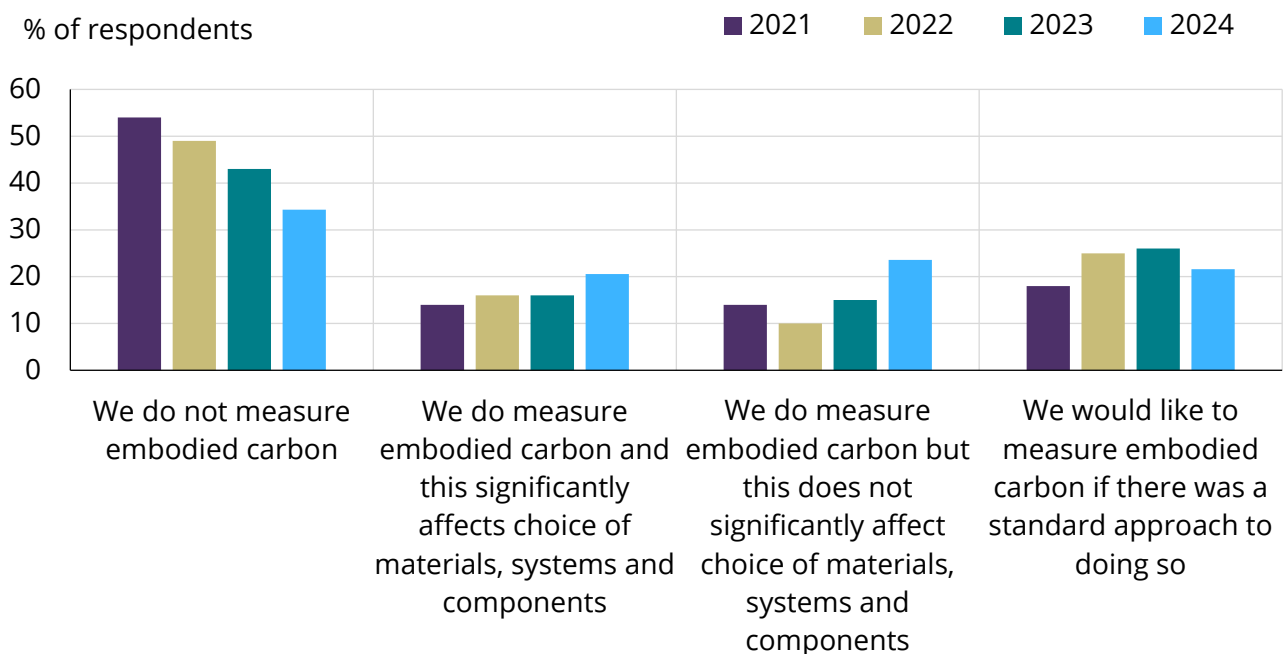


Figure 10: Currently, do you measure embodied carbon emissions on your projects and, if so, how significantly does this affect the choice of materials, systems and components?

Impact on biodiversity is not being assessed on a considerable share of projects

Biodiversity loss has become a critical global challenge, with the World Wide Fund for Nature (WWF) estimates suggesting that wildlife populations have declined by over 70% in the last 50 years. The built environment is seen as playing a principal role. As such, practices across the sector must change dramatically to halt the rapid acceleration of species loss.

The GCM was used to gain further data on whether the impact on biodiversity is taken into account when designing, planning and managing construction projects. The highest share of contributors globally (39%) report that biodiversity is considered on less than 50% of projects (Figure 11). 27% state that it is assessed on more than 50% of their projects, while just 14% state that it is measured on all projects.

Feedback from the UK is more promising. 22% of respondents from the region state that they measure biodiversity on all projects, while 31% state they measure biodiversity on more than 50% of their projects.

These figures could increase in the coming years due to the UK's recent biodiversity net gain legislation. The legislation requires developers to improve the biodiversity of their sites by a minimum of 10% and to fully mitigate the biodiversity impact of the development. The regulation became mandatory in February 2024 and is expected to extend to include major infrastructure projects in 2025.

