

The Diffusion of Green Building Certifications in Europe - A preliminary descriptive analysis

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Gunther Maier, Katarzyna Reyman, Michał Głuszak



*Institute for Multi-Level Governance & Development
Department of Socio-Economics
Vienna University of Economics and Business*

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Abstract

This paper provides a preliminary descriptive analysis of the spatial and temporal diffusion of green building certifications in Europe. The analysis is preliminary because it does not include all the major green building certification schemas in Europe; just BREEAM and LEED. The main aim of this analysis is to show that there is a strong diffusion process of green building certifications in Europe and that this process has marked spatial and temporal dynamics. The paper also aims to demonstrate that this process can be analyzed at different spatial scales from countries to NUTS3 regions to municipalities.

Keywords:

green buildings; LEED; BREEAM; diffusion;

JEL:

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1 Introduction

Our motivation for writing this paper is the growing concern and global action to mitigate climate change and the fact that the building sector is responsible for 35% of the EU's energy-related emissions in 2021 and for over 35% of the EU's total waste generation. The green buildings movement aims to reduce the negative impact of the buildings sector on the environment. Eco-buildings use resources effectively, create healthy and comfortable living environment, and live in harmony with the environment (Shi and Liu 2019). Green buildings play an important role in environmental protection and resource conservation (Wang et al. 2018). As sustainable buildings provide economic, environmental and socio-economic benefits, it is important to understand what factors influence their adoption, how they are diffused across cities, regions and countries, and what the future trends of their dissemination may be.

This exploratory analysis of the spatio-temporal diffusion of office eco-buildings in Europe is a step towards a larger project that will continue with the full data and in addition address the key issues outlined above.

This paper uses data from BREEAM (Building Research Establishment Environmental Assessment Methodology) and LEED (Leadership in Energy and Environmental Design) certificates of office buildings in 2006-24 in 33 European countries. The green building certificate is the proxy for its sustainability. The data come from the websites of the certification organisations¹. We merged data on certificates with data on NUTS3 (source: Eurostat) using the shapefile on NUTS3 boundaries. In addition, we applied data on construction workers in 2018 (Eurostat) as a proxy for the size of the construction sector in NUTS3 regions. To explore the data, we employed descriptive statistics, Theil's concentration index, spatial analysis (Moran's I statistics and local Moran's I) and temporal centres of gravities. To investigate the factors that influence the spatial distribution of eco-buildings across countries, we constructed count models and cross-sectional analysis. This preliminary analysis uses partial data on certificates of green buildings. To get the full picture, data on HQE (Haute Qualité Environnementale) and

¹<https://tools.breeam.com/projects/explore/buildings.jsp> and <https://www.usgbc.org/projects>.

DGNB (Deutsche Gesellschaft für Nachhaltiges Bauen) certificates are needed. We therefore refrain from interpreting the analyses, apart from descriptive statistics.

With this analysis, we intend to demonstrate that this spatio-temporal analysis is feasible with the data currently used. The use of Quarto software allows the results to be shared, reproduced and discussed with a scientific audience. Since we are working on a project proposal at the moment, we currently do not provide access to the green building data we have collected. This will be changed as soon as possible. However, the remaining analytical workflow is fully transparent in this publication.

In our exploratory analysis we proceeded as follows: in the first step, we performed descriptive statistics by country and by year for BREEAM and LEED certificates for the number and stock of observations (green buildings). We estimated the average annual increase in the number of green building certificates. We examined the distribution of certificates across countries and per construction worker. We calculated the Theil concentration index per country and per year. Secondly, we performed descriptive statistics on the merged data at NUTS3 level. We measured spatial autocorrelation using Moran's I statistics and local Moran's I at the level of European regions. By calculating the centroid of all green buildings and estimating growth trajectories, we added the time dimension to the analysis. We then used regression analysis to examine the growth process of certified building development. We fitted three types of model fit curves (exponential, a non-linear cubic, a non-linear logistic) to the number and stock of green buildings for all European countries and for each country separately. We assume that the number of certified green buildings over time follows a growth process that eventually reaches saturation. We checked whether the fitted model curve resembles the s-shaped innovation curve. We then run regression models with the number of green buildings as a dependent variable and countries, countries and year, and interactions. Finally, a cross-sectional analysis with the number of construction workers in each country as a proxy for the size of the construction sector in a NUTS region.

2 Reading all the data

We need the packages `tidyverse`, `eurostat`, `gmodels`, `forcats`, `sf`, `spdep`, `tmap`, and `gt` for these operations. Make sure you have installed them. In the following code chunk we load these packages.

```
library(tidyverse)
library(eurostat)
library(gmodels)
library(forcats)
library(sf)
library(spdep)
library(tmap)
```



```
library(ggplot2)
library(plotly)
```

In the next sections, we load all the data that we need for our analysis.

2.1 Reading the Green Building data.

The first step is to read the green building data. We construct a URL with the respective query string to extract the correct observations from the database. We then feed the encoded version of the URL to function `read.delim()`, which reads directly from the internet.

Since we are currently working on a project proposal, this step is currently suppressed in the output. We will make it transparently available as soon as possible so that the whole analysis will be perfectly reproducible.

This dataframe has 29864 observations and 10 variables. Since the year 2024 is incomplete, we filter only observations with a certification date before January 1st 2024.

Each observation represents one green building certification. Note that these are **flow** numbers - awarded certifications. They are not the **stock** of certified green buildings.

2.2 Reading Construction Employment data from Eurostat

See https://ropengov.github.io/eurostat/articles/eurostat_tutorial.html for information on downloading data from Eurostat into R. This section uses the R package `eurostat` which is described in the mentioned tutorial.

The Eurostat table_id `sbs_r_nuts06_r2` is for employment data of all sectors in all NUTS2 regions in all years 2008 to 2020.

```
emp_eurostat_id = "sbs_r_nuts06_r2"
```

We get the full dataset from Eurostat. To get cross-sectional information about employment in the construction sector for as many countries as possible, we filter the data by the following criteria

- the construction sector
- year: 2018 (last year with UK information)
- full countries
- persons employed

We rename the column `geo` to `country` to ease later merging. We also rename “UK” to “GB” as it is used in the green building dataset.

```
constructionEmploymentByCountry <- get_eurostat(emp_eurostat_id,
  time_format = "num", stringsAsFactors = TRUE) %>%
  filter(nace_r2 == "F", indic_sb == "V16110", str_length(geo) == 2,
    TIME_PERIOD == 2018) %>%
  rename(country = geo) %>%
  mutate(country = case_match(country, "UK" ~ "GB", .default = country))
```

2.3 Reading Population data from Eurostat

In a similar way we read population data for all countries from Eurostat. The Eurostat table_id `demo_r_pjangrp3` is for population data in all NUTS3 regions in all years 2008 to 2020. We select the year 2019, the last year with data for the UK. Again, we use the R package `eurostat`.

```
eurostat_id = "demo_r_pjangrp3"
#head(search_eurostat(eurostat_id, column = "code"))
```

```
Population <- get_eurostat(eurostat_id,
  time_format = "num", stringsAsFactors = TRUE) %>%
  filter(str_length(geo) == 5,
    TIME_PERIOD == 2019,
    age == "TOTAL",
    sex == "T")
```

We aggregate the population from the NUTS3 level to countries and store the results in data-frame `PopulationByCountry`. We will use this data-frame later.

```
PopulationByCountry <- Population %>%
  group_by(country = str_sub(geo, 1, 2)) %>%
  summarize(pop = sum(values)) %>%
  mutate(country = case_match(country, "UK" ~ "GB", .default = country)) %>%
  mutate(country = case_match(country, "EL" ~ "GR", .default = country))
```

2.4 Reading the NUTS codes and names

The following code chunk reads the shapefile with the NUTS3 boundaries and extracts the NUTS3 codes and names. It sorts the data-frame by NUTS3 codes. This information is essential for mapping and for the spatial analysis.

The shapefile is read from the local drive. We downloaded this file using the web-tool <https://ec.europa.eu/eurostat/web/gisco/geodata/statistical-units/territorial-units-statistics>.

```
nuts3 <- st_read("NUTS_RG_01M_2016_3857.shp")
nuts3_sf <- st_as_sf(nuts3, coords = c("longitude", "latitude"), crs = 4326)
nuts3_sf <- st_transform(nuts3_sf, crs= 4326)
nuts3_sf <- nuts3_sf %>%
  filter(nchar(NUTS_ID) >= 5)

nuts3 <- as_tibble(nuts3 %>%
  filter(nchar(NUTS_ID) >= 5))
nuts3 <- select(nuts3, "NUTS_ID", "NAME_LATN")
nuts3 <- nuts3[order(nuts3$NUTS_ID),]
```

2.5 Some useful data structures

For later use we also generate vectors of the years and of the country codes as well as a list of the corresponding country names.

```
years <- sort(unique(green$CertYear))
countries <- sort(unique(green$country))
countryNames <- list(
  "AT" = "Austria",      "BE" = "Belgium",      "BG" = "Bulgaria", "CH" = "Switzerland",
  "CY" = "Cyprus",      "CZ" = "Czech Republic", "DE" = "Germany", "DK" = "Denmark",
  "EE" = "Estonia",    "ES" = "Spain",      "FI" = "Finland", "FR" = "France",
  "GB" = "Great Britain", "GR" = "Greece",    "HR" = "Croatia", "HU" = "Hungary",
  "IE" = "Ireland",    "IS" = "Iceland",    "IT" = "Italy",   "LT" = "Lithuania",
  "LU" = "Luxembourg", "LV" = "Latvia",     "MT" = "Malta",   "NL" = "Netherlands",
  "NO" = "Norway",     "PL" = "Poland",     "PT" = "Portugal", "RO" = "Romania",
  "RS" = "Serbia",     "SE" = "Sweden",     "SI" = "Slovenia", "SK" = "Slovakia",
  "TR" = "Turkije")
```

With all the required data loaded, we can now concentrate on the descriptive analysis of the green building certifications.

3 Descriptive analysis by years and countries

3.1 Grouping the observations

As a first step, we group the data by year and produce a dataframe (`byYear`) with the count of certifications by year. In a second dataframe (`byYearAggr`) we aggregate the number of certifications over the years to get the numbers of the certified green buildings.

```

byYear <- green %>%
  count(CertYear)

# Calculate the aggregates
byYearAggr = byYear
byYearAggr$NAggr = sapply(byYearAggr$CertYear,
  function(x){
    sum(byYearAggr$N[byYearAggr$CertYear <= x])
  })

```

3.2 Do the numbers of certifications increase over time?

The numbers of certifications by Certification Schema and by Year are:

```
ct <- CrossTable(green$CertYear, green$Schema, prop.t = F, prop.chisq = F)
```

```

Cell Contents
|-----|
|              N |
|      N / Row Total |
|      N / Col Total |
|-----|

```

Total Observations in Table: 29864

green\$CertYear	green\$Schema		Row Total
	BREEAM	LEED	
2006	0	2	2
	0.000	1.000	0.000
	0.000	0.001	
2007	0	1	1
	0.000	1.000	0.000
	0.000	0.000	
2008	0	1	1

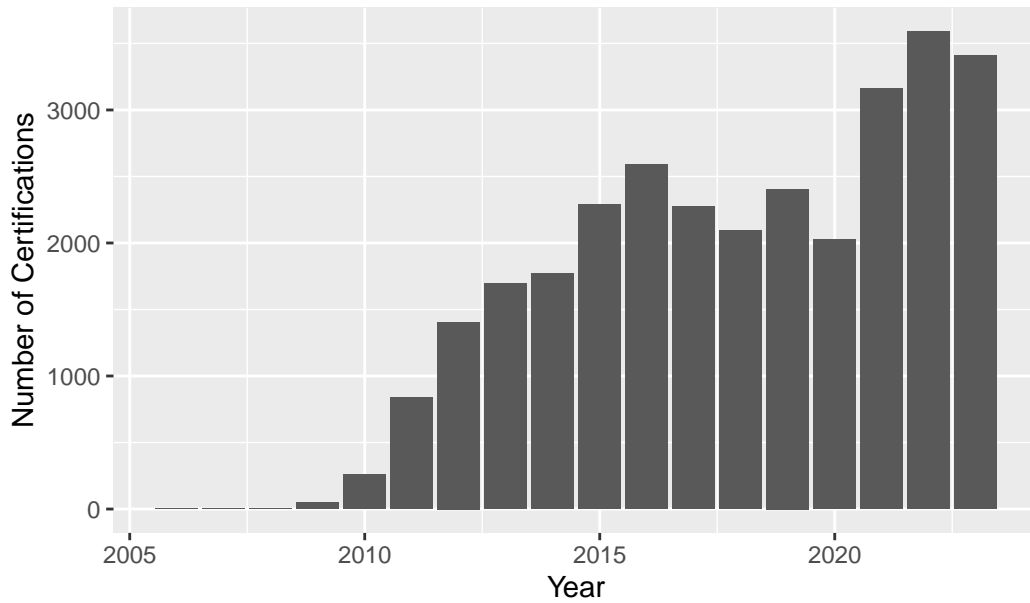
	0.000	1.000	0.000
	0.000	0.000	
2009	42	10	52
	0.808	0.192	0.002
	0.002	0.003	
2010	240	22	262
	0.916	0.084	0.009
	0.009	0.008	
2011	773	66	839
	0.921	0.079	0.028
	0.029	0.023	
2012	1307	99	1406
	0.930	0.070	0.047
	0.048	0.034	
2013	1552	146	1698
	0.914	0.086	0.057
	0.058	0.051	
2014	1578	190	1768
	0.893	0.107	0.059
	0.058	0.066	
2015	2069	219	2288
	0.904	0.096	0.077
	0.077	0.076	
2016	2383	207	2590
	0.920	0.080	0.087
	0.088	0.072	
2017	2007	266	2273
	0.883	0.117	0.076
	0.074	0.092	
2018	1794	299	2093
	0.857	0.143	0.070
	0.066	0.104	

2019	2128	278	2406
	0.884	0.116	0.081
	0.079	0.096	
2020	1736	290	2026
	0.857	0.143	0.068
	0.064	0.101	
2021	2870	291	3161
	0.908	0.092	0.106
	0.106	0.101	
2022	3386	203	3589
	0.943	0.057	0.120
	0.125	0.070	
2023	3116	293	3409
	0.914	0.086	0.114
	0.115	0.102	
Column Total	26981	2883	29864
	0.903	0.097	

When we plot the number of certifications by year, we see a clear increase.

```
byYear %>%
  ggplot(aes(x=CertYear, y=n)) +
  geom_col() +
  labs(title="Number of Certifications by Year",
        x="Year", y = "Number of Certifications")
```

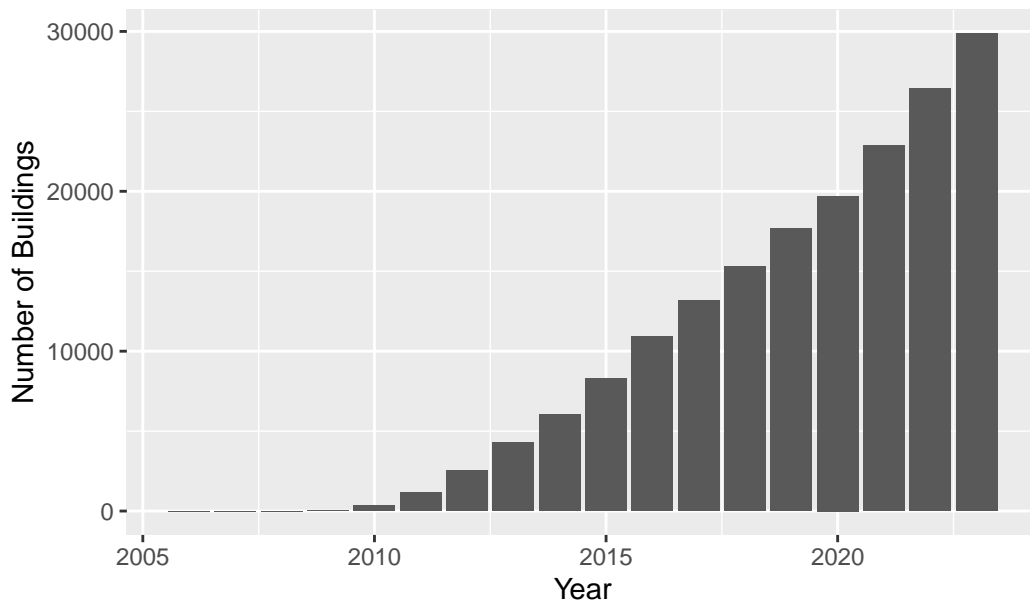
Number of Certifications by Year



Since the certified buildings accumulate over the years, the increase in the number of certified green buildings (the “Stock”), is much more pronounced.

```
byYearAggr %>%  
  ggplot(aes(x=CertYear, y=nAggr)) +  
    geom_col() +  
    labs(title="Stock of Certified Buildings by Year",  
         x="Year", y = "Number of Buildings")
```

Stock of Certified Buildings by Year



As the above table shows, the increase in the number of certifications is to a large extent due to the certifications by BREEAM, which account for over 90% of all certifications. To estimate the average annual increase in the number of green building certifications and to check for statistical significance, we run a log-linear regression of the number of certifications by year.

```
reg <- lm(log(n)~CertYear, data=green %>%
  count(CertYear))
(lm <- summary(reg))
```

Call:

```
lm(formula = log(n) ~ CertYear, data = green %>% count(CertYear))
```

Residuals:

Min	1Q	Median	3Q	Max
-3.2548	-1.1278	0.1339	1.4311	2.2409

Coefficients:

	Estimate	Std. Error	t value	Pr(> t)
(Intercept)	-876.64741	160.48476	-5.462	5.21e-05 ***
CertYear	0.43820	0.07966	5.501	4.84e-05 ***

Signif. codes: 0 '***' 0.001 '**' 0.01 '*' 0.05 '.' 0.1 ' ' 1

Residual standard error: 1.754 on 16 degrees of freedom
 Multiple R-squared: 0.6541, Adjusted R-squared: 0.6325
 F-statistic: 30.26 on 1 and 16 DF, p-value: 4.84e-05

The estimation shows an average annual increase of 43.82%. With a t-value of 5.5, this relation is highly significant. The lower and upper bounds of the 95%-confidence interval are 26.93 and 60.71, respectively.

