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#42 Sustainable Built Environment Cooperation Between the Netherlands and China

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Key Takeaways

- China's built environment is central to the global green transition. Its scale and rapid policy-driven transformation make it a critical arena for sustainable construction innovation.
- Opportunities for Dutch cooperation are strong but complex. Dutch expertise aligns well with China's needs, but success depends on understanding local systems and regulations.
- Implementation gaps remain in China's sustainability transition. While policies are ambitious, real-world outcomes vary across regions and projects.
- Effective cooperation requires more than technology. Institutional awareness, market alignment, and trust-building are essential for successful engagement.
- The report promotes a pragmatic, evidence-based approach. It aims to bridge knowledge gaps and enable informed, mutually beneficial collaboration.

Recommendations

- Strengthen standards dialogue and alignment: Establish long-term cooperation on green building standards and promote dual-certification projects to ease market access.
- Target Dutch strengths strategically: Focus on niches like circular materials, energy-positive housing, and digital solutions, while supporting SMEs financially.
- Engage key Chinese actors: Work with SOEs and local governments to access large-scale projects and pilot innovations in designated zones.
- Invest in research and talent exchange: Build joint research hubs and expand academic exchanges linked to practical projects.
- Develop third-market partnerships: Combine Dutch innovation with Chinese financing and delivery capacity in emerging markets.
- Mitigate operational risks: Adapt to local regulations, align with Chinese policy narratives, and ensure strong IP and data protections.

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Executive Summary

This report examines the opportunities and challenges for cooperation between the Netherlands and China in advancing a sustainable built environment. As the world's largest construction market, China plays a pivotal role in the global transition toward low-carbon and circular building practices. Its policy frameworks increasingly promote green materials, digital energy systems, and sustainable urban planning. However, implementation remains uneven across regions, highlighting a gap between regulatory ambition and realized environmental performance.

For the Netherlands, this evolving landscape presents both significant opportunities and notable complexities. Dutch companies and research institutions are globally recognized for their expertise in circular construction, sustainable materials, and climate-adaptive design. These capabilities align closely with China's policy priorities. At the same time, effective engagement requires a nuanced understanding of China's regulatory structures, institutional hierarchies, and the interaction between state and market actors, particularly the role of state-owned enterprises.

The report emphasizes that cooperation cannot rely on technical strengths alone. Successful collaboration depends on aligning with local standards, navigating governance systems, and building long-term trust between stakeholders. It also highlights the importance of addressing information asymmetries that often hinder European actors' ability to operate effectively in the Chinese market.

Adopting a neutral and evidence-based approach, the study evaluates China's sustainable construction policies, market dynamics, and implementation challenges. It compares these with Dutch and European practices to identify areas of convergence and divergence. In doing so, it provides a foundation for practical cooperation models across government, industry, and research sectors.

Key areas for collaboration include standard alignment, targeted deployment of Dutch innovations, partnerships with Chinese state-owned enterprises and local governments, and expanded research and talent exchange. The report also identifies opportunities for joint engagement in third markets, where Dutch sustainability expertise can complement China's financing and delivery capacity.

At the same time, it cautions against common pitfalls, such as failing to adapt to local regulatory conditions, misaligning with policy narratives, or underestimating the dual political and commercial roles of Chinese partners. Ensuring robust intellectual property and data governance frameworks is also critical.

Ultimately, the report positions Sino-Dutch cooperation in the built environment as a mutually beneficial pathway to accelerate sustainable development. By combining complementary strengths and addressing structural challenges pragmatically, both countries can enhance their competitiveness while contributing to global climate and sustainability goals.