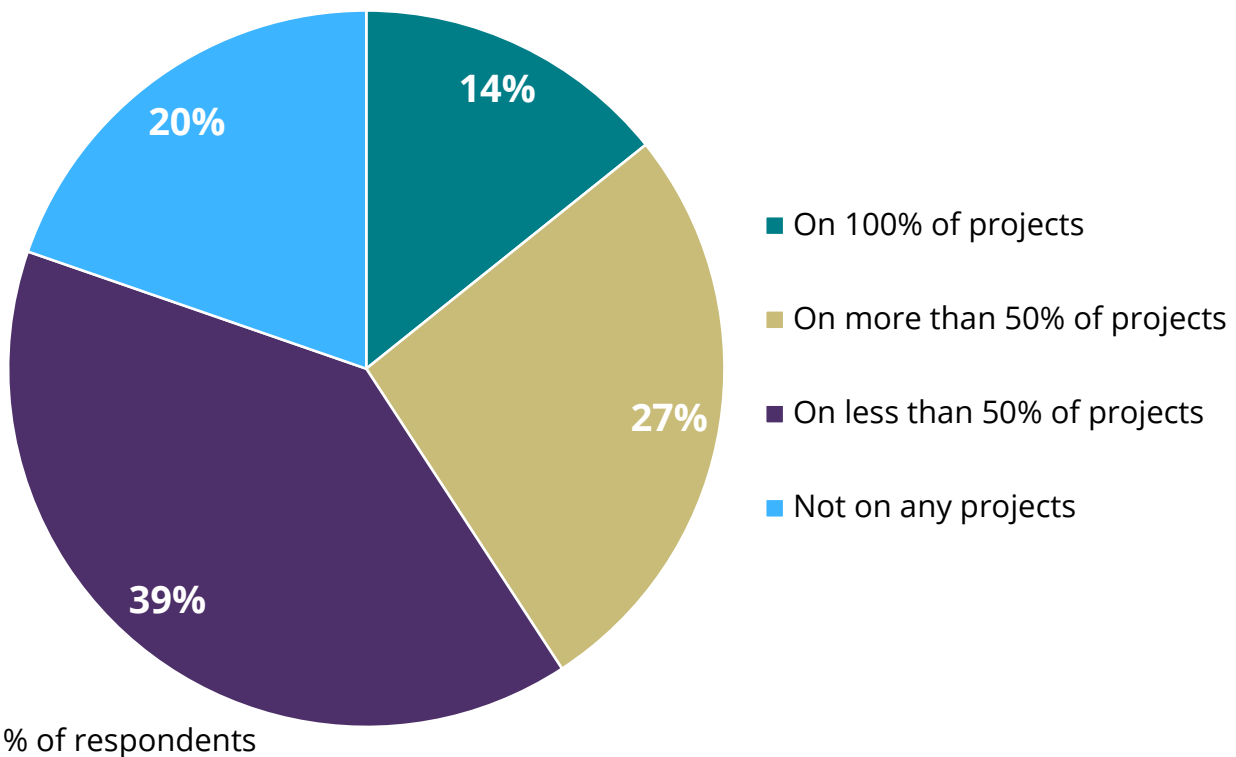


Figure 11: Currently to what extent is the impact on biodiversity taken into account when designing, planning and managing projects?

Adaptation and resilience factors are being addressed by a notable share of construction professionals

Interestingly, the results show that construction professionals are paying some attention to adaptation and resilience factors in their projects. Globally, 29% of contributors state that incorporating climate resilience and adaptation measures is very important during the design and construction phases of projects. 16% suggest that it is essential (Figure 12).

Meanwhile, 35% of contributors state that adaptation and resilience is of average importance. 15% believe that these factors are of little importance, while 5% report that they are not important at all.