3.3 How do certifications distribute over countries?

In this section, we do the same analysis across countries. First, we tabulate the numbers and shares of certifications by Certification Schema and Country:

```
ct <- CrossTable(green$country, green$Schema, prop.t = F, prop.chisq = F)
```

Cell Contents

	N
N / Row Total	
N / Col Total	

Total Observations in Table: 29864

green\$country	green\$Schema		Row Total
	BREEAM	LEED	
AT	12	39	51
	0.235	0.765	0.002
	0.000	0.014	
BE	327	18	345
	0.948	0.052	0.012
	0.012	0.006	
BG	36	14	50

	0.720	0.280	0.002
	0.001	0.005	
-----	-----	-----	-----
CH	9	56	65
	0.138	0.862	0.002
	0.000	0.019	
-----	-----	-----	-----
CY	1	0	1
	1.000	0.000	0.000
	0.000	0.000	
-----	-----	-----	-----
CZ	201	66	267
	0.753	0.247	0.009
	0.007	0.023	
-----	-----	-----	-----
DE	53	335	388
	0.137	0.863	0.013
	0.002	0.116	
-----	-----	-----	-----
DK	10	17	27
	0.370	0.630	0.001
	0.000	0.006	
-----	-----	-----	-----
EE	3	16	19
	0.158	0.842	0.001
	0.000	0.006	
-----	-----	-----	-----
ES	2169	568	2737
	0.792	0.208	0.092
	0.080	0.197	
-----	-----	-----	-----
FI	180	228	408
	0.441	0.559	0.014
	0.007	0.079	
-----	-----	-----	-----
FR	2316	63	2379
	0.974	0.026	0.080
	0.086	0.022	
-----	-----	-----	-----
GB	15820	112	15932
	0.993	0.007	0.533
	0.586	0.039	
-----	-----	-----	-----

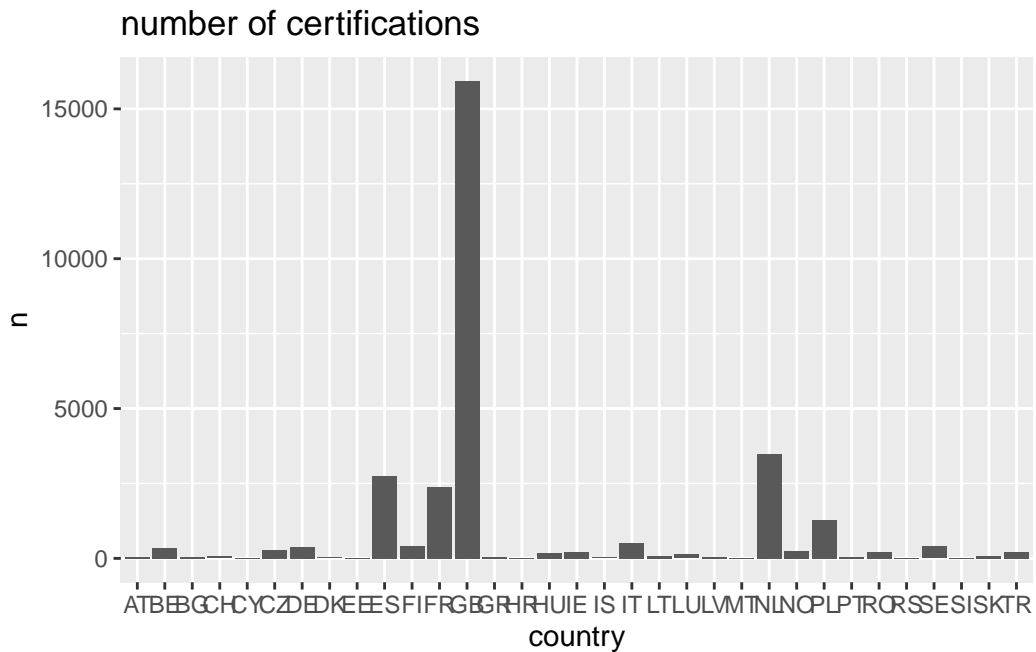
GR	6	28	34
	0.176	0.824	0.001
	0.000	0.010	
HR	1	5	6
	0.167	0.833	0.000
	0.000	0.002	
HU	123	59	182
	0.676	0.324	0.006
	0.005	0.020	
IE	88	125	213
	0.413	0.587	0.007
	0.003	0.043	
IS	29	0	29
	1.000	0.000	0.001
	0.001	0.000	
IT	77	434	511
	0.151	0.849	0.017
	0.003	0.151	
LT	65	18	83
	0.783	0.217	0.003
	0.002	0.006	
LU	127	2	129
	0.984	0.016	0.004
	0.005	0.001	
LV	33	3	36
	0.917	0.083	0.001
	0.001	0.001	
MT	2	0	2
	1.000	0.000	0.000
	0.000	0.000	
NL	3442	33	3475
	0.991	0.009	0.116
	0.128	0.011	

NO	248	9	257
	0.965	0.035	0.009
	0.009	0.003	
PL	1048	232	1280
	0.819	0.181	0.043
	0.039	0.080	
PT	31	10	41
	0.756	0.244	0.001
	0.001	0.003	
RO	174	50	224
	0.777	0.223	0.008
	0.006	0.017	
RS	2	0	2
	1.000	0.000	0.000
	0.000	0.000	
SE	241	156	397
	0.607	0.393	0.013
	0.009	0.054	
SI	3	1	4
	0.750	0.250	0.000
	0.000	0.000	
SK	67	22	89
	0.753	0.247	0.003
	0.002	0.008	
TR	37	164	201
	0.184	0.816	0.007
	0.001	0.057	
Column Total	26981	2883	29864
	0.903	0.097	

Then, we plot the total number of certifications, which is equal to the number of certified buildings, by countries.

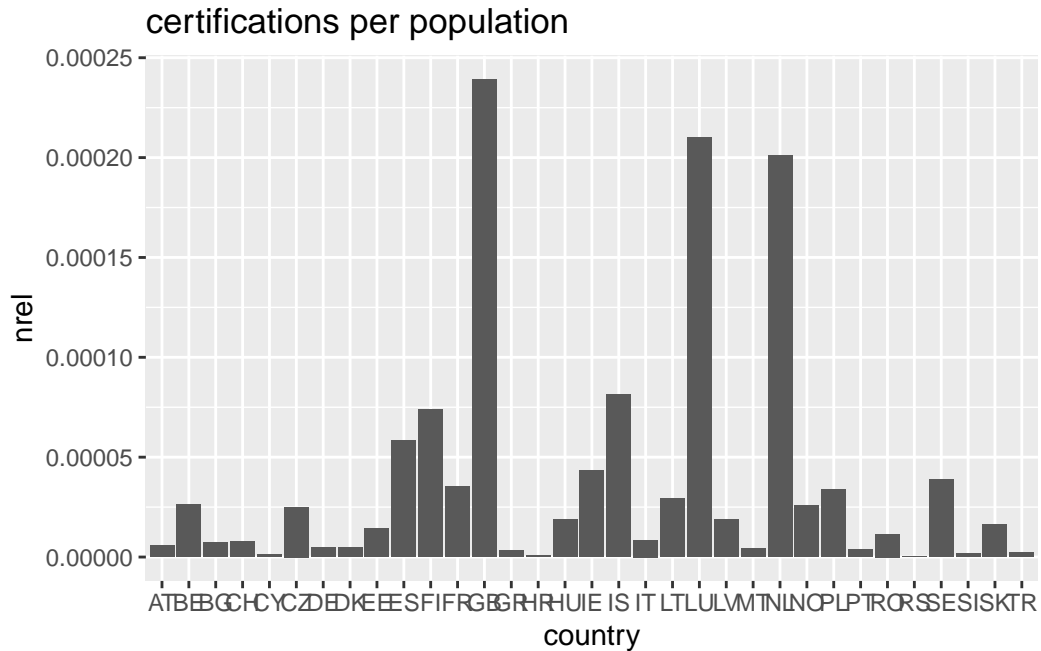
```
byCountryTotals <- green %>%
  count(country)

green %>%
  count(country) %>%
  ggplot(aes(x=country,y=n)) +
  geom_col() +
  ggtitle("number of certifications")
```



We see the strong dominance of the UK. Since the countries in Europe are of very different size, we set them in relation to some size indicators. First, we plot the numbers of certifications relative to the country population in 2019.

```
green %>%
  count(country) %>%
  merge(PopulationByCountry, by = "country") %>%
  mutate(nrel = n/pop) %>%
  ggplot(aes(x=country,y=nrel)) +
  geom_col() +
  ggtitle("certifications per population")
```



Then, we set the number of certifications in relation to the number of employees in construction in 2018.

```
green %>%
  count(country) %>%
  merge(constructionEmploymentByCountry, by = "country") %>%
  mutate(nrel = n/values) %>%
  ggplot(aes(x=country,y=nrel)) +
  geom_col() +
  ggtitle("certifications per construction worker")
```



3.4 Are the numbers of certifications concentrated in certain countries?

To see how strong the concentration of certifications is over countries, we calculate concentration indices (Theil indices) for the numbers of certifications by LEED and BREEAM and by country. These indices range from 0 (most concentrated) to 3.4965 (evenly distributed over 33 countries). Note that smaller values mean a stronger concentration. Code listing Listing 1 implements the computation of the Theil indices.

Listing 1 Computation of Theil indices

```

theil <- function(x) {
  x <- x/sum(x)
  y <- x*log(x)
  y[is.nan(y)] <- 0
  return(round(-1*sum(y),5))
}

```

The Theil indices for the certification schemas and for the total areas follows:

```

TheilTable <- function() {
  cat("Theil indices by Certification Schema\n\n")
}

```

```

cat(" Certification Schema    Theil index\n")
cat(" =====\n")
cat(paste0(" BREEAM", "          ",
           round(theil(ct$prop.col[, "BREEAM"]), 3), "\n"))
cat(paste0(" LEED", "          ",
           round(theil(ct$prop.col[, "LEED"]), 3), "\n"))
cat(" -----\n")
cat(paste0(" TOTAL", "          ",
           round(theil(byCountryTotals$n), 3), "\n"))
}
TheilTable()

```

Theil indices by Certification Schema

Certification Schema	Theil index
=====	=====
BREEAM	1.54
LEED	2.642
-----	-----
TOTAL	1.794

All three indices show a considerable level of concentration across European countries. The concentration of the total figure is strongly attributable to the cross-country concentration of the BREEAM certifications.

To see where the certifications are concentrating, We list all the countries with a share of more than 5% of the respective Certification Schema. For BREEAM we get (in percent):

```
round(ct$prop.col[, "BREEAM"][ct$prop.col[, "BREEAM"]>0.05]*100, 3)
```

ES	FR	GB	NL
8.039	8.584	58.634	12.757

For LEED, the corresponding list of countries is (in percent):

```
round(ct$prop.col[, "LEED"][ct$prop.col[, "LEED"]>0.05]*100, 3)
```

DE	ES	FI	IT	PL	SE	TR
11.620	19.702	7.908	15.054	8.047	5.411	5.689

As the indices show, BREEAM is considerably more concentrated. 58.6% of the BREEAM certifications are in GB. Besides GB, only NL, ES, and FR reach shares of over 5%. For LEED, the highest share in Europe is in ES (19.4%). Shares above 5% are also found in DE, FI, IT, PL, SE, TR.

4 Analysis by NUTS3 regions

In this chapter, we analyze the distribution of LEED and BREEAM certified green buildings at a regional level; by the NUTS3 regions of Europe. After some data preparation we first characterize the regional distribution of green buildings. We will see that some regions contain a considerable number of green buildings, while almost half the NUTS3 regions do not contain any green buildings at all. Then, we again calculate Theil indices, this time with NUTS3 regions as units of observation. Since we again find substantial concentration of green buildings, we then calculate spatial indices, which tell us how spatially concentrated the pattern is. We calculate Moran's I indices and local Moran indicators. According to this analysis, the distribution of green buildings over NUTS3 regions shows significant spatial autocorrelation. This means that NUTS3 regions with many (few) green buildings tend to be neighboring regions with many (few) green buildings.

4.1 Preparatory steps

In this section we generate the count data by NUTS3 region and by year. The aim is to calculate concentration measures (Theil-indices) across the NUTS3 regions for each of the years. This is a non-spatial concentration measure.

We aggregate the count of buildings by NUTS3 region. First, we create a data-frame with the total number (`n`).

```
NutsCount <- green %>%  
  count(NUTS) %>%  
  filter(nchar(NUTS)==5)
```

Then, we generate the counts year by year (2006-2023) and merge the result to the data-frame. The following function does all the necessary calculations. It gets the year and the data-frame `NutsCount` as input and returns the data-frame with the new column (number of certifications in this year in each of the NUTS3 regions).

```
countsByYear <- function(yr, NutsCount) {  
  yrname <- paste0("n", yr)  
  
  NutsCountTemp <- green %>%
```

```

filter(CertYear == yr) %>%
count(NUTS, name = "m") %>%
filter(nchar(NUTS)==5)
NutsCount <- merge(NutsCount, NutsCountTemp, by.x="NUTS",
                  by.y="NUTS", all = T)
NutsCount$m[is.na(NutsCount$m)] <- 0
NutsCount <- NutsCount %>%
  rename({{yrname}} := m)
return(NutsCount)
}

```

In the following code chunk we add year after year to the data-frame.

```

for (y in years) {
  NutsCount <- countsByYear(y, NutsCount)
}

```

Then, we create the stock of green buildings by adding the respective flow variables.

```

NutsCount <- NutsCount %>%
mutate(
  a2006 = n2006,
  a2007 = a2006 + n2007,
  a2008 = a2007 + n2008,
  a2009 = a2008 + n2009,
  a2010 = a2009 + n2010,
  a2011 = a2010 + n2011,
  a2012 = a2011 + n2012,
  a2013 = a2012 + n2013,
  a2014 = a2013 + n2014,
  a2015 = a2014 + n2015,
  a2016 = a2015 + n2016,
  a2017 = a2016 + n2017,
  a2018 = a2017 + n2018,
  a2019 = a2018 + n2019,
  a2020 = a2019 + n2020,
  a2021 = a2020 + n2021,
  a2022 = a2021 + n2022,
  a2023 = a2022 + n2023
)

```

Now we merge the list of NUTS3 codes and names with the NutsCounts. We set parameter `all` to `TRUE` so that all regions stay in the data-frame. For regions without green buildings the respective values are set to `NA`. Then, we replace all the `NA`s with zeros.

```
nutsFull <- merge(nuts3, NutsCount, by.x="NUTS_ID", by.y = "NUTS", all = TRUE)
nutsFull$n[is.na(nutsFull$n)] <- 0
for (y in years) {
  n <- paste0("n",y)
  a <- paste0("a",y)
  nutsFull[n][is.na(nutsFull[n])] <- 0
  nutsFull[a][is.na(nutsFull[a])] <- 0
}
```

At the end we merge the flow and stock counts to the data-frame `nuts3_sf` so that we can use these numbers in maps.

