

FOSTERING GREEN BUSINESS MODELS IN CONSTRUCTION

As stewards of societal progress and environmental stewardship, policy makers play a pivotal role in shaping regulatory frameworks that drive sustainable development. In the context of the construction sector, where the imperative for green transformation is paramount, policy interventions can catalyze the adoption of green business models (GBMs) and propel the industry towards a low-carbon future.

Climate change demands urgent action across all sectors. The construction industry, a major emitter of carbon, must undergo transformative change. However, financial constraints and regulatory ambiguities present significant barriers to adopting green business models.



Green Business Models (GBMs) Barriers



Policy interventions



This matrix provides a visual representation of how different policy interventions can influence the adoption of green business models (GBMs) within the construction sector. It evaluates each intervention based on its effectiveness in tackling barriers such as government constraints, financial limitations, industry inertia, and lack of demand.

Policy Intervention	Government Constraints	Financial Limitations	Industry Inertia	Lack of Demand
Clear Legislative Direction	High	Medium	Low	Low
Financial Incentives	Medium	High	Medium	Medium
Stakeholder Engagement	High	Medium	High	Medium
Capacity Building	Medium	Medium	Medium	High

- Energy Efficiency Building Codes
- Renewable Energy Tax Credits
- Green Building Certification Programs
- Research and Development Grants for Sustainable Construction

Policy Recommendations



LEGISLATIVE DIRECTION

Clear guidelines for green practices and regulations.



FINANCIAL INCENTIVES

Subsidies and tax breaks for green initiatives.



STAKEHOLDER ENGAGEMENT

Fostering collaboration among industry players.



CAPACITY BUILDING

Training and education for green practices.



DEMAND GENERATION

Promoting awareness and demand for green buildings.

POLICY IMPACT

policy makers wield immense influence in steering the construction sector towards a greener, more sustainable future. By enacting targeted policy interventions that address the identified barriers and capitalize on emerging opportunities, policy makers can spearhead a transformative shift towards GBMs, ensuring that the construction industry becomes a vanguard of environmental stewardship and economic prosperity.

Reference -

https://www.researchgate.net/publication/312298118_Barriers_to_MNEs_green_business_models_in_the_UK_construction_sector_An_ISM_analysis