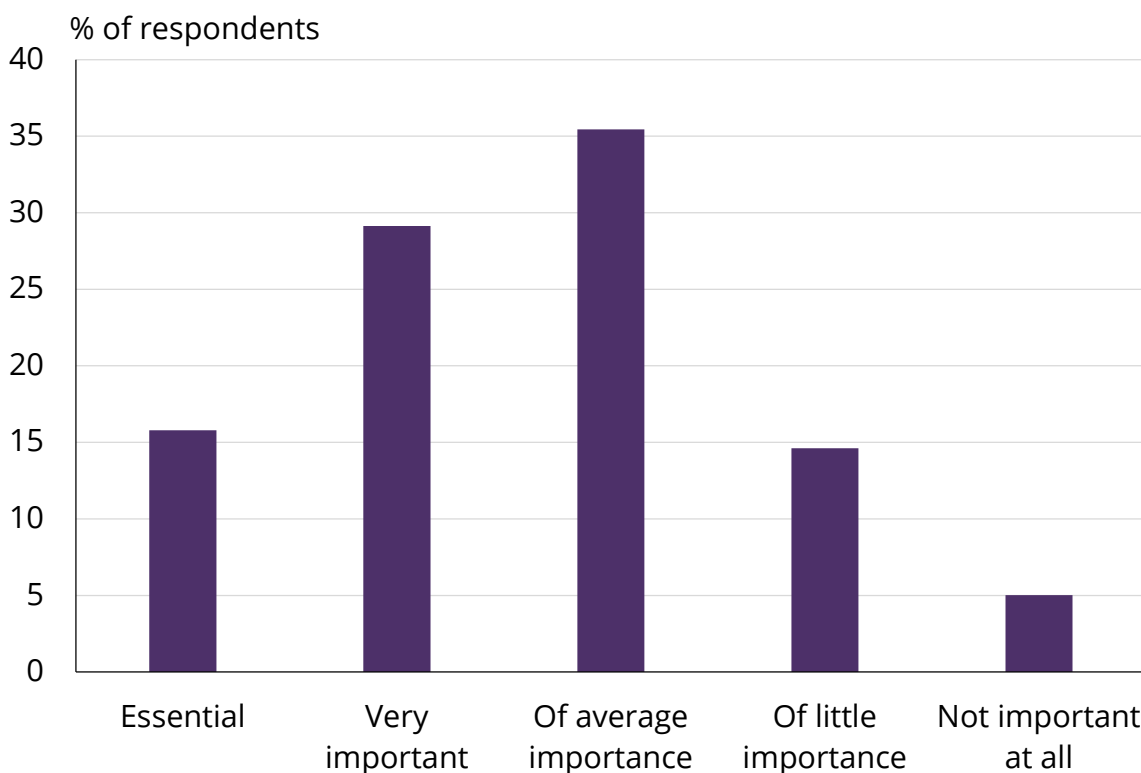


Figure 12: Currently, how much importance is placed on incorporating climate resilience and adaptation during the design and construction phase of your projects?

High initial costs are seen as the biggest barrier preventing widespread implementation of green practices

To gain a deeper understanding of the challenges that may be hindering the adoption of sustainable practices in the built environment sector, contributors were asked to identify the key barriers they face in their specific regions. Globally, 45% of respondents state that high initial costs of green building practices and sustainable materials are one of the biggest obstacles preventing the sector from adopting sustainable practices.

Skills shortages, gaps in knowledge and inadequate training of professionals are cited as key issues by 40% of respondents globally; 33% state that cultural issues, established practices and a lack of awareness of green building practices are key impediments (Figure 13).