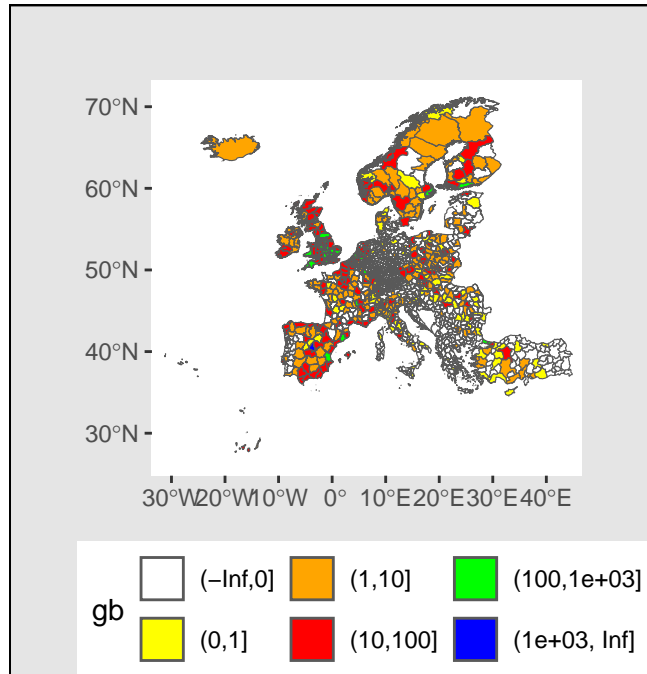
```
nuts3_sf <- merge(nuts3_sf, nutsFull, by.x="NUTS_ID", by.y="NUTS_ID")
```

4.2 Descriptive Statistics by NUTS3

There are 768 NUTS3 regions with at least one Green Building. In the data-frame `nutsFull` there are 1522 observations. Thus there are 754 regions without any certified green building.

The following map shows all the NUTS3 regions color coded by their number of green buildings. All the white regions do not contain any LEED or BREEAM certified green building at all. The pattern we see in this map, in part results from the limited number of certification schemas that we use.

```
p <- nuts3_sf %>%
  mutate(gb = cut(nuts3_sf$a2023, breaks=c(-Inf, 0, 1, 10, 100, 1000, Inf))) %>%
  ggplot() +
  geom_sf(aes(fill=gb)) +
  xlim(-30, 43) +
  ylim(27, 71) +
  scale_fill_manual(values=c("white", "yellow", "orange", "red", "green", "blue"))+
  theme(legend.position = "bottom",
        plot.margin = margin(1, 1, 0, 1, "cm"),
        panel.background = element_rect(fill = "white"),
        plot.background = element_rect(
          fill = "grey90",
          colour = "black"
        )
  )
#ggplotly(p)
p
```



The descriptive statistics of the total numbers of green buildings per region show that we have a power-law type distribution with few regions with large numbers and many with very small numbers. While in average there are 19.62 certified green buildings per region, more than half of the regions have just one green building or none. Three quarters of the region have 8 such buildings or fewer.

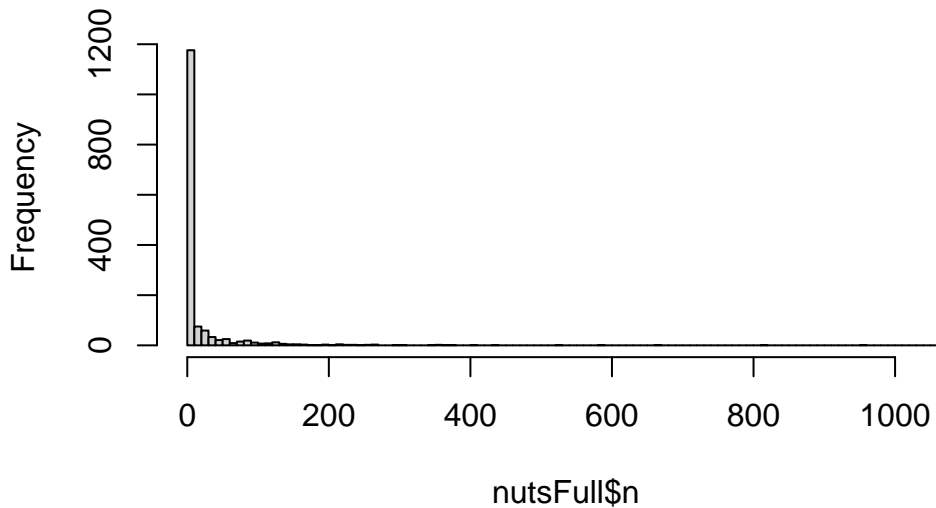
```
summary(nutsFull$n)
```

Min.	1st Qu.	Median	Mean	3rd Qu.	Max.
0.00	0.00	1.00	19.62	8.00	1065.00

The histogram illustrates this situation clearly.

```
hist(nutsFull$n, breaks = 100)
```

Histogram of nutsFull\$n



At the top end, there are just 10 NUTS3 regions with more than 300 certified green buildings. Only Madrid, the Spanish capital, has over 1,000 green buildings certified by LEED or BREEAM. In general, we see most top European cities represented in this list: Madrid, London, Amsterdam, Paris, Barcelona, etc.

```
nutsFull %>%  
  filter(n > 300) %>%  
  select(NUTS_ID, NAME_LATN, n) %>%  
  arrange(-n)
```

	NUTS_ID	NAME_LATN	n
1	ES300	Madrid	1065
2	UKI32	Westminster	953
3	NL329	Groot-Amsterdam	812
4	UKI31	Camden and City of London	665
5	ES511	Barcelona	590
6	FR101	Paris	528
7	NL310	Utrecht	431
8	UKJ11	Berkshire	410
9	FR105	Hauts-de-Seine	376
10	PL911	Miasto Warszawa	366
11	UKI44	Lewisham and Southwark	354
12	UKI41	Hackney and Newham	353

13	UKI42	Tower Hamlets	341
14	NL33C	Groot-Rijnmond	309

4.3 Theil indices across NUTS3

Now we have a data-frame with all NUTS3 by all certified buildings (`n`), certified buildings per year (`nyyyy`) and the stock of green buildings per year (`ayyyy`). This allows us to calculate Theil-indices for the years (lower values mean stronger concentration). Since there are 1522 NUTS3 regions in the dataset, the maximum Theil value in the case of equal distribution is 7.3277805.

```
printTheil <- function() {
  cat("Theil concentration indices\n\n")
  cat("  YEAR      FLOWS      STOCK\n")
  cat("  ----      -      -\n")
  for (x in years) {
    n <- paste0("n",x)
    a <- paste0("a",x)
    cat(paste0("  ",x,": ",
              format(theil(nutsFull[[n]]), width=7, digits=3, nsmall=3)," ",
              format(theil(nutsFull[[a]]), width=7, digits=3, nsmall=3),"\n"))
  }
}

printTheil()
```

Theil concentration indices

YEAR	FLOWS	STOCK
----	-----	-----
2006:	0.693	0.693
2007:	0.000	1.099
2008:	0.000	1.386
2009:	3.451	3.561
2010:	4.658	4.757
2011:	5.011	5.091
2012:	5.110	5.200
2013:	5.187	5.278
2014:	5.260	5.335
2015:	5.209	5.356
2016:	5.185	5.358

2017:	5.194	5.375
2018:	5.167	5.384
2019:	5.240	5.407
2020:	5.328	5.442
2021:	5.159	5.470
2022:	4.930	5.475
2023:	5.070	5.469

With the exception of the year 2023, the Theil index values of the stock increase year after year. This means that with the growing stock of Green Buildings they are becoming less concentrated. As the descriptive statistics by NUTS3 show, also by the end of the observation period the distribution of green buildings over NUTS3 regions is strongly concentrated.

4.4 Moran's I Analysis

This observed concentration is measured across the NUTS3 regions, irrespective of their location. The regions with a large number of green buildings could be spread randomly across Europe or cluster in a certain small area. To check the spatial relation between NUTS3 regions with many green buildings, we turn to Moran's I analysis.

Moran's I analysis takes into account the spatial configuration of Europe's NUTS3 regions. From the shapefile we extract a neighborhood matrix that indicates which NUTS3 regions have a common border. Based on this neighborhood matrix, we can then calculate for every NUTS3 region the average number of green buildings in its neighboring regions. This generates the spatially lagged value. The Moran's I statistic shows the relationship between the values and the respective spatially lagged values across all NUTS3 regions. A significantly positive value shows that regions with many (few) green buildings tend to be neighboring regions with many (few) green buildings.

First, we prepare the spatial weight matrix.

```
nb <- poly2nb(nuts3_sf, queen=TRUE)
lw <- nb2listw(nb, style="W", zero.policy=TRUE)
```

Then, we define a function that does all the relevant calculations: it computes the spatially lagged values and plots them against the raw values. Then, it computes Moran's I, and runs the moran test to find whether or not the relation is statistically significant.

```
doMoran <- function(yr, column) {
  a.lag <- lag.listw(lw, column)
  plot(a.lag ~ column, pch=16, asp=1, main=yr, xlim=c(0,1200), ylim=c(0,550))
  M1 <- lm(a.lag ~ column)
```

```

abline(M1, col="blue")
I <- moran(column, lw, length(nb), Szero(lw))[1]
cat(paste("YEAR: ", yr),"\n")
cat(paste("NUTS3 regions with Green Building(s):",
  length(which(column != 0))),"\n")
print(moran.test(column, lw, alternative = "greater"))
}

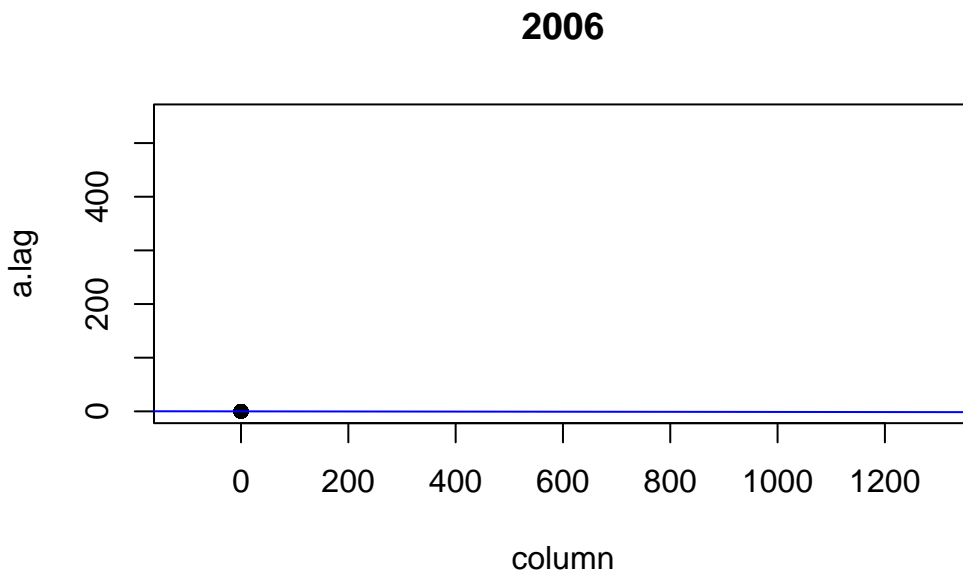
```

Now, we run the Moran functions for each of the years. To be able to compare the scatterplots over the years, we have fixed their axes to the identical limits.

```

for (y in years) {
  a <- paste0("a", y)
  doMoran(y, nuts3_sf[[a]])
}

```



```

YEAR: 2006
NUTS3 regions with Green Building(s): 2

```

Moran I test under randomisation

```
data: column
```

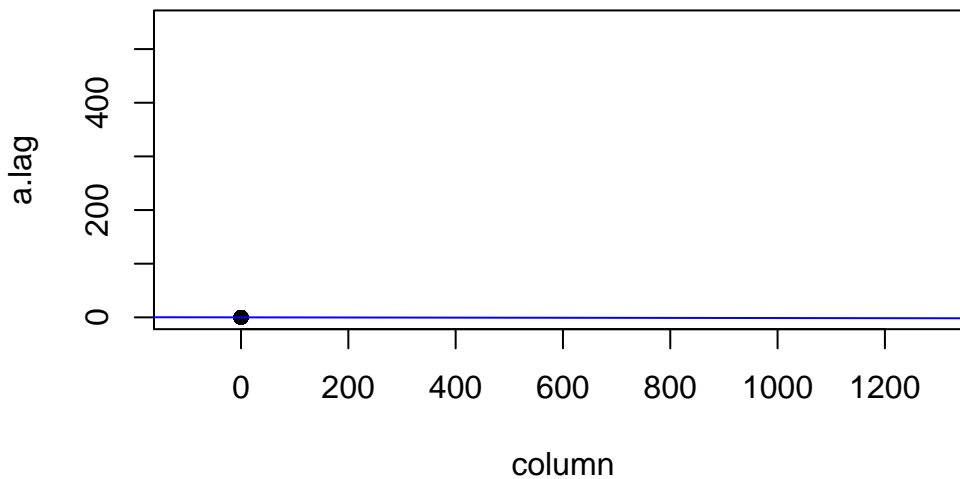

weights: lw
n reduced by no-neighbour observations

Moran I statistic standard deviate = -0.037772, p-value = 0.5151
alternative hypothesis: greater

sample estimates:

Moran I statistic	Expectation	Variance
-0.0011318550	-0.0006752194	0.0001461467

2007



YEAR: 2007
NUTS3 regions with Green Building(s): 3

Moran I test under randomisation

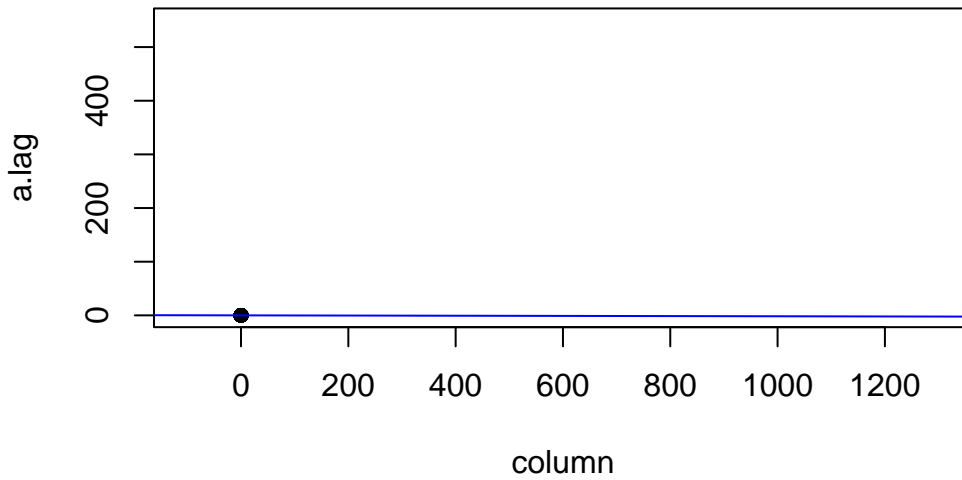
data: column
weights: lw
n reduced by no-neighbour observations

Moran I statistic standard deviate = -0.046265, p-value = 0.5185
alternative hypothesis: greater

sample estimates:

Moran I statistic	Expectation	Variance
-0.0013254559	-0.0006752194	0.0001975327

2008



YEAR: 2008
NUTS3 regions with Green Building(s): 4

Moran I test under randomisation

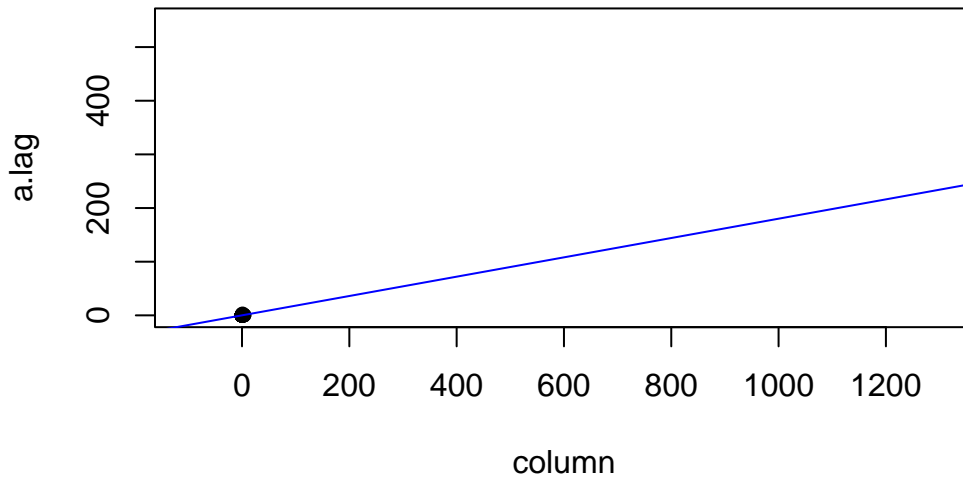
data: column
weights: lw
n reduced by no-neighbour observations

