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The KIRA growth programme

Brief in English

KIRA stands for real estate and construction. **ROTI** stands for condition of built property.

The KIRA growth programme is produced by the KIRA forum which consists of fifteen Finnish real estate and construction organizations. The KIRA forum gathers the key players in the sector and strengthens cooperation between them. Its mission is to report common views and policies in the field, to compile and convey information on the factors influencing the field, to organize events and launch projects to reach its goals.

Summary of the growth programme

The KIRA growth programme covers the growth opportunities and measures for the sustainable development of the Finnish real estate and construction sector. The aim of the growth programme is to create a shared mindset and direction towards growth as well as to commit the real estate and construction sector to the measures of regenerative growth and direct long-term financing to target-oriented development.

The built environment is the basis our society functions on as well as an important driving force for economy and innovation. It is central to curbing climate change and maintaining nature's biodiversity.

The real estate and construction sector pledges to ensure a functional, safe and sustainable built environment by 2030. The aim is to develop competitive solutions and create wealth both for end users as in residents, companies and public actors as well as the society at large.

The real estate and construction sector's will to change and develop are also visible in its aims to

improve its ROTI results. Every two years, the state of built property is assessed by a panel of experts. A built environment that includes functional, safe and sustainable buildings, transportation networks and community development would be reflected at minimum by the grade 9. Noticeably improving the education and development of the sector is also an important prerequisite for growth.

The social impact of the growth programme has been studied through three themes. These themes have been used to further define the goals and instruments of later fulfilling the real estate and construction sector's pledge. All measures to implement the growth programme undertake to advance the goals of the pledge.

Growth opportunities that will also promote the sector's regeneration and competitiveness as well as international business have been identified for companies in the sector on the basis of these theme-specific goals.

	<p>Theme goals for the green transition</p>	<p>We will realise the national objective to reach climate-neutrality by the year 2035.</p>	
	<p>Theme goals for productivity & digitization</p>	<p>We will significantly raise productivity and reduce waste.</p>	<p>The recycling rate of materials and premises</p>
	<p>Value creation throughout the life cycle – theme goals</p>	<p>We will digitize buildings and processes as well as ensure a reliable and secure data stream throughout the life cycle of the built environment while taking new business opportunities into account.</p>	<p>We will reduce waste by 50 % *</p>
		<p>We will significantly improve our customer-orientation and customer experience as well as enable servitization</p> <p>We will develop competitive comprehensive solutions which will create opportunities for internationalisation</p>	<p>Customer satisfaction will improve by 20 % *</p>

*The instruments to measure these goals will be specified in the growth programme

PLEDGE OF THE REAL ESTATE AND CONSTRUCTION SECTOR

Functional, safe and sustainable built environment 2030

THEME GOALS



GREEN TRANSITION

- We will realise the objective to reach climate-neutrality by 2035
- We will switch to circular economy by 2030



PRODUCTIVITY AND DIGITALIZATION

- We will significantly raise productivity and reduce waste
- We will digitize buildings and processes as well as ensure a reliable and secure data stream throughout the life cycle of the built environment



VALUE CREATION THROUGHOUT THE LIFE CYCLE

- We will significantly improve our customer-orientation and the customer experience as well as enable servitisation
- We will develop competitive comprehensive solutions which will create opportunities for internationalisation

GROWTH OPPORTUNITIES THAT SUPPORT THEME GOALS

1. Durable buildings and infrastructure as well as solutions that can be adapted
2. Low-carbon construction materials
3. Energy-efficient solutions and the optimisation of energy consumption
4. Local production, storage and distribution of renewable energy
5. Functional circular economy

6. Models for co-operation that optimise total productivity, as well as standardised digital building and planning processes
7. Productivity-improving modularity, prefabrication and assembly
8. Solutions to improve productivity enabled by new technologies
9. Shared data and information leadership services

10. Spaces as services and the integrating user services with buildings
11. Property management services as well as optimising property maintenance and upkeep
12. Management services focusing on the functionality of infrastructure as well as resolving repair debt as service
13. Resilient building and infrastructure solutions that are able to withstand changing and extreme conditions as well as combat threats to cyber security and health.

Image 1. The growth opportunities of the real estate and construction sector and other key results

13 OPPORTUNITIES FOR GROWTH

The real estate and construction sector's pledge and its theme-specific goals create growth opportunities for companies throughout the entire life cycle of the built environment. The identified growth opportunities both create competitive advantages on the international level and solve the sector's key challenges like its low customer satisfaction, quality, profitability and

the question of how to improve productivity. Users will benefit from new innovations and services with more added value. Picture 1 above connects the identified growth opportunities to the theme goals they are related to.

The real estate and construction sector has evaluated the 13 growth opportunities identified in theme workshops according to their potentiality and companies'

intentions to invest. The major players of the sector believe that all of the identified growth opportunities have potential.

The opportunities that are considered the most important for growth potential are: (1) Durable buildings and infrastructure as well as solutions that can be adapted to change, (2) Low-carbon construction materials, (3) Energy-efficient solutions and the optimisation of energy consumption, (5) Functional circular economy.

Durable buildings and infrastructure include repairing the existing building stock, extension and complementary building as well as new construction.

The investment intentions of companies correlate with the growth opportunities that were considered to have the most potential. In addition to these, the investments are targeted especially at: (6) Cooperation approaches and digital building and planning processes that optimise total productivity; (7) Modularity, prefabrication and assembly that improve production and (8) Solutions enabled by new technologies.

The theme workshops of the growth programme also raised the subject of abilities found through the cooperation of different industries. These can quickly develop into products and services for the international market. Solutions for processing clean and waste water, cyber security solutions and arctic know-how as well as solutions for improving health security are all good examples of this.

14 PRELIMINARY MEASURES

The growth programme includes 14 preliminary measures which will comprehensively advance growth opportunities and theme goals. The development of these measures will continue both before the KIRA growth programme and during its early days.

The regenerative growth of the real estate and construction sector requires more development efforts and investments from companies than usual. The efforts include measures of different types, such as piloting, co-creation and influencing market practices.

Examining these measures highlights a need for projects that enable regenerative investing. To boost the development of the sector, we need more projects that are sufficiently large and reproducible instead of individual, as well as an exchange of learning. Cities are a customer group with a significant role as buyers who order large projects. The demands of customers and financiers both drive and enable operations in line with sustainable development and the life cycle approach.

The following factors are considered to comprehensively support development and growth opportunities: 1) Co-creation that takes user needs and life cycle effects into account, 2) The flow of information through the management of the building and planning process into the use of the building's management, 3) Locally optimised comprehensive solutions.

GUIDING AND MONITORING THE GROWTH PROGRAMME

To speed up the pace it is moving towards the goals of the growth programme, the sector needs a supporting operative and collective guidance. The aim is to start, guide and confirm the target-oriented development of the real estate and construction sector.

As recognised when preparing the growth programme, multiple growth opportunities require activation, ideation and a company to lead them. The intention is to first focus on a few significant and investment-ready growth opportunities. The effort will be continued by defining precise instruments to measure progress and results.