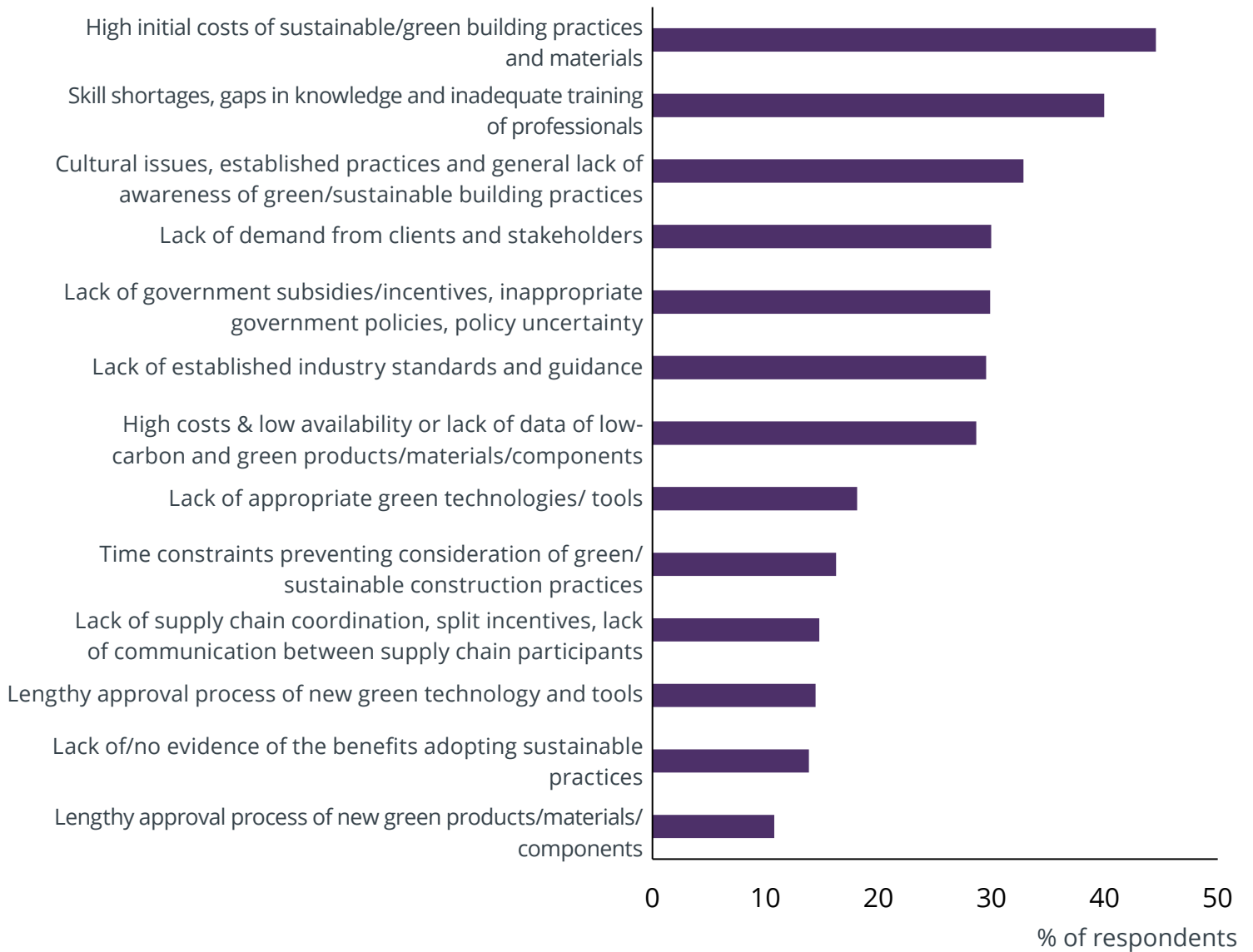


Figure 13: In the area you operate in, what are the biggest challenges for adopting sustainable construction practices? (Respondents were asked to select up to five challenges)

Lack of demand from clients and stakeholders, insufficient or inappropriate government policy support or incentives, and a lack of established industry standards and guidance are also seen as critical issues.

Meanwhile, lengthy approval processes for new green products/materials/components and a lack of, or no evidence of, the benefits of adopting sustainable building practices are towards the bottom of the list of barriers.