Moran I statistic standard deviate = -0.073398, p-value = 0.5293
alternative hypothesis: greater

sample estimates:

Moran I statistic	Expectation	Variance
-0.0017718371	-0.0006752194	0.0002232256

2009



YEAR: 2009
NUTS3 regions with Green Building(s): 40

Moran I test under randomisation

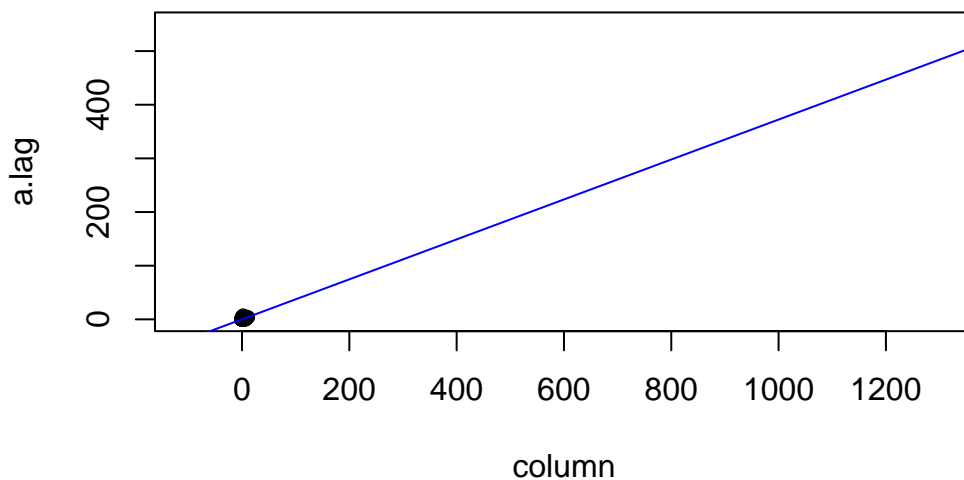
data: column
weights: lw
n reduced by no-neighbour observations

Moran I statistic standard deviate = 10.846, p-value < 2.2e-16
alternative hypothesis: greater

sample estimates:

Moran I statistic	Expectation	Variance
0.1799289580	-0.0006752194	0.0002772749

2010



YEAR: 2010
NUTS3 regions with Green Building(s): 149

Moran I test under randomisation

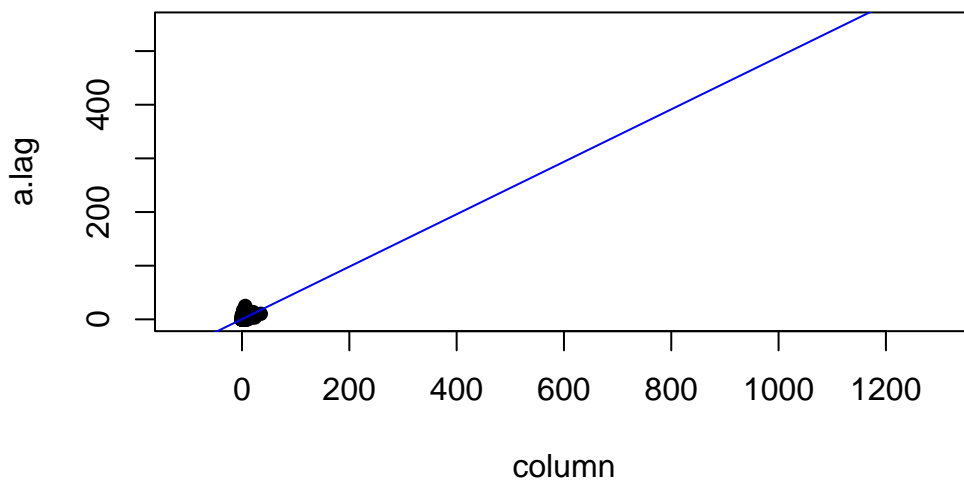
data: column
weights: lw
n reduced by no-neighbour observations

Moran I statistic standard deviate = 21.858, p-value < 2.2e-16
alternative hypothesis: greater

sample estimates:

Moran I statistic	Expectation	Variance
0.3709419005	-0.0006752194	0.0002890583

2011



YEAR: 2011
NUTS3 regions with Green Building(s): 257

Moran I test under randomisation

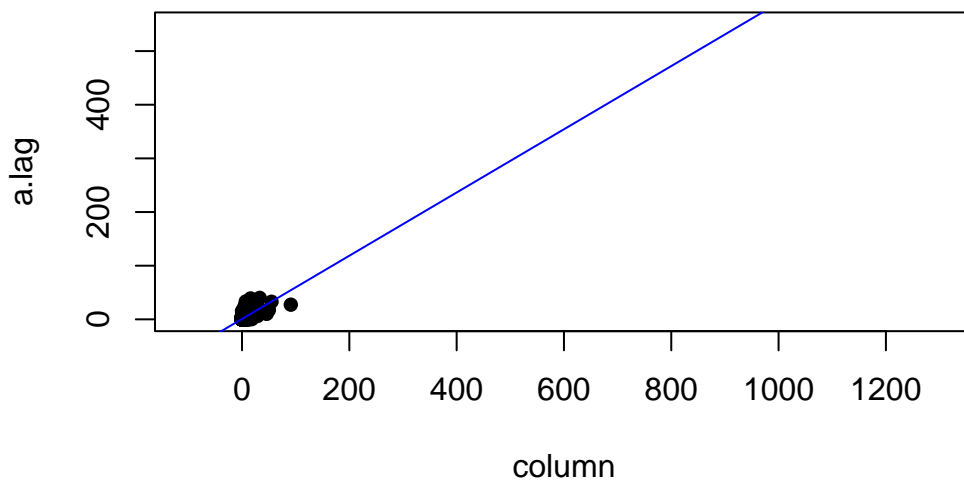
data: column
weights: lw
n reduced by no-neighbour observations

Moran I statistic standard deviate = 28.635, p-value < 2.2e-16
alternative hypothesis: greater

sample estimates:

Moran I statistic	Expectation	Variance
0.4873153573	-0.0006752194	0.0002904218

2012



YEAR: 2012
NUTS3 regions with Green Building(s): 317

Moran I test under randomisation

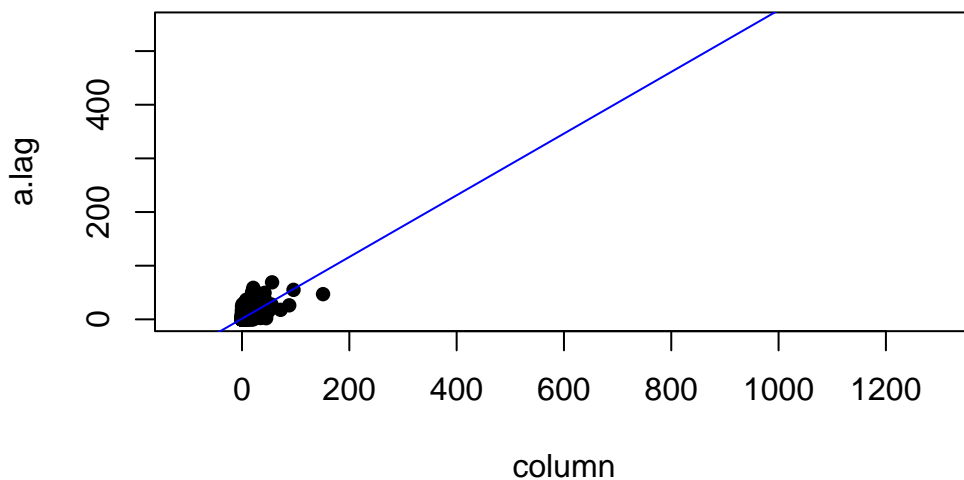
data: column
weights: lw
n reduced by no-neighbour observations

Moran I statistic standard deviate = 34.702, p-value < 2.2e-16
alternative hypothesis: greater

sample estimates:

Moran I statistic	Expectation	Variance
0.5874608500	-0.0006752194	0.0002872357

2013



YEAR: 2013
NUTS3 regions with Green Building(s): 380

Moran I test under randomisation

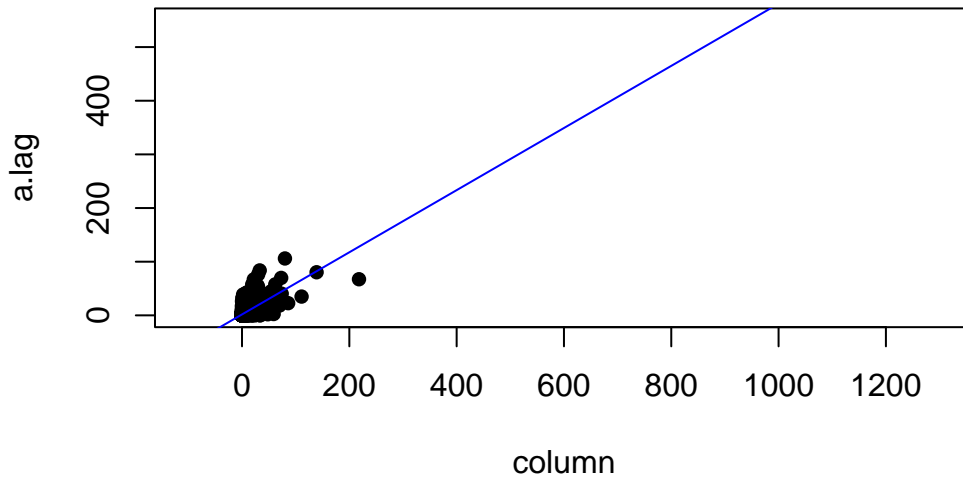
data: column
weights: lw
n reduced by no-neighbour observations

Moran I statistic standard deviate = 33.917, p-value < 2.2e-16
alternative hypothesis: greater

sample estimates:

Moran I statistic	Expectation	Variance
0.5730391120	-0.0006752194	0.0002861286

2014



YEAR: 2014
NUTS3 regions with Green Building(s): 446

Moran I test under randomisation

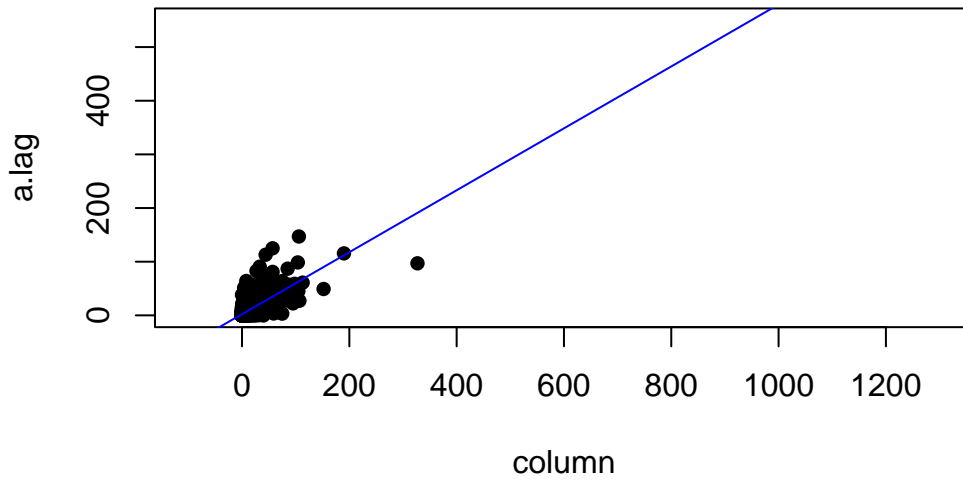
data: column
weights: lw
n reduced by no-neighbour observations

Moran I statistic standard deviate = 34.218, p-value < 2.2e-16
alternative hypothesis: greater

sample estimates:

Moran I statistic	Expectation	Variance
0.5770210092	-0.0006752194	0.0002850301

2015



YEAR: 2015
NUTS3 regions with Green Building(s): 502

Moran I test under randomisation

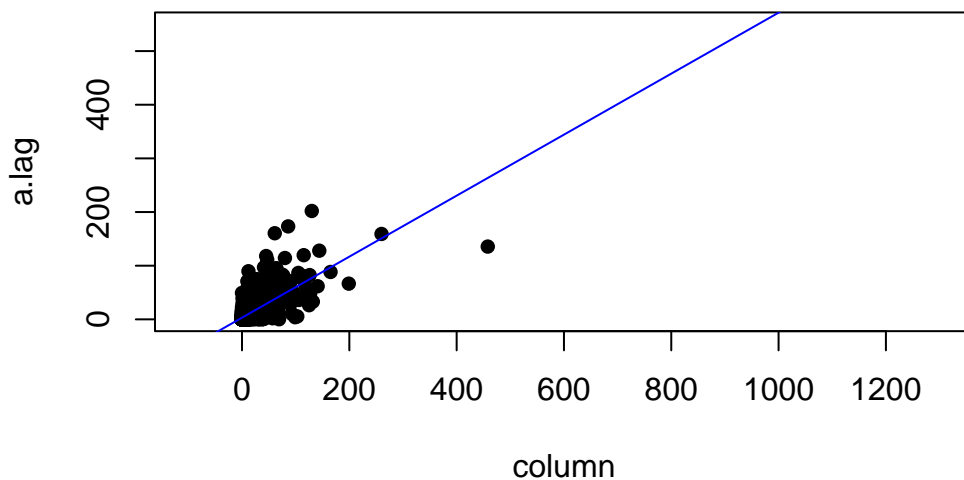
data: column
weights: lw
n reduced by no-neighbour observations

Moran I statistic standard deviate = 34.296, p-value < 2.2e-16
alternative hypothesis: greater

sample estimates:

Moran I statistic	Expectation	Variance
0.5748726185	-0.0006752194	0.0002816291

2016



YEAR: 2016
NUTS3 regions with Green Building(s): 542

Moran I test under randomisation

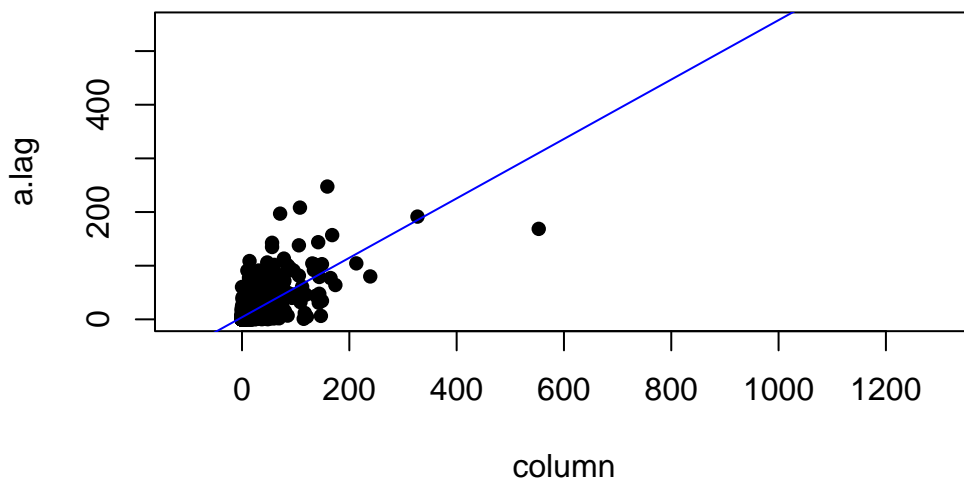
data: column
weights: lw
n reduced by no-neighbour observations

Moran I statistic standard deviate = 33.981, p-value < 2.2e-16
alternative hypothesis: greater

sample estimates:

