



Revolution in the housing market: financing for CO₂ storage makes its debut

Ballast Nedam Development and Climate Cleanup Foundation jointly open the international market for CO₂ storage in construction and real estate projects.

Ballast Nedam Development is taking the step as the first construction and development company to market CO₂ storage in its housing projects, a historic moment for the real estate and construction sector. The company is doing this with help from the Climate Cleanup foundation. The first project the company announced today is the "Natuurhuis," a climate-positive project: it stores more CO₂ than the entire construction process emits.

Fighting climate change by building

Ballast Nedam Development, in partnership with Climate Cleanup Foundation, took the first step today to financially reward CO₂ storage in its housing projects. The projects use bio-based building materials such as wood, hemp and straw. In the growth phase, these crops take CO₂ from the air and once processed into building materials, they store that CO₂ for more than 100 years. By attaching a monetary value to this CO₂ storage, climate-positive building projects can compete with projects that use polluting materials such as concrete and steel. In this way, more demand for biobased materials is created, allowing the biobased industry to scale up. This will transition the entire construction industry, which currently accounts for 11% of global CO₂ emissions, to one that will remove tons of CO₂ from the air each year. Thus, building homes can combat climate change.

Prevent CO₂-lockdown

Building enough housing within the limits of the planet: this is the challenge that will determine the future of the construction industry. If we continue building at the same pace, the CO₂ budget for Dutch construction will run out as early as 2027.¹ At that point, the construction industry could grind to a halt, similar to what happened during the nitrogen crisis. The construction and real estate sector must prevent this by doing more than just reducing emissions: climate-positive construction will become the new norm. Representing 13% of the Dutch economy, the construction and real estate sector is the perfect engine to remove CO₂ from the atmosphere and store it for a long time in biobased building

¹ See the April 2023 report '[Woningbouw binnen planetaire grenzen](#)'.



materials. These can also be grown in the Netherlands. In this way, farmers and builders work together towards a positive climate impact.

CO₂ storage calculation

In order to put bio-based building on the map as a reliable and versatile climate solution, Ballast Nedam Development is participating in a Climate Cleanup Foundation research project. Through this path, the amount of CO₂ stored in bio-based buildings is determined, certified and financially valued on the basis of European and international guidelines². That CO₂ is then guaranteed to be stored in biobased materials for more than 100 years. Only building projects with a positive impact on biodiversity, health and circularity can obtain a certificate for CO₂ storage and earn money from it. The money is made by selling (partial) certificates to companies and governments that want to invest in nature-friendly, long-term CO₂ storage, for example to offset their own unavoidable CO₂ emissions. When organizations buy the stored CO₂, it becomes registered in their name and they cannot resell it. All transactions are recorded in a public registry so that every euro actually goes to stored CO₂.

Pre-sale started

Starting Wednesday, Dec. 6, anyone - government, company or individual - can register for the pre-sale of CO₂ storage in Ballast Nedam Development's housing projects. More information can be found at <https://www.constructionstoredcarbon.org>.

Are you a construction or real estate company that also wants to determine and value your CO₂ storage? Join Climate Cleanup Foundation's initiative at <https://www.constructionstoredcarbon.org>.

Onno Dwars, CEO Ballast Nedam Development: "A financial incentive for CO₂ storage may well revolutionize the construction and real estate sector. The sector will become a CO₂ vacuum cleaner, so to speak, for Dutch society."

Rosa Bos, project developer Ballast Nedam Development: "With current techniques, we can build with wood and other natural materials without negatively affecting the comfort or lifespan of buildings. Even better, biobased buildings have a healthier indoor climate and store CO₂."

Sven Jense, Director Climate Cleanup Foundation: "Capturing CO₂ in biobased buildings not only reduces CO₂ in the air, but also displaces the use of concrete and steel, materials with extremely high emissions. In this way, we are literally building a future for ourselves and our children."

Sacha Brons, Construction Stored Carbon project leader at Climate Cleanup Foundation: "Farmers and builders can become our new climate heroes by setting up biobased building chains together, but one element is missing: transition financing. Using our carbon certificates, governments, financial institutions and companies can now provide that financing."

² Important are the European Carbon Removal Certification Framework and the carbon market standard ICROA.