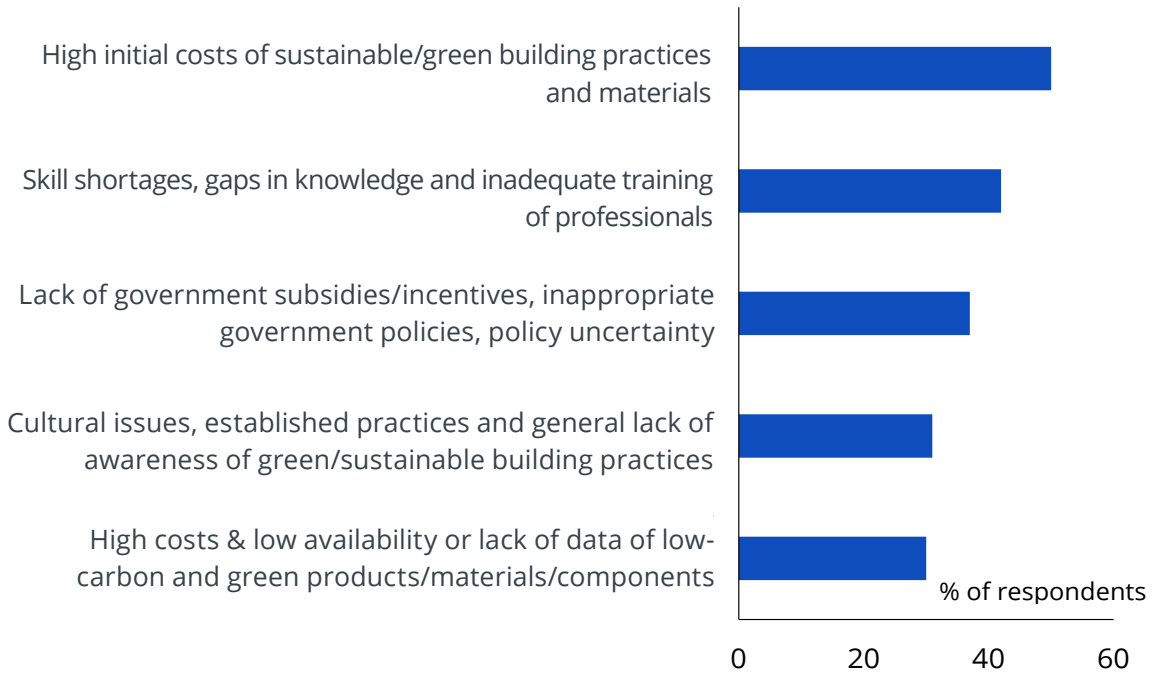
Americas



APAC



Europe



Middle East and Africa



UK



Figure 14: Regional breakdown: In the area you operate in, what are the top five biggest challenges for adopting sustainable construction practices?

Skills shortages and gaps in knowledge and training form one of the top five barriers preventing the widespread adoption of sustainable practices in the built environment globally

The top five barriers cited by professionals operating across the construction sector in all five regions covered in the survey are shown in Figure 14. The high initial costs of green building practices and sustainable materials are reported to be the biggest obstacles across all regions, apart from the Middle East and Africa. Cultural issues, established practices and a general lack of awareness are seen as the most important barrier to adopting greener building methods by 43% of respondents from the region. Across the UK, 32% of contributors also see this as a key issue.

Skills shortages, gaps in knowledge and inadequate training of professionals are seen as a critical problem across all regions covered in the survey. The share of respondents selecting this to be a key barrier is between 38% and 40%.

37% of respondents based across Europe state that a lack of government incentives, inappropriate government policy and policy uncertainty form another main barrier that is preventing the widespread adoption of sustainable practices across the industry. This was also cited as one of the top five barriers in the Americas, the Middle East and Africa, and the UK.

Conclusions and recommendations

Credible policy interventions are essential for advancing sustainability in the built environment sector

Policy and regulatory approaches must be strengthened to make carbon assessments compulsory for all built environment projects to help reduce emissions throughout the value chain. It is equally important that these assessments are reported in order to promote transparency and are monitored over time to track progress.

Global standards are critical tools that can help professionals measure and report carbon emissions across projects, as follows.