Moran I statistic	Expectation	Variance
0.5664289216	-0.0006752194	0.0002785099

2017



YEAR: 2017
NUTS3 regions with Green Building(s): 584

Moran I test under randomisation

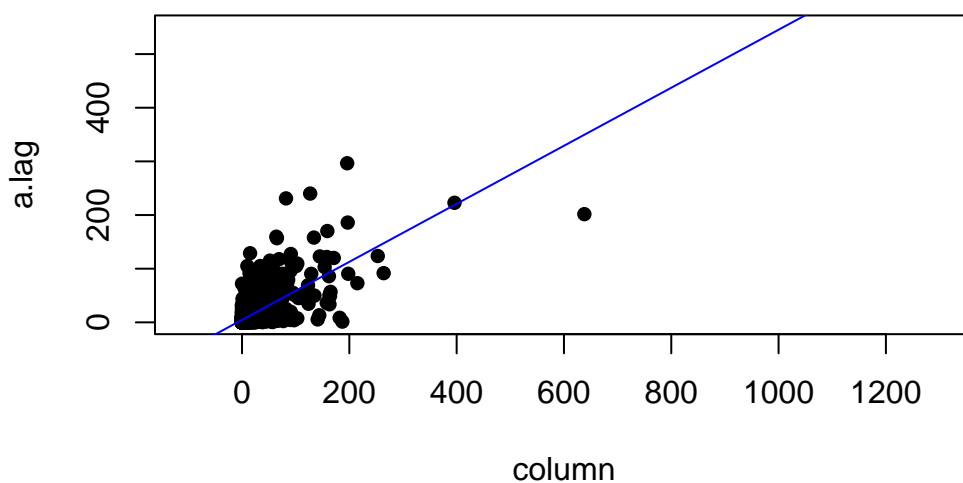
data: column
weights: lw
n reduced by no-neighbour observations

Moran I statistic standard deviate = 33.103, p-value < 2.2e-16
alternative hypothesis: greater

sample estimates:

Moran I statistic	Expectation	Variance
0.5516760462	-0.0006752194	0.0002784163

2018



YEAR: 2018
NUTS3 regions with Green Building(s): 615

Moran I test under randomisation

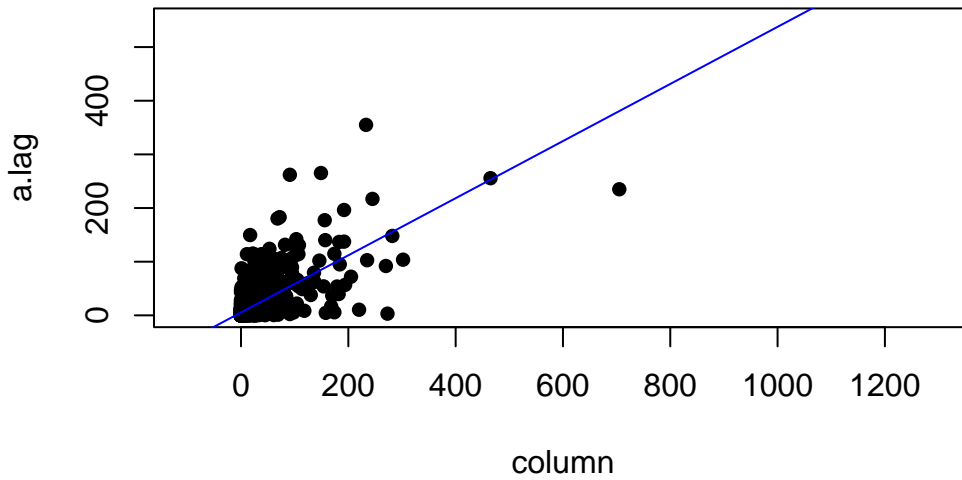
data: column
weights: lw
n reduced by no-neighbour observations

Moran I statistic standard deviate = 32.312, p-value < 2.2e-16
alternative hypothesis: greater

sample estimates:

Moran I statistic	Expectation	Variance
0.5386625321	-0.0006752194	0.0002786052

2019



YEAR: 2019
NUTS3 regions with Green Building(s): 647

Moran I test under randomisation

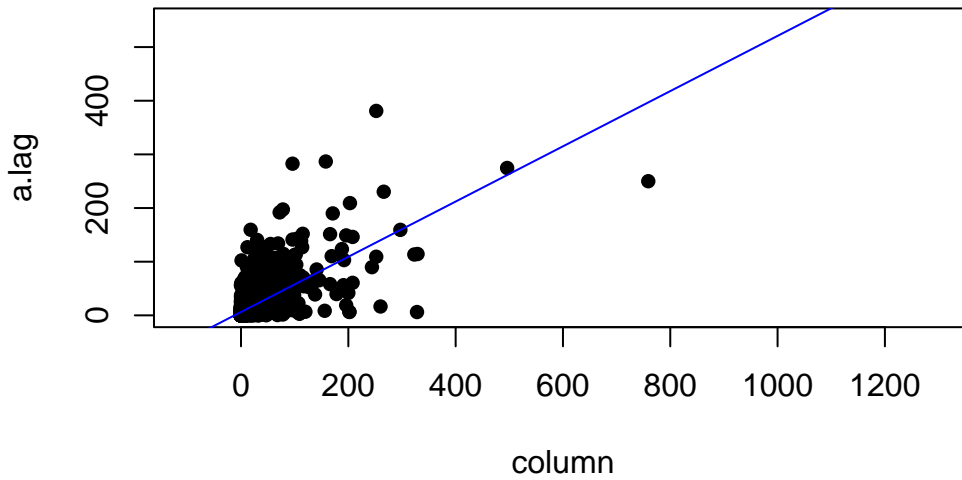
data: column
weights: lw
n reduced by no-neighbour observations

Moran I statistic standard deviate = 31.697, p-value < 2.2e-16
alternative hypothesis: greater

sample estimates:

Moran I statistic	Expectation	Variance
0.5301958800	-0.0006752194	0.0002805053

2020



YEAR: 2020
NUTS3 regions with Green Building(s): 679

Moran I test under randomisation

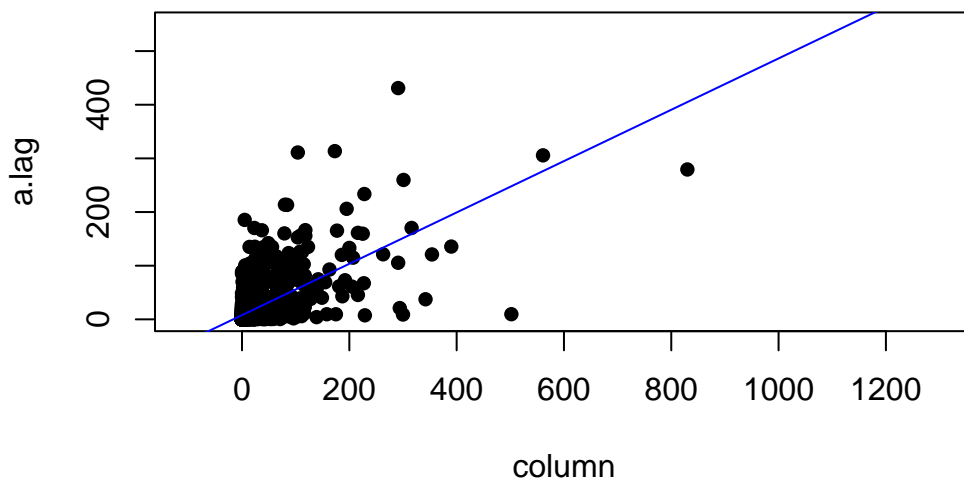
data: column
weights: lw
n reduced by no-neighbour observations

Moran I statistic standard deviate = 30.58, p-value < 2.2e-16
alternative hypothesis: greater

sample estimates:

Moran I statistic	Expectation	Variance
0.5124652617	-0.0006752194	0.0002815805

2021



YEAR: 2021
NUTS3 regions with Green Building(s): 714

Moran I test under randomisation

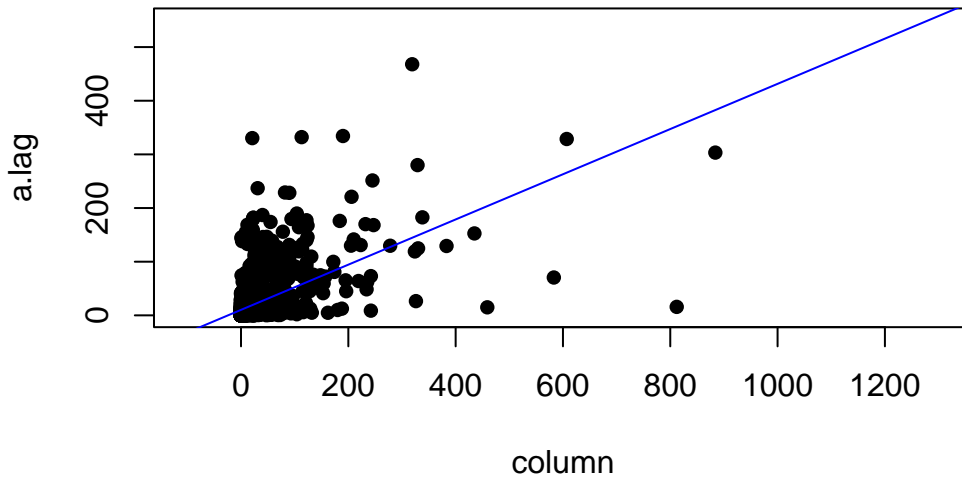
data: column
weights: lw
n reduced by no-neighbour observations

Moran I statistic standard deviate = 28.345, p-value < 2.2e-16
alternative hypothesis: greater

sample estimates:

Moran I statistic	Expectation	Variance
0.4762978943	-0.0006752194	0.0002831657

2022



YEAR: 2022
NUTS3 regions with Green Building(s): 748

Moran I test under randomisation

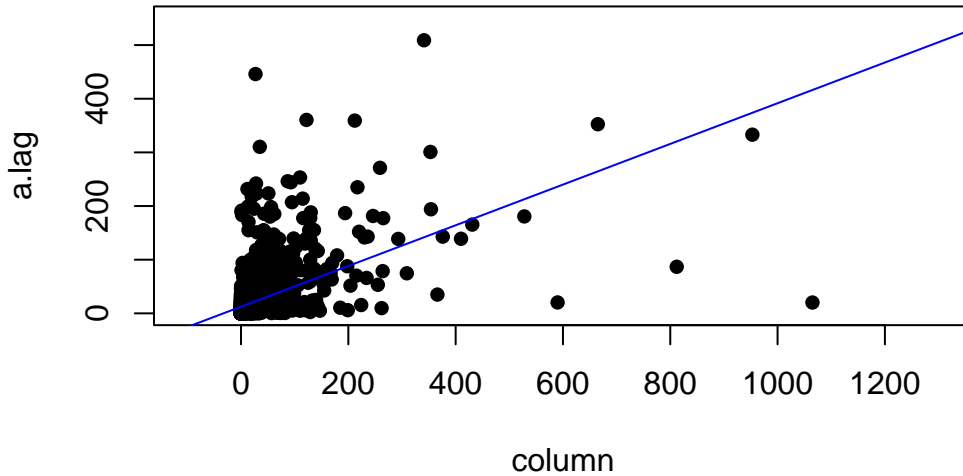
data: column
weights: lw
n reduced by no-neighbour observations

Moran I statistic standard deviate = 24.968, p-value < 2.2e-16
alternative hypothesis: greater

sample estimates:

Moran I statistic	Expectation	Variance
0.4192940260	-0.0006752194	0.0002829199

2023



YEAR: 2023
NUTS3 regions with Green Building(s): 768

Moran I test under randomisation

data: column
weights: lw
n reduced by no-neighbour observations

Moran I statistic standard deviate = 22.578, p-value < 2.2e-16

alternative hypothesis: greater

sample estimates:

Moran I statistic	Expectation	Variance
0.3773527178	-0.0006752194	0.0002803293

We see that in the first three years (2006-2008) certified green buildings pop up randomly. For these years the Moran's I is close to zero and clearly not significant. In 2008, however, there were only four NUTS3 regions in Europe with - a total number of four - certified green buildings. In 2009, 52 green buildings were certified, the number of NUTS3 regions with certified green buildings jumped to 40, and we begin to see a highly significant positive spatial relation in the spatial distribution of Green Buildings. From 2009 onward, Moran's I values are significantly more positive than expected, indicating a clear spatial concentration of certified

green buildings. Moran's I reaches its highest value in 2012. It stays on a high level until 2018. Then, it declines continuously until the year 2023. We can interpret this as an indicator for an early period of growth when new green buildings were mainly certified in the neighborhood of existing green buildings. In the later period, green buildings seem to have diffused out to new NUTS3 regions.

4.5 Local Moran's I

In the previous series of scatterplots we place the number of green buildings on the x-axis and the average number of green buildings of the respective neighbors on the y-axis. When we subtract the respective average from both variables, we can place the regions into four quadrants: the top right quadrant with above average values of the region and of its neighbors (called "high-high" or "HH" in exploratory spatial analysis); at the bottom left regions with below average values in both dimensions (called "low-low" or "LL"); "low-high" or "LH" regions are in the top left quadrant, "high-low" or "HL" in the bottom right quadrant.

The next code chunk calculates these indicators and puts them into a scatter plot and a map.

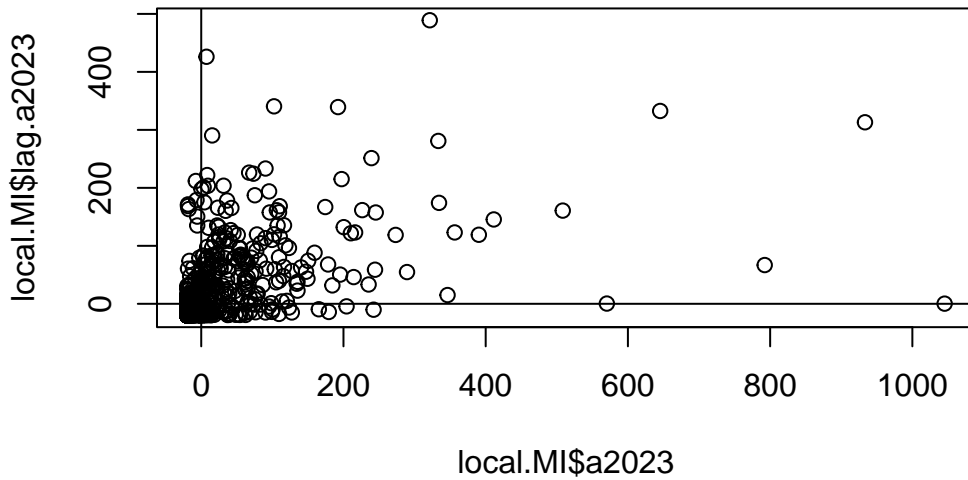
```
local.MI <- cbind(nuts3_sf, localmoran(nuts3_sf$a2023, lw))
local.MI$Ii <- local.MI$Ii - mean(local.MI$Ii, na.rm = TRUE)

local.MI$lag.a2023 <- lag.listw(lw, local.MI$a2023, NAOK = TRUE)

# centers the variable of interest around its mean

local.MI$a2023 <- local.MI$a2023 - mean(local.MI$a2023, na.rm = TRUE)
local.MI$lag.a2023 <- local.MI$lag.a2023 - mean(local.MI$lag.a2023, na.rm = TRUE)
local.MI$quadr <- "HH"
local.MI$quadr[local.MI$a2023 < 0 & local.MI$lag.a2023 < 0] <- "LL"
local.MI$quadr[local.MI$a2023 < 0 & local.MI$lag.a2023 >= 0] <- "LH"
local.MI$quadr[local.MI$a2023 >= 0 & local.MI$lag.a2023 < 0] <- "HL"

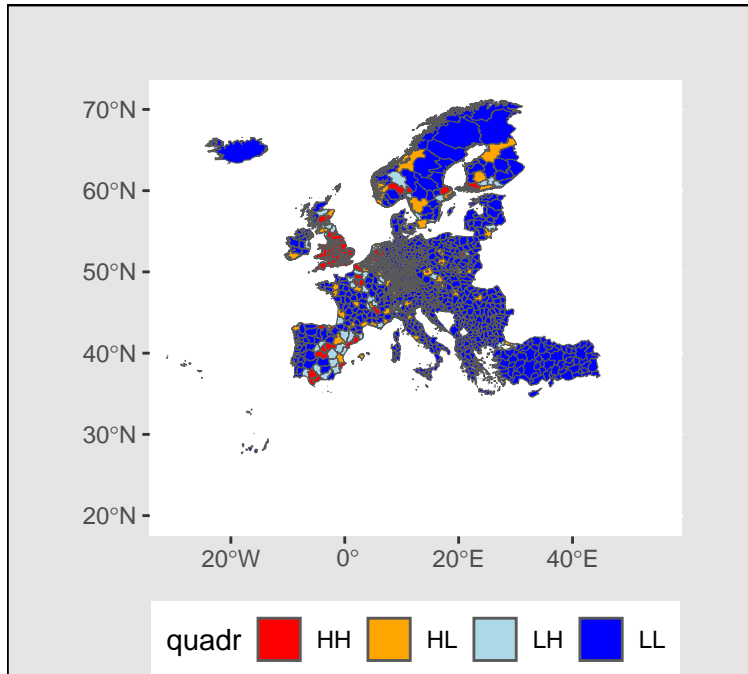
plot(local.MI$a2023, local.MI$lag.a2023)
abline(h = 0)
abline(v = 0)
```



```

p <- ggplot(local.MI) +
  geom_sf(aes(fill=quadr)) +
  xlim(-30, 55) +
  ylim(20, 71) +
  scale_fill_manual(values=c("red","orange","lightblue","blue")) +
  theme(legend.position = "bottom",
        plot.margin = margin(1, 1, 0, 1, "cm"),
        panel.background = element_rect(fill = "white"),
        plot.background = element_rect(
          fill = "grey90",
          colour = "black"
        )
  )
#ggplotly(p)
p

```



Let us count, how many regions fall into each of the quadrants.

```
(lm.counts <- summary(factor(local.MI$quadr)))
```

HH	HL	LH	LL
206	72	88	1156

As the summary shows, most of the regions (1156) fall into the LL (bottom-left) quadrant. The second largest category are regions falling into HH (206). The HL and LH quadrants contain the smallest numbers of regions (72 and 88, respectively).

