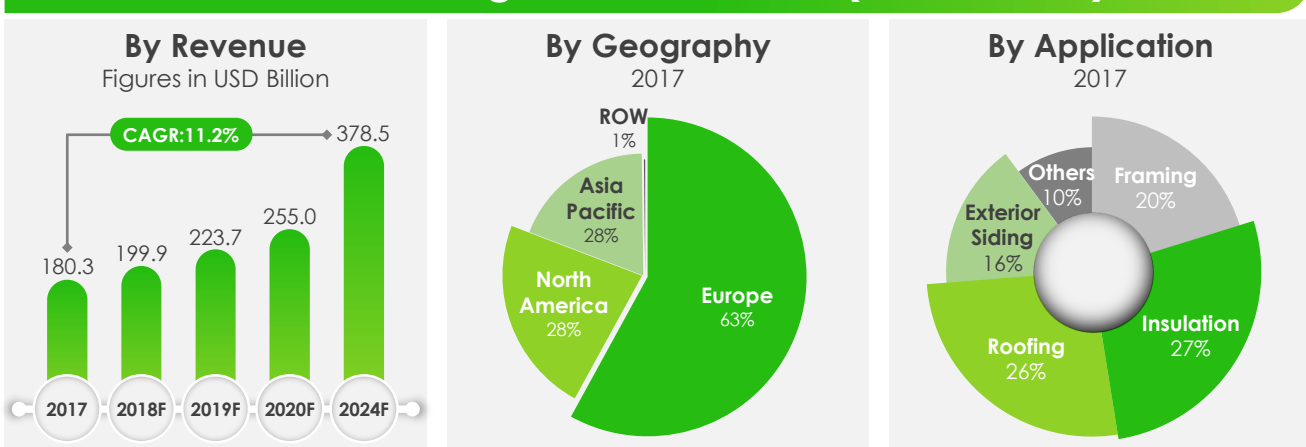


GREEN BUILDING MATERIAL MARKET

Green Building Market Growth (2017-2024F)



End-Use segments

- Green building material market has application in sectors including Residential, Public facilities, Education, Commercial & Industrial and Healthcare
- Residential buildings segment accounted for the largest share by application in terms of revenue in 2017 and is expected to grow at a CAGR of 11.2% between 2017-2024. Growth is expected to be driven by increasing awareness related to negative health impact associated with conventional building materials, increasing energy prices as well as low maintenance and operation cost of green building exterior products

Regional Segmentation

- Europe dominates the green building market as there is a growing emphasis on energy-efficient renovation of retrofit buildings on a large scale, by the European Green Building Council
- North America is expected to lead the global green building market due to increasing number of construction activities in the region as well as higher customer willingness to adopt green practices
- Asia-Pacific is emerging as the fastest growing market due to increasing disposable income levels, strong GDP growth, improving living standards, growth in the construction activity and growing emphasis on energy conservation

Green Building Market Growth (2017-2024F)



Drivers

Emission Reduction Potential

Green building materials exhibit emission reduction potential which makes them suitable for usage in commercial and residential construction

Consumer Awareness

Increasing consumer awareness regarding environmental benefits of the components along with superior aesthetic appeal

Demand for Smart Nano coatings

Greater health and well-being of buildings' occupants in terms of reduced risk of allergic respiratory infections

Healthier Indoor Environment

Increased worker productivity due to healthier indoor environment of buildings

Challenges

Low Electricity Prices

Low electricity prices in some developing countries do not encourage energy savings practices in buildings

Lack of Government Initiatives

Lack of government regulations and incentives in some countries, especially in Asia.

High Cost

Eco-friendly Green Building materials are relatively costly and are not readily available

Split Incentive Barrier

Split incentive barrier, i.e., owners of the houses are reluctant to make investments towards usage of eco-friendly materials

Key Trends

- Increasing popularity of green building materials in the healthcare segment due to increasing awareness pertaining to the health hazards of carbon emissions. It is expected to foster the segment's growth
- Customization of materials and components as per the consumers' preference, which is expected to propel the demand for such components
- Improved indoor air quality of the building, enhanced natural lighting provided by the green building components as well as negative health impact associated with conventional building materials are expected to bolster the growth of green building materials
- Large raw material suppliers are forward integrating into manufacturing of green building material on account of the growing demand and encouraging growth prospects of these materials
- Growing R&D facilities of various industries, large number of industrial expansions and growing Asian population are expected to drive the growth of residential construction and R&D centres in the next few years