- The current edition of RICS' [Whole life carbon assessment \(WLCA\) for the built environment](#). This provides a global methodology for measuring whole life carbon emissions of new and existing built assets. Professionals can use WLCA alongside their national and regional frameworks. The standard aims to help with the management of carbon budgets and reduce lifetime emissions.
- The [International Cost Management Standard \(ICMS 3\)](#), a high-level framework for reporting carbon emissions together with construction costs across all built environment projects. The standard allows carbon reporting to be placed alongside cost management, allowing professionals to analyse the trade-offs between the total costs of projects against the costs of reducing carbon.
- The [UK Net Zero Carbon Buildings Standard \(UK NZCBS\)](#), developed by a cross-industry group. The standard defines what 'net zero' could mean for built assets, setting targets and limits on how building assets can be recognised as net zero according to required scientific pathways.
- The [International Building Operation Standard \(IBOS\)](#). This can assess a building's performance through user experience. By visualising how carbon is being measured while a building is in use and how this can potentially be reduced, IBOS can help reduce the carbon footprint of the built asset and improve the overall environment of the building for its users.

Furthermore, the [Built Environment Carbon Database \(BECD\)](#) is a publicly available platform to report, store and share building-related carbon data. The database can be used for carbon estimating and benchmarking. Professionals involved in the early design stages of a project can use this information to identify ways to avoid carbon-intensive products and materials, and consider sustainable alternatives.

Government incentives and subsidies are essential to steer the sector towards implementing more sustainable practices

Financial constraints are seen as one of the biggest barriers to adopting sustainable practices in the construction industry. This is not surprising when taking into account the [high cost of borrowing](#) in global markets. This seems to be [dampening activity](#) in certain regions, making it harder for the sector to invest in greener building practices. Incentive schemes and subsidies will be needed to increase investment in green and sustainable approaches. There is [some evidence](#) that policymakers are already taking steps to provide support; however more comprehensive and [sustained action](#) is needed globally.

Greater emphasis on education and skills development in sustainable practices is essential

In previous years, RICS [has emphasised](#) the need to develop education and training programmes to equip built environment professionals with the knowledge and expertise to apply sustainability principles, and the latest industry standards and tools, effectively. This year's findings reinforce that message, with a significant share of professionals across all regions indicating that gaps in knowledge and inadequate training are part of a key barrier preventing the sector from adopting sustainable practices.

It is essential for professional and industry bodies to prioritise training programmes, certifications and apprenticeships that focus on enhancing sustainability skills and knowledge for professionals across the built environment sector. Additionally, promoting cross-disciplinary training and knowledge-sharing among stakeholders such as architects, engineers, urban planners and surveyors is crucial. This could help professionals gain a holistic understanding of sustainable practices and ensure that sustainability becomes a key focus for skills development.

Strategies, roadmaps and policies focusing on increasing resilience and adapting the built environment to climate impacts must be improved

Targeted policy actions to promote climate-resilient building practices are needed to drive investment in buildings and infrastructure that can withstand the effects of climate change. These measures can push professionals operating across the built environment sector to prioritise resilience.

The World Green Building Council's paper [Climate change resilience in the built environment](#) outlines key principles for managing the built environment in response to the adverse effects of climate change. The document highlights specific actions that all built environment stakeholders can take while also stressing the need for leadership from governments and local authorities to drive significant change.

Additionally, the UK Green Building Council is developing a [Climate Resilience Roadmap](#), which will:

- establish metrics to help measure climate resilience
- outline key actions
- set industry-wide priorities and targets and
- identify the necessary policies to achieve these goals.

Policy approaches must ensure that more biodiversity is gained than lost as a result of development