5 Calculating the point of gravity of all green buildings

From the analysis so far we know

1. that the numbers of certifications and of certified green buildings have grown massively over the observation period and
2. that the certifications and the building stock are concentrated at the country and at the NUTS3 level, and
3. that they occur in spatial clusters.

In this section we want to answer the question, how this spatial pattern of green buildings and of green building certifications evolves over time. Since we know the exact locations of all certified green buildings, we can calculate the points of gravity year by year. The coordinates of the respective point of gravity are just the average coordinates of all the respective buildings or certifications.

So, in the following code chunk we compute the mean latitude and mean longitude values for every year and store the result in the data-frame `centroid`. Since the centroids for the first three years are based on very few buildings, we exclude these years in the final step of the code chunk.

```
# First, we store the number of observations and the sum the latitudes
# and longitudes for every year.
centroids <- green %>%
  group_by(CertYear) %>%
  summarize(n = n(), sumLat = sum(lat), sumLon = sum(lon))

# Second, we calculate and add means and columns of zeros
centroids <- centroids %>%
  mutate(meanLat = sumLat/n, meanLon = sumLon/n, nStock = 0,
         sumLatStock = 0, sumLonStock = 0)

# For every year, we calculate the sum of counts and the sum of
# lat and lon UP TO THAT YEAR
# This is what "sum(head(..., i))" does.
for (i in 1:nrow(centroids)) {
  centroids$nStock[i] <- sum(head(centroids$n ,i))
  centroids$sumLatStock[i] <- sum(head(centroids$sumLat ,i))
  centroids$sumLonStock[i] <- sum(head(centroids$sumLon ,i))
}

# Fourth, we calculate the means for every year from the sums.
centroids <- centroids %>%
  mutate(meanLatStock = sumLatStock/nStock,
         meanLonStock = sumLonStock/nStock)

centroids <- centroids %>% filter(nStock > 50)
```

In a first step, we generate a base map that does not show any boundaries. Then, we put the stock-centroids on that map, to see, how the centroids of the stock of the certified green buildings changes from year to year. We focus the map to the Channel and parts of Great Britain, France, Belgium, and the Netherlands.

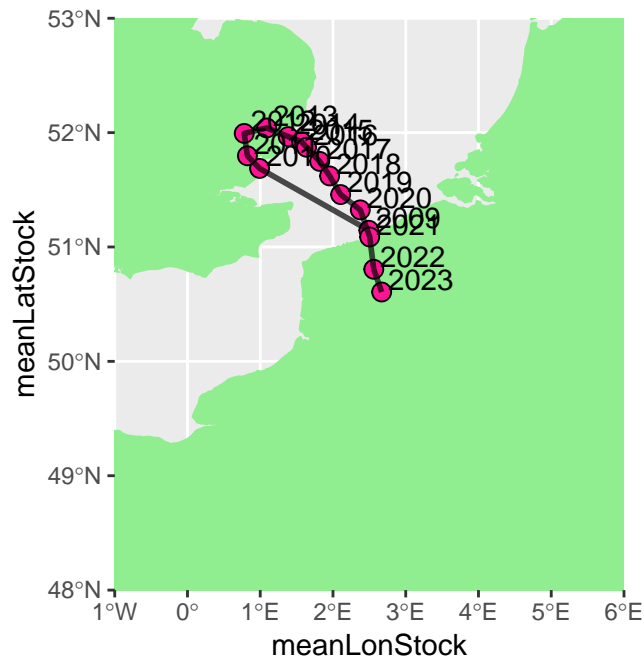
```

base_map <- ggplot(nuts3_sf) +
  geom_sf(colour="light green", fill="light green")

map_stock_data <-
  base_map +
  geom_point(data=centroids,
            aes(x=meanLonStock, y=meanLatStock), colour="Black",
            fill="Deep Pink", pch=21, size=3, alpha=I(1.0)) +
  geom_path(data=centroids,
           aes(x=meanLonStock, y=meanLatStock), linewidth=1,
           alpha=I(0.7)) +
  geom_text(data=centroids, aes(x=meanLonStock, y=meanLatStock,
                               label=CertYear), hjust=-0.1, vjust=-0.1)

map_stock_data +
  coord_sf(xlim = c(-1, 6), ylim = c(48, 53), expand = FALSE)

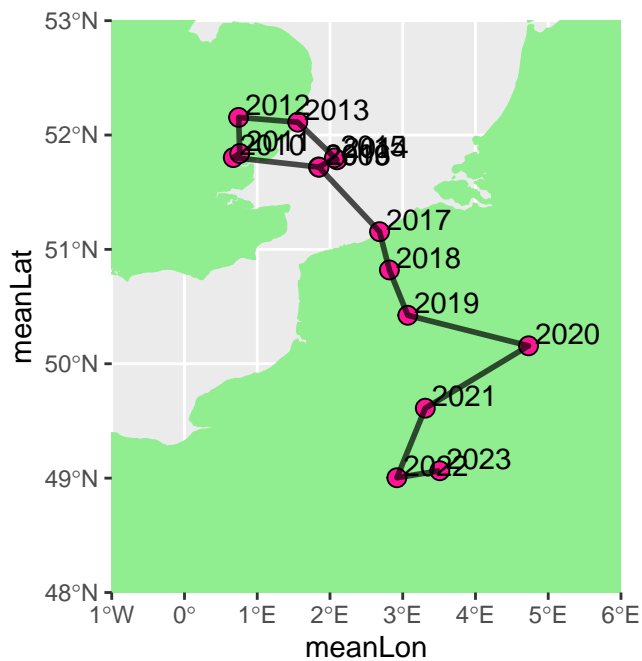
```



While the centroid was at the French coast in 2009, it then jumped across the Channel the coast of Essex, North-East of London. From there, it gradually looped around and moved South-East back to the continent. Since we know that certifications in Great Britain are mainly BREEAM, this illustrates the early dominance of this certification schema and the gradual increase of certification activities by LEED on the European continent.

This is clearly confirmed when we look at the centroids of the certifications year by year.

```
map_flow_data <-  
  base_map +  
  
  geom_point(data=centroids,  
            aes(x=meanLon, y=meanLat), colour="Black",  
              fill="Deep Pink", pch=21, size=3, alpha=I(1.0)) +  
  geom_path(data=centroids,  
           aes(x=meanLon, y=meanLat), linewidth=1, alpha=I(0.7)) +  
  geom_text(data=centroids, aes(x=meanLon, y=meanLat, label=CertYear),  
           hjust=-0.1, vjust=-0.1)  
  
map_flow_data +  
  coord_sf(xlim = c(-1, 6), ylim = c(48, 53), expand = FALSE)
```



This map shows, how the certification activities year after year in average move from Great Britain toward the South to France. The centroids of 2009 and 2016 almost perfectly coincide. This creates this perceived “loop” over Essex and the North Sea.

6 Estimating the growth trajectory of the number of green buildings

In this chapter, we want to take a first step toward modeling the growth trajectories of green building certifications.

We assume that the number of certified green buildings over time follows a growth process that becomes saturated at some point. Such a relation can be captured by the logistic curve (see chapter 24 of (Childs, Hindle, and Warren, n.d.)).

$$y = \phi_1 * \frac{1}{1 + \exp((\phi_2 - x)/\phi_3)}$$

This logistic curve has three parameters that we can estimate with non-linear regression. The three parameters and their meanings are:

1. ϕ_1 measures the upper limit (asymptote) of the S-curve
2. ϕ_2 measures the inflection point of the S-curve, i.e., the value of x where y has reached half its maximum height. Here, the slope switches from increasing to decreasing.
3. ϕ_3 is a scale parameter that measures how quickly the function increases. The larger this parameter, the more spread out is the S-curve.

6.1 Growth trajectory for the whole set of countries

```
nonlinAggr <- nls(nAggr ~ SSlogis(CertYear, phi_1, phi_2, phi_3),
                 data=byYearAggr)
(totalSum <- summary(nonlinAggr))
```

Formula: nAggr ~ SSlogis(CertYear, phi_1, phi_2, phi_3)

Parameters:

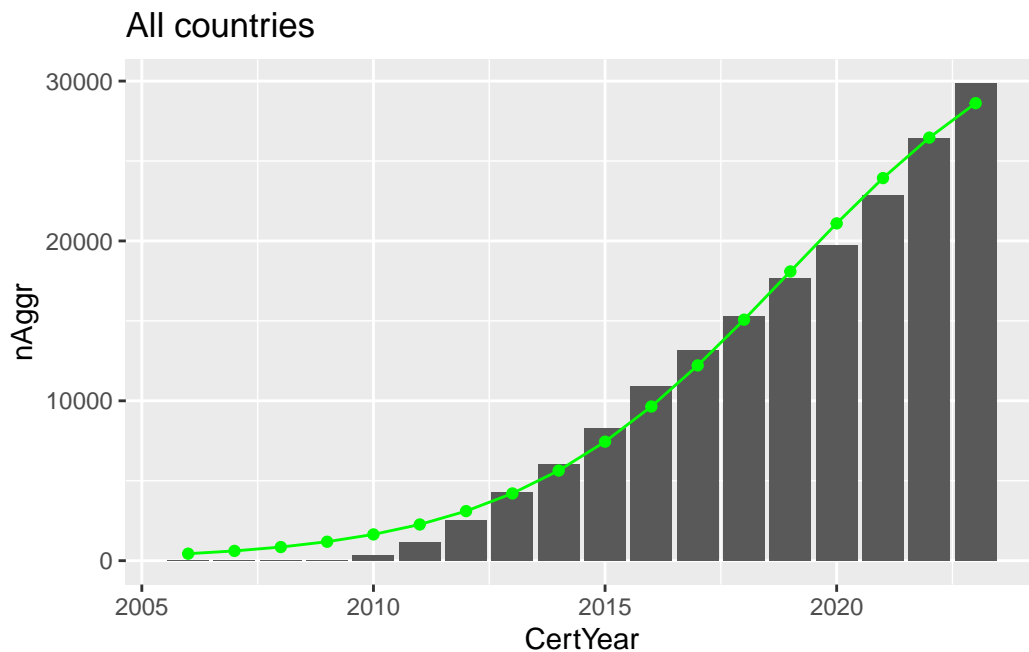
	Estimate	Std. Error	t value	Pr(> t)	
phi_1	3.584e+04	2.969e+03	12.07	3.99e-09	***
phi_2	2.019e+03	5.969e-01	3382.57	< 2e-16	***
phi_3	2.946e+00	2.584e-01	11.40	8.68e-09	***

Signif. codes: 0 '***' 0.001 '**' 0.01 '*' 0.05 '.' 0.1 ' ' 1

Residual standard error: 969.8 on 15 degrees of freedom

Number of iterations to convergence: 0
Achieved convergence tolerance: 6.821e-07

```
byYearAggr$fittedNL = fitted(nonlinAggr)
ggplot(byYearAggr) +
  geom_col(aes(x=CertYear,y=nAggr)) +
  geom_line(aes(x=CertYear, y=fittedNL), color="green") +
  geom_point(aes(x=CertYear, y=fittedNL), color="green") +
  ggtitle("All countries")
```



For later use, we create a new data-frame `PopulationByCountryPlus` with a row with the total population of all the countries. We will use this information later.

```
PopulationByCountryPlus <- PopulationByCountry %>%
  add_row(country = "TOTAL", pop = sum(PopulationByCountry$pop))
```

To be better able to compare these results to those for the individual countries, we compute the following indicators:

1. **Phi1ByPop**, the parameter ϕ_1 standardized by the total population(= 100000*phi1/pop);

2. **Slope**, the slope at the inflection point of the function, standardized to the same saturation level. Since the slope at the inflection point ($x = \phi_2$) is $\frac{\phi_1}{2\phi_3}$, the standardized slope is just $\frac{1}{2\phi_3}$.
3. **Tens**, the year when the curve reaches 10% of the saturation level. This is calculated by $x = \phi_2 - \phi_3 \ln(\frac{1}{a} - 1)$ with $a = 0.1$.

We calculate the same set of indicators for each of the countries as well below. The corresponding values for all countries are shown below:

```
totalParams <- function(){
  Phi1ByPop <- 100000*totalSum$coefficients[1,1]/sum(PopulationByCountry$pop)
  slope <- 1/(2*totalSum$coefficients[3,1])
  tens <- totalSum$coefficients[2,1]-totalSum$coefficients[3,1]*log(9)
  cat(paste0("Phi1ByPop = ",round(Phi1ByPop,4),"\n"))
  cat(paste0("Slope      = ",round(slope,4),"\n"))
  cat(paste0("Tens        = ",round(tens,4),"\n"))
}
totalParams()
```

```
Phi1ByPop = 5.6829
Slope      = 0.1697
Tens       = 2012.4713
```

For the full set of countries, the model estimates a saturation level of 3.584×10^4 certified green buildings. The inflection point of the growth process is estimated for the year 2018.94. As compared to the individual countries, the overall distribution is more spread out than most of the individual countries. Most likely, this is the effect of the aggregation of countries with different growth trajectories.

