### CEPS Construction Day 2025





### Towards a new understanding of buildings

The fundamental role of the built stock for climate and social objectives

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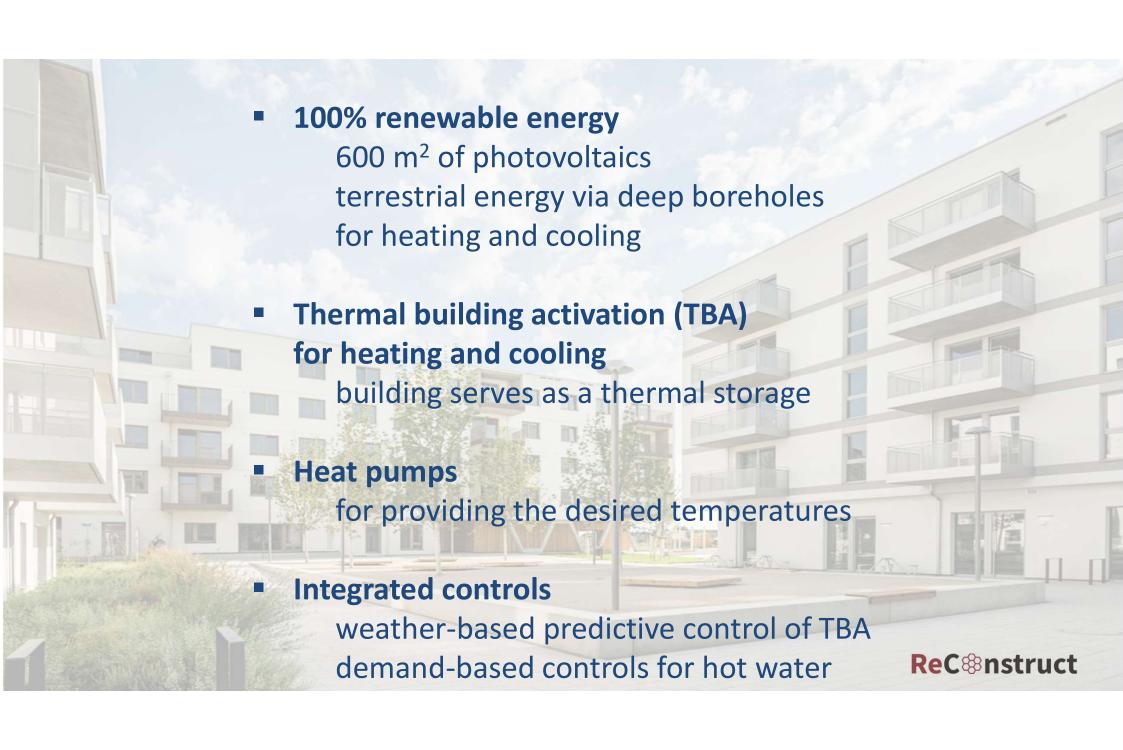
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# Innovations for the built stock A new perspective of buildings

Key developments for understanding the built stock and policy responses

- Deepening our understanding of the built stock
   From materials to ensembles of buildings
- Tackling affordability
   Integrating all cost components
- Implications for policies
   Linking EU and national competences



### **Evolving innovations**

The evolution of system scope and ambition level

## Evolving innovations for the built stock Targeting scope and ambition

		Dimension  Ambition Level		
		average	advanced	targeted
Dimension System Scope	Materials	substitution with low emission materials	recycling and productivity of building materials	carbon capture and storage in cement
	Single Buildings	high thermal standards and efficient energy use	building designs with high material productivity	thermal building components
	Ensembles of Buildings	coupling buildings via localised energy systems	digital control of these energy systems	connecting buildings through mixed use

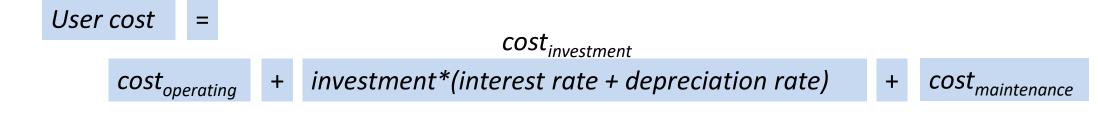


### Tackling affordability

Searching for adequate cost indicators

# Impacts on housing affordability The key indicator of user cost

User costs represent the annual cost of ownership or use



#### Operating

- Volume and price of energy
- Controls for energy use

#### Investment

- Construction technologies
- Length of depreciation
- Interest rate
- Costs for land

#### Maintenance

 Durability and longevity of the building components Topics for action on housing affordability



#### Whole-life emissions of a building investment Analogous to user cost

Total emissions are calculated per annum and summed over the life cycle

Total emissions =

emissions<sub>operating</sub>

+ emissions<sub>investment</sub>\*depreciation rate

+ emissions<sub>maintenance</sub>



## Implications for policy

From guidance-based to performance-based incentives

# Policy implications Guidance-based policies

- Fostering building designs for high standards
   EU guidance for Member States creates an environment for innovation.
- Lead markets for innovative materials
   provide guidance for upscaling value chains for innovative buildings made for Europe.
   Use the potential of public procurement.

(Industrial Decarbonisation Accelerator Act, Industrial Acceleration Act)

Targeted zoning regulation
 Careful spatial planning exhibits a high potential at the national level.



# Policy implications Performance-based policies

- Performance-based support for social housing
   Provide evidence for best-practice examples.
- Performance-based support for buildings
   Differences to a reference indicator (for energy, emissions) entitle to a reward.



### Ultimate targets for the built stock



Existing and new buildings are integrated to quarters by mixed use for living, working, leisure, and energy self-sufficiency Suurstoffi

Buildings can serve as carbon sinks by adding carbon pellets via biochar or captured carbon to concrete EMPA