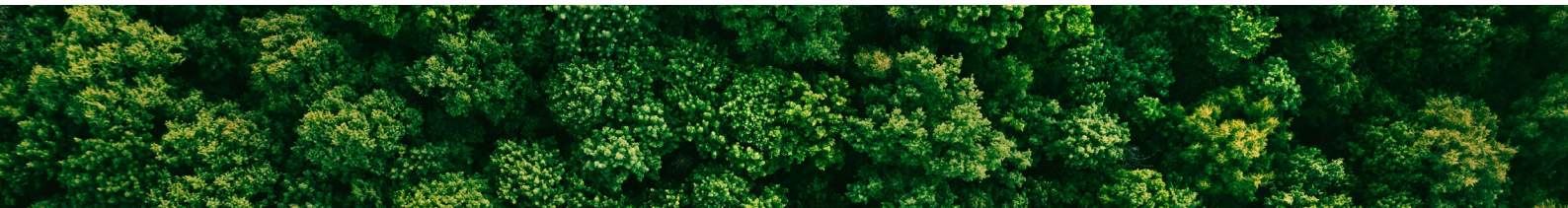
The UK's [biodiversity net gain](#) legislation has the potential to be a transformative policy tool for changing behaviours across the built environment sector, helping to prevent an incremental loss of habitats due to development. By mandating that developers ensure projects improve biodiversity, this legislation encourages proactive measures to protect and enhance natural ecosystems. Critically, the regulation requires any potential biodiversity loss to be assessed upfront and then mitigated.

This approach needs to be scaled up and replicated globally. The [Convention on Biological Diversity](#) also suggests nationwide targets for 2030 as part of a comprehensive biodiversity plan. These include targets and benchmarks that policymakers worldwide should adopt to protect and restore ecosystems.

Industry and policymakers must focus on advancing knowledge on low-carbon materials

High costs and a lack of data on low-carbon materials, products and components are seen as major impediments towards advancing sustainable practices. To address this issue, further studies and research on low-carbon and sustainable materials are essential. Research, analysis and real-world examples focusing on how the industry can incorporate low-carbon materials in a more cost-effective manner across projects could prove to be pivotal in driving the widespread adoption of low-carbon solutions.

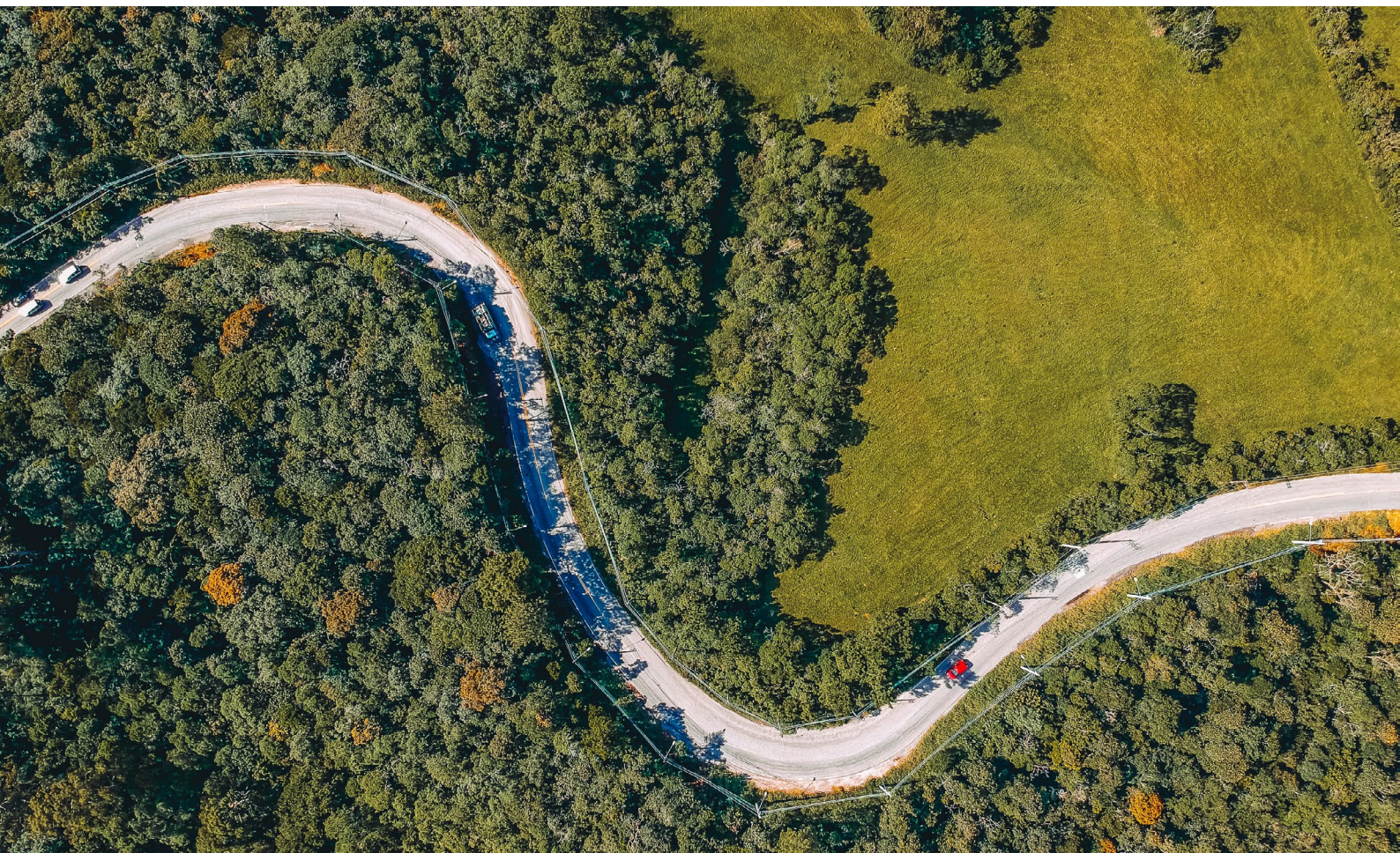
The [UN Global ABC Sustainable Materials Hub](#) brings a range of resources, including tools, case studies and policy guidance to help policymakers enhance the environmental performance of the construction industry. The hub also acts as a knowledge base for both public and private stakeholders focusing primarily on building materials.