6.2 Analysis by countries

Now, we apply the same analysis for each of the countries separately. To prepare the required data, we first count the certificates by country and by year. This data-frame is the basis for the following analyses.

```
byCountryYear <- green %>%
  count(country, CertYear)
```

We create an empty dataframe to collect all the parameter estimates.

```

parameters <- data.frame(country = "TOTAL",
  phi1 = totalSum$coefficients[1,1],
  phi2 = totalSum$coefficients[2,1],
  phi3 = totalSum$coefficients[3,1])

```

To be able to loop over all the countries, we create the following function, which gets the country code and based on that filters the country data, calculates the stock of the green buildings per year, estimates the logistic equation, stores the parameter estimates in a data-frame, and plots the bar chart of the green buildings and the green line of the estimated logistic function.

```

trajectoryByCountry <- function(cntry) {
  byYear <- byCountryYear %>%
    filter(country == cntry)

  byYear$nAggr = sapply(byYear$CertYear, function(x){
    sum(byYear$n[byYear$CertYear <= x])})

  nonlin <- nls(nAggr ~ SSlogis(CertYear, phi_1, phi_2, phi_3), data=byYear)
  reg2 <- summary(nonlin)
  df <- data.frame(country = cntry,
    phi1 = reg2$coefficients[1,1],
    phi2 = reg2$coefficients[2,1],
    phi3 = reg2$coefficients[3,1])

  byYear$fittedNL = fitted(nonlin)
  plot2 <- ggplot(byYear) +
    geom_col(aes(x=CertYear, y=nAggr)) +
    geom_line(aes(x=CertYear, y=fittedNL), color="green") +
    geom_point(aes(x=CertYear, y=fittedNL), color="green") +
    ggtitle(countryNames[cntry])
  return(list(reg2, plot2, df))
}

```

As it turns out, the estimation procedure does not converge for 8 of the 33 the countries. These countries are eliminated from the following analysis. The reason for their exclusion will be discussed below.

```

for (c in countries) {
  if ( c == "CY" | c == "EE" | c == "HR" | c == "IS" | c == "MT" |
    c == "NL" | c == "RS" | c == "SI" ) {

```

```

    next
  }
  out <- trajectoryByCountry(c)
  cat(paste0("\n",countryNames[c]),"\n\n")
  cat("Certified Buildings (STOCK)\n")
  print(out[1])
  print(out[2])
  parameters <- rbind(parameters, data.frame(out[3]))
}

```

Austria

Certified Buildings (STOCK)

[[1]]

Formula: nAggr ~ SSlogis(CertYear, phi_1, phi_2, phi_3)

Parameters:

	Estimate	Std. Error	t value	Pr(> t)	
phi_1	61.5686	7.4990	8.210	5.10e-06	***
phi_2	2017.8853	0.9755	2068.498	< 2e-16	***
phi_3	3.1875	0.4910	6.492	4.48e-05	***

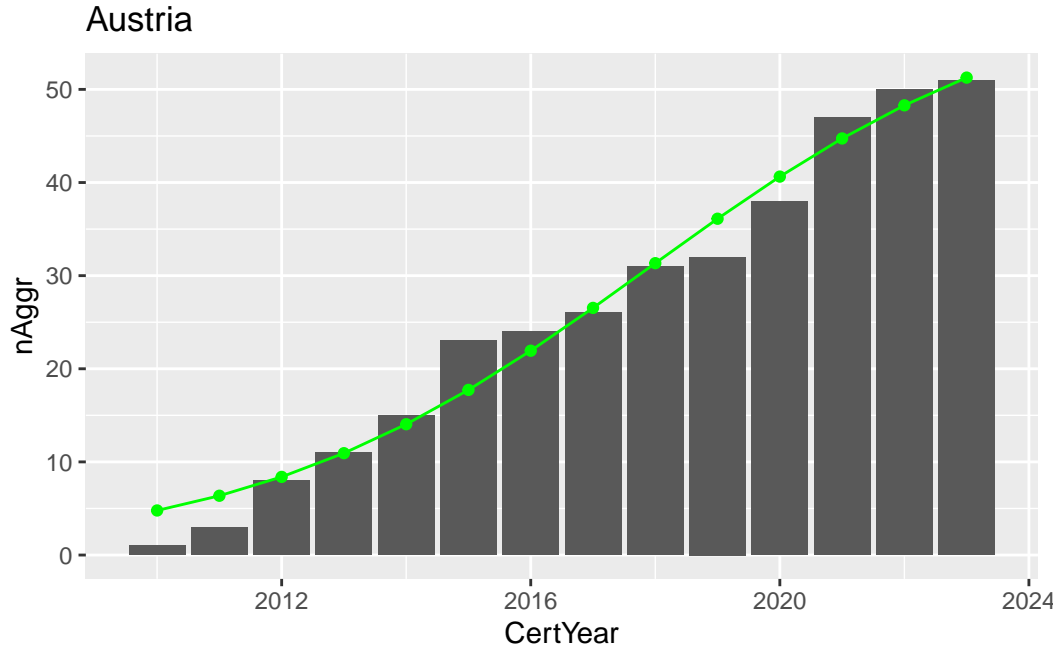
Signif. codes: 0 '***' 0.001 '**' 0.01 '*' 0.05 '.' 0.1 ' ' 1

Residual standard error: 2.879 on 11 degrees of freedom

Number of iterations to convergence: 0

Achieved convergence tolerance: 4.941e-06

[[1]]



Belgium

Certified Buildings (STOCK)
[[1]]

Formula: $nAggr \sim SSlogis(CertYear, \phi_1, \phi_2, \phi_3)$

Parameters:

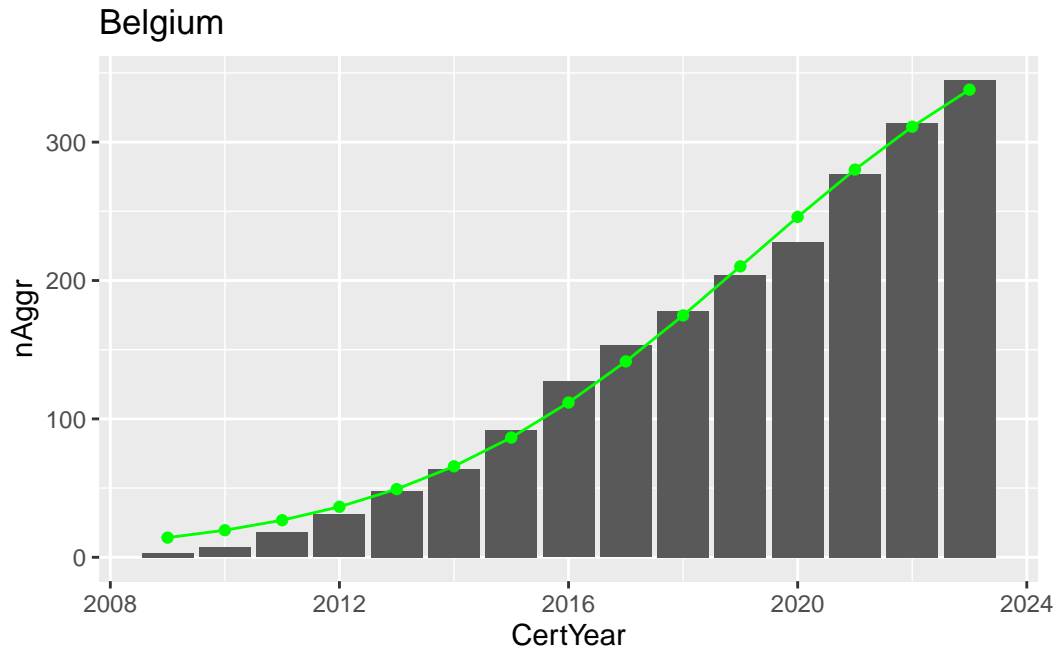
	Estimate	Std. Error	t value	Pr(> t)	
phi_1	432.1417	34.9085	12.38	3.42e-08	***
phi_2	2019.1623	0.5824	3466.87	< 2e-16	***
phi_3	3.0048	0.2459	12.22	3.95e-08	***

Signif. codes: 0 '***' 0.001 '**' 0.01 '*' 0.05 '.' 0.1 ' ' 1

Residual standard error: 10.12 on 12 degrees of freedom

Number of iterations to convergence: 0
Achieved convergence tolerance: 3.849e-06

[[1]]



Bulgaria

Certified Buildings (STOCK)

[[1]]

Formula: $nAggr \sim SSlogis(CertYear, \phi_1, \phi_2, \phi_3)$

Parameters:

	Estimate	Std. Error	t value	Pr(> t)	
phi_1	54.7200	1.4412	37.97	3.83e-12	***
phi_2	2017.7448	0.1644	12273.05	< 2e-16	***
phi_3	2.1317	0.1068	19.97	2.18e-09	***

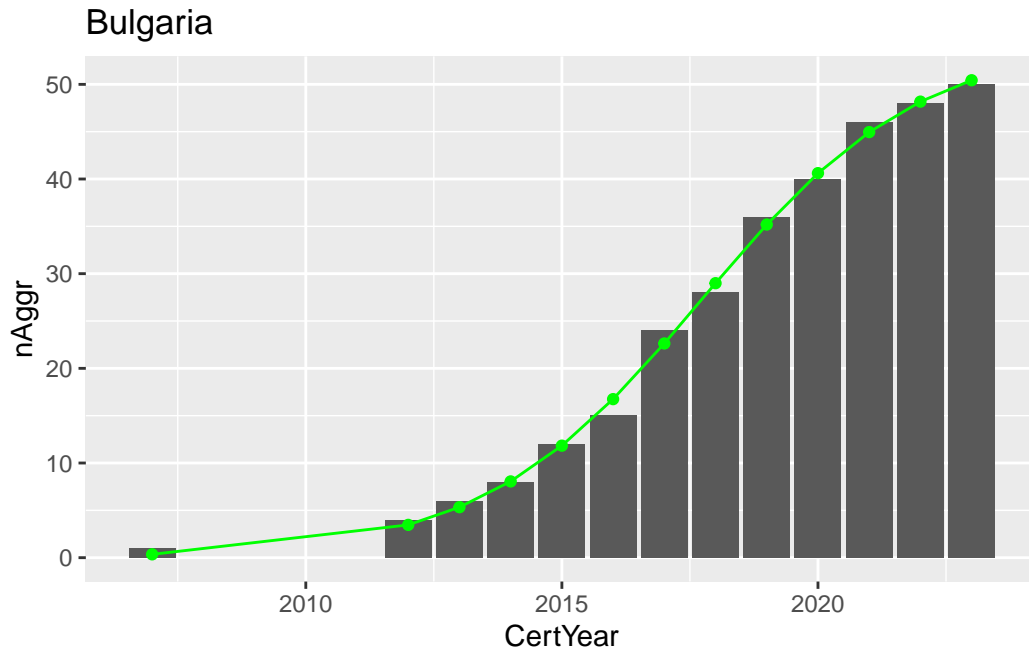
Signif. codes: 0 '***' 0.001 '**' 0.01 '*' 0.05 '.' 0.1 ' ' 1

Residual standard error: 0.9728 on 10 degrees of freedom

Number of iterations to convergence: 0

Achieved convergence tolerance: 8.539e-07

[[1]]



Switzerland

Certified Buildings (STOCK)

[[1]]

Formula: nAggr ~ SSlogis(CertYear, phi_1, phi_2, phi_3)

Parameters:

	Estimate	Std. Error	t value	Pr(> t)	
phi_1	76.0368	3.0384	25.02	2.38e-10	***
phi_2	2018.6618	0.2591	7792.31	< 2e-16	***
phi_3	2.4886	0.1331	18.70	4.13e-09	***

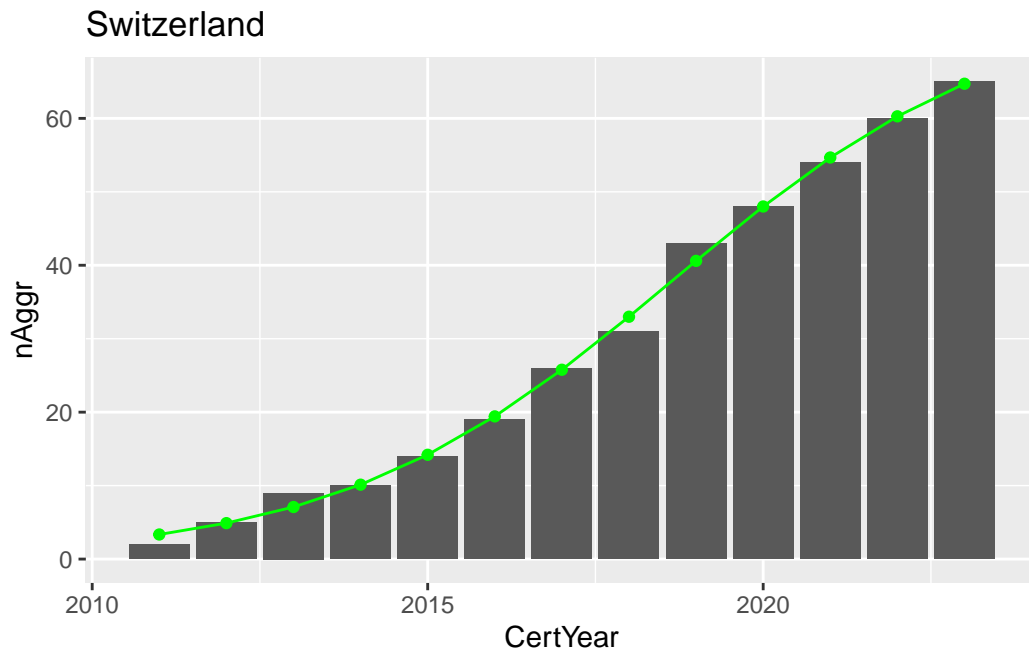
Signif. codes: 0 '***' 0.001 '**' 0.01 '*' 0.05 '.' 0.1 ' ' 1

Residual standard error: 1.269 on 10 degrees of freedom

Number of iterations to convergence: 0

Achieved convergence tolerance: 2.625e-07

[[1]]



Czech Republic

Certified Buildings (STOCK)

[[1]]

Formula: nAggr ~ SSlogis(CertYear, phi_1, phi_2, phi_3)

Parameters:

	Estimate	Std. Error	t value	Pr(> t)	
phi_1	297.5600	25.9227	11.479	1.83e-07	***
phi_2	2018.6343	0.5858	3445.756	< 2e-16	***
phi_3	2.6124	0.2903	8.999	2.10e-06	***

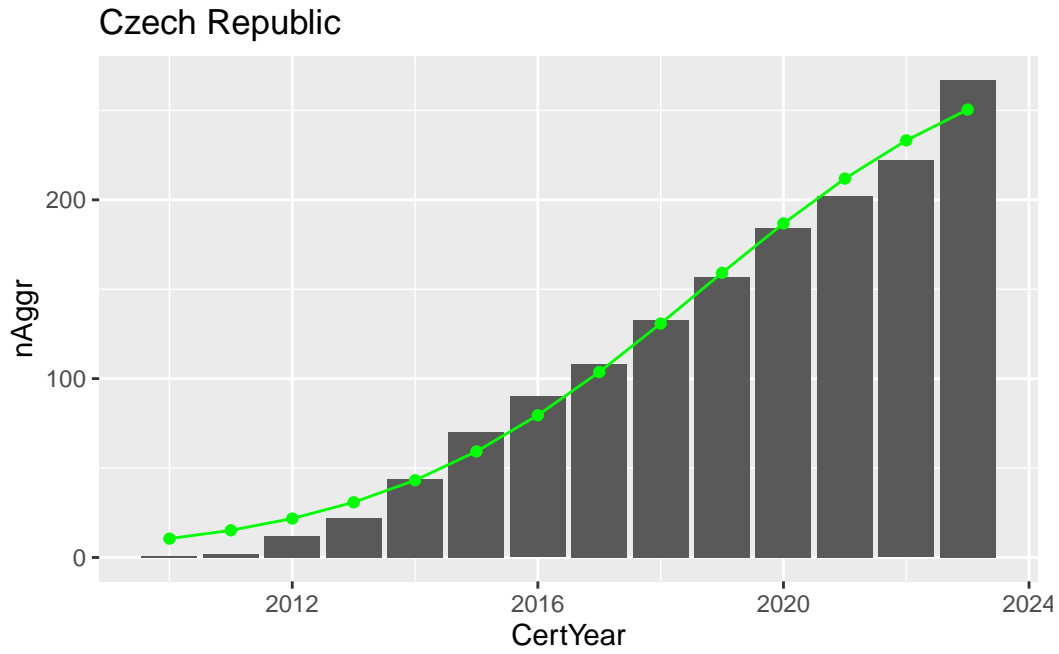
Signif. codes: 0 '***' 0.001 '**' 0.01 '*' 0.05 '.' 0.1 ' ' 1

Residual standard error: 10.43 on 11 degrees of freedom

Number of iterations to convergence: 0

Achieved convergence tolerance: 9.028e-07

[[1]]



Germany

Certified Buildings (STOCK)

[[1]]

Formula: $nAggr \sim SSlogis(CertYear, \phi_1, \phi_2, \phi_3)$

Parameters:

Estimate Std. Error t value Pr(>|t|)

```

phi_1 398.7815    19.4930    20.46 1.07e-10 ***
phi_2 2016.9225     0.3537 5702.90 < 2e-16 ***
phi_3   2.4699     0.2226    11.09 1.15e-07 ***

