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Affordable building with impact: circular housing construction outperforms linear patterns

The circular economy is no longer a promise, but a reality. More and more, we see circular principles surpassing linear patterns. This is evident from policy developments, market analysis and international recognition. The Dutch winner of the Built by Nature Prize 2025 demonstrates that timber construction and circular innovations are seen worldwide as future-proof and scalable.

Housing associations as catalysts

Housing associations play a key role in this transition. Under pressure from the housing shortage, they are using their real estate more strategically to realize affordable and sustainable homes. The rise of construction flows and modular concepts makes it possible to build faster, more efficiently and with an eye for circularity. This "lego-ization" of construction offers multiple benefits:

- Ecological value through reusable materials and CO_2 storage;
- Economic value via residual value and subsidy opportunities;
- Social value through affordable social housing.

Market insights

Our market analysis, based on the BCI Gebouw tool, shows that circular design principles such as detachability, CO_2 storage, and residual value are increasingly leading in decision-making. Financial substantiation and subsidy opportunities via the MIA subsidy also play a growing role in accelerating sustainable choices.

Time for policy acceleration

The movement is gaining broad support. Recently, thirteen major parties, including housing associations, committed themselves to joint CO_2 targets. This momentum calls for government action: it is time to revise the MPG standard so that circular frontrunners are rewarded and sustainable construction becomes the norm.

Conclusion from the benchmark: circular performance is steadily improving

The latest BCI Gebouw Benchmark (October 2025) shows that circular housing construction is not only gaining ground conceptually, but is also making measurable progress. For example, the Paris Proof Indicator (PPI) for offices and ground-level homes has improved slightly compared to previous editions, indicating a decrease in material-related CO_2 emissions. The detachability index (LI) also shows a positive trend, especially for offices and educational buildings, indicating growing attention to future-proof design.

Although the Material Circularity Index (MCI) and MPG scores remain relatively stable, it is notable that CO_2 storage in biobased materials is increasing in offices and education, while it is slightly decreasing in housing construction. This suggests that the use of biobased materials in housing is not yet growing at the same pace as in other sectors.

In short, the benchmark confirms that circular principles are being applied more frequently and that they measurably contribute to more sustainable buildings. The movement has begun, but further policy strengthening and market innovation remain essential to structurally raise the bar.

The future is circular

The circular transition is gaining momentum, and housing associations are the accelerators. By working together, leveraging data, and building with an eye for future value, we are making the housing market not only more sustainable, but also more affordable and resilient.