Collaboration across all industry stakeholders could drive meaningful action

Public-private partnerships should be a key focus to close key information and data gaps. The [Buildings Breakthrough initiative](#) is a prime example. The initiative aims to strengthen international efforts to decarbonise the building sector and ensure that near-zero emission and climate-resilient buildings become the norm by 2030. As part of the initiative, RICS is working on two critical priority actions that can help achieve these goals: developing standards and certifications for measuring carbon and capacity building to ensure that professionals are well-equipped to tackle the challenges facing the sector.

In addition, the World Business Council for Sustainable Development's [Market Transformation Action Agenda](#) brings together industry stakeholders from the value chain to pinpoint critical barriers to achieving a net zero built environment. Specific actions identified by the initiative to address these barriers include driving harmonisation in whole life carbon accounting, aligning net zero targets and metrics across major certifications, and developing a real-estate-specific carbon price methodology.



Policy recommendations

Policymakers must prioritise the following actions to decarbonise the real estate sector and increase resilience of the built environment to the adverse impacts of climate change.

- Set evidence-based national targets focusing on decarbonisation of the built environment sector, enhancing resilience and adapting to the changing climate. These targets must align with national commitments and global climate ambitions. This should be accompanied by roadmaps that set key priorities for the sector over the short, medium and long term.
- Mandate carbon assessments for all built environment projects. Global standards such as WLCA and ICMS 3 can provide support. Furthermore, minimum energy performance standards, building codes and climate resilience benchmarks must be established. These should align with national targets.
- Provide subsidies and develop incentive schemes that help to drive investment towards green buildings and infrastructure. These programmes should aim to create a shift across the real estate sector to prioritise decarbonisation and climate resilience and encourage built environment professionals to adopt more sustainable practices.
- Collaborate with industry, professional bodies and academia to develop relevant programmes to upskill professionals operating in the built environment sector. Training programmes must be developed to ensure built environment professionals are equipped with the necessary skills and knowledge to address sustainability challenges and meet national targets.
- Develop national methodologies to measure biodiversity and species richness, and mandate that all new developments result in a net improvement in biodiversity. Establishing standardised measurement approaches could enable the consistent assessment of biodiversity impacts across projects. This will also encourage sustainable practices within the construction industry, ensuring that development aligns with broader national climate goals.

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.

General enquiries
contactrics@rics.org

Candidate support
candidatesupport@rics.org



[rics.org](https://www.rics.org)