```

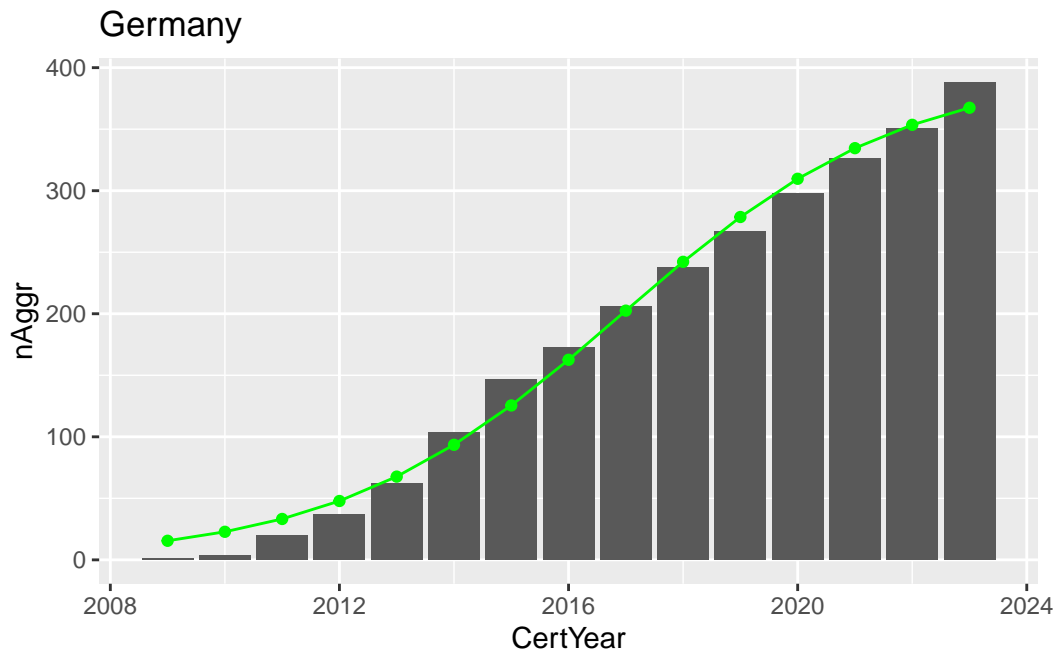
Signif. codes: 0 '***' 0.001 '**' 0.01 '*' 0.05 '.' 0.1 ' ' 1

Residual standard error: 14.07 on 12 degrees of freedom

Number of iterations to convergence: 1

Achieved convergence tolerance: 2.978e-06

[[1]]



Denmark

Certified Buildings (STOCK)

[[1]]

Formula: nAggr ~ SSlogis(CertYear, phi_1, phi_2, phi_3)

Parameters:

	Estimate	Std. Error	t value	Pr(> t)	
phi_1	28.5638	1.3512	21.14	1.33e-07	***
phi_2	2015.8916	0.2572	7838.83	< 2e-16	***
phi_3	1.9123	0.1801	10.62	1.44e-05	***

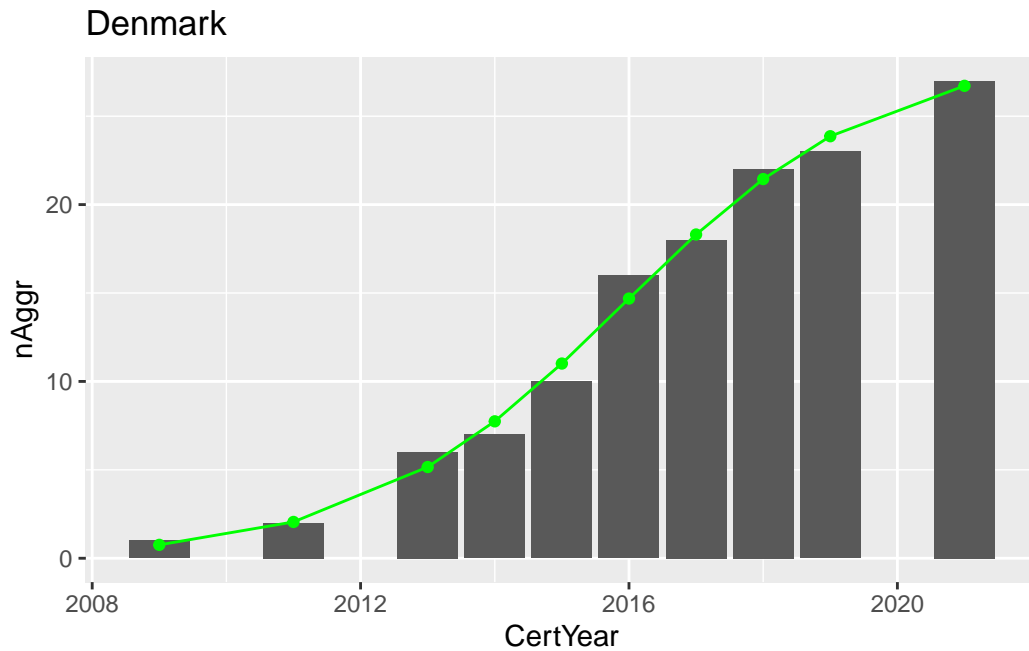
Signif. codes: 0 '***' 0.001 '**' 0.01 '*' 0.05 '.' 0.1 ' ' 1

Residual standard error: 0.8705 on 7 degrees of freedom

Number of iterations to convergence: 1

Achieved convergence tolerance: 7.089e-06

[[1]]



Spain

Certified Buildings (STOCK)

[[1]]

Formula: nAggr ~ SSlogis(CertYear, phi_1, phi_2, phi_3)

Parameters:

	Estimate	Std. Error	t value	Pr(> t)	
phi_1	8014.5408	2440.0484	3.285	0.00592	**
phi_2	2024.3411	1.0510	1926.079	< 2e-16	***
phi_3	2.1052	0.1607	13.102	7.24e-09	***

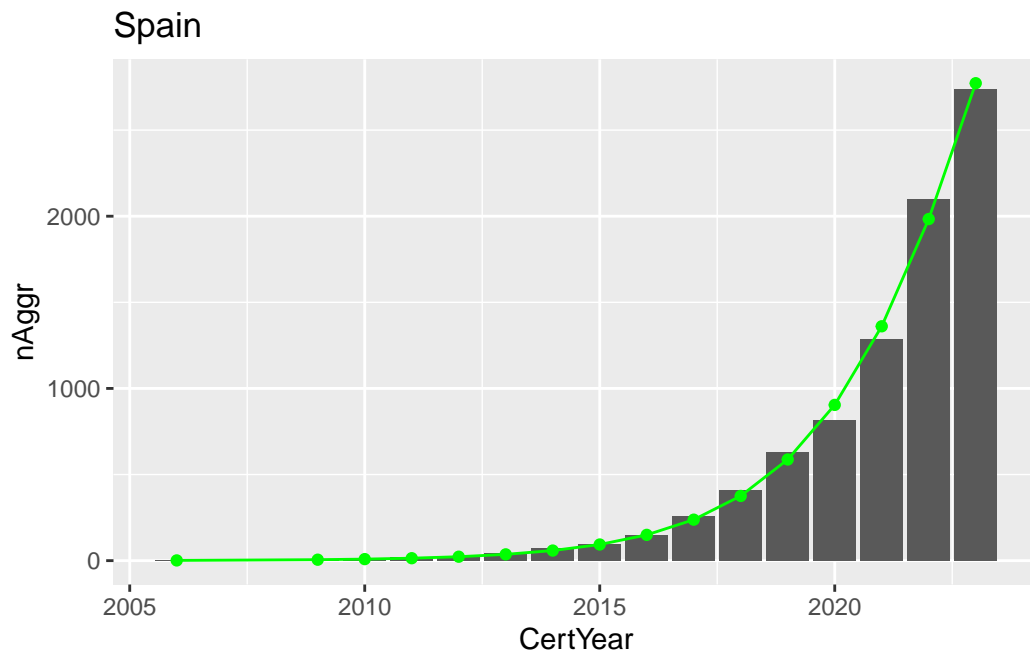
Signif. codes: 0 '***' 0.001 '**' 0.01 '*' 0.05 '.' 0.1 ' ' 1

Residual standard error: 48.89 on 13 degrees of freedom

Number of iterations to convergence: 1

Achieved convergence tolerance: 1.403e-06

[[1]]



Finland

Certified Buildings (STOCK)

[[1]]

Formula: nAggr ~ SSlogis(CertYear, phi_1, phi_2, phi_3)

Parameters:

	Estimate	Std. Error	t value	Pr(> t)	
phi_1	454.0996	22.5202	20.16	1.27e-10	***
phi_2	2017.7956	0.3484	5791.09	< 2e-16	***
phi_3	2.5747	0.1932	13.33	1.49e-08	***

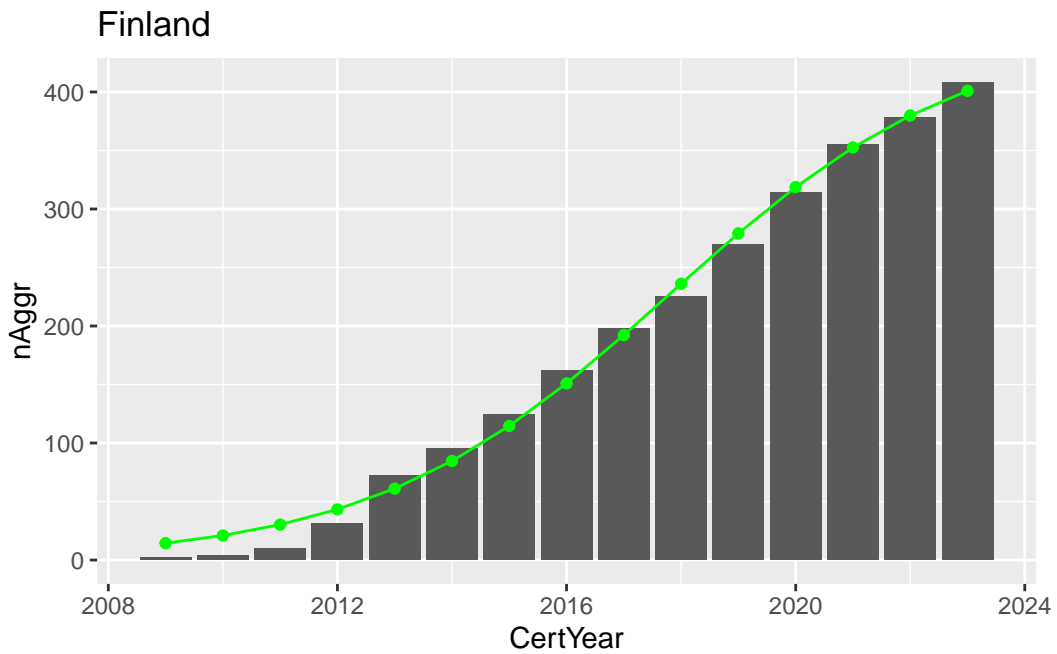
Signif. codes: 0 '***' 0.001 '**' 0.01 '*' 0.05 '.' 0.1 ' ' 1

Residual standard error: 12.12 on 12 degrees of freedom

Number of iterations to convergence: 0

Achieved convergence tolerance: 2.808e-06

[[1]]



France

Certified Buildings (STOCK)

[[1]]

Formula: nAggr ~ SSlogis(CertYear, phi_1, phi_2, phi_3)

Parameters:

	Estimate	Std. Error	t value	Pr(> t)	
phi_1	3461.4082	247.0853	14.01	8.47e-09	***
phi_2	2021.0063	0.4188	4826.12	< 2e-16	***
phi_3	2.6875	0.1379	19.48	1.89e-10	***

Signif. codes: 0 '***' 0.001 '**' 0.01 '*' 0.05 '.' 0.1 ' ' 1

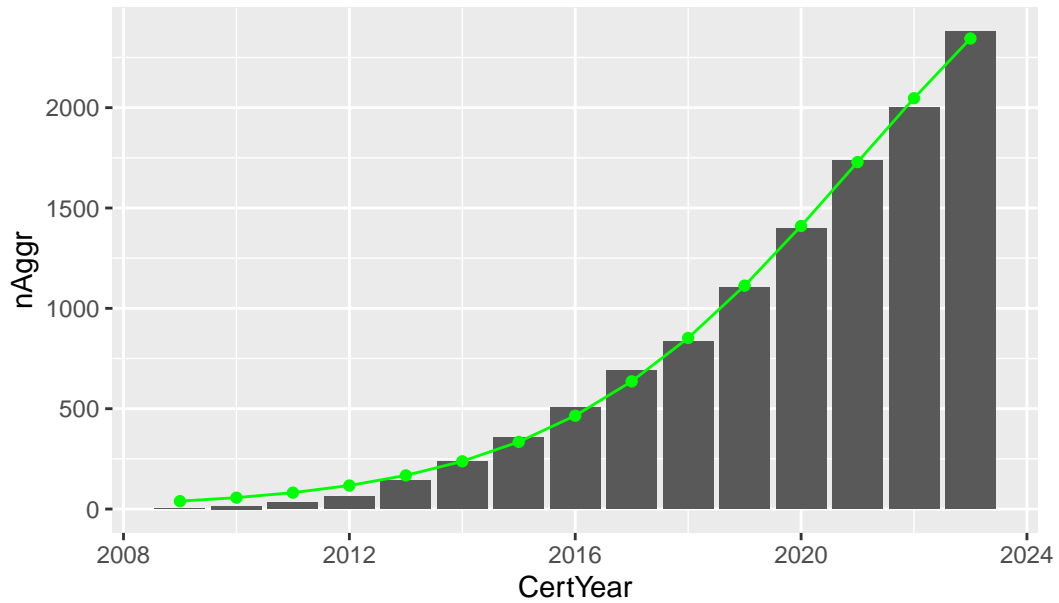
Residual standard error: 39.02 on 12 degrees of freedom

Number of iterations to convergence: 0

Achieved convergence tolerance: 6.629e-06

[[1]]

France



Great Britain

Certified Buildings (STOCK)
[[1]]

Formula: $nAggr \sim SSlogis(CertYear, \phi_1, \phi_2, \phi_3)$

Parameters:

	Estimate	Std. Error	t value	Pr(> t)	
phi_1	1.592e+04	4.761e+02	33.44	3.25e-13	***
phi_2	2.016e+03	2.174e-01	9274.40	< 2e-16	***
phi_3	2.244e+00	1.548e-01	14.50	5.73e-09	***

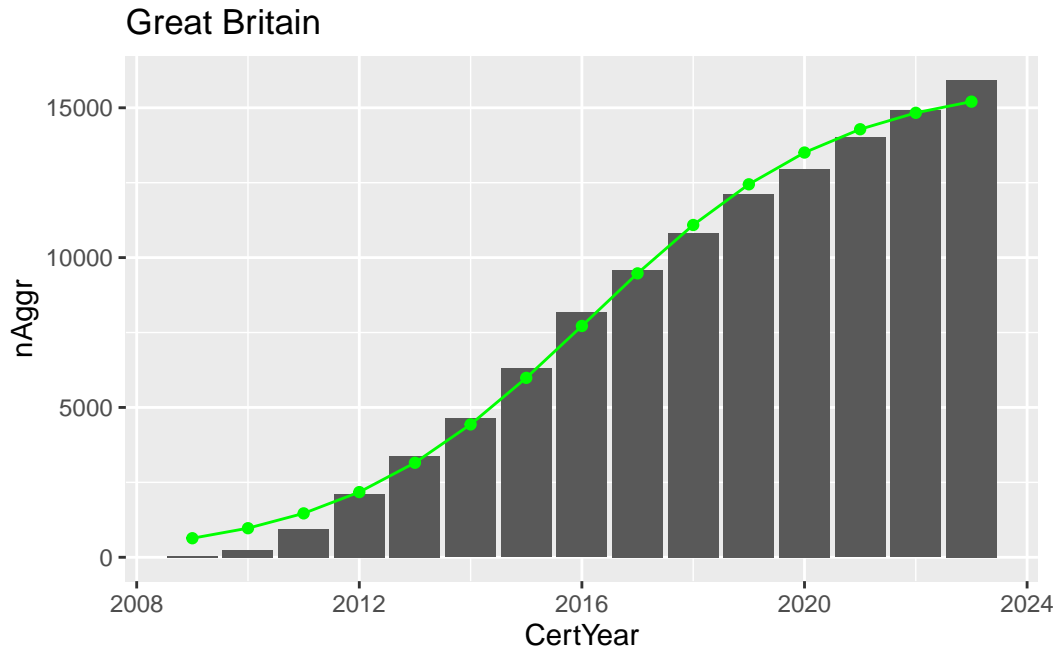
Signif. codes: 0 '***' 0.001 '**' 0.01 '*' 0.05 '.' 0.1 ' ' 1

Residual standard error: 468.5 on 12 degrees of freedom

Number of iterations to convergence: 0

Achieved convergence tolerance: 8e-06

[[1]]



Greece

Certified Buildings (STOCK)

[[1]]

Formula: $nAggr \sim SSlogis(CertYear, \phi_1, \phi_2, \phi_3)$

Parameters:

	Estimate	Std. Error	t value	Pr(> t)	
phi_1	42.6452	4.8176	8.852	9.78e-06	***
phi_2	2019.6693	0.7482	2699.526	< 2e-16	***
phi_3	2.8039	0.3149	8.905	9.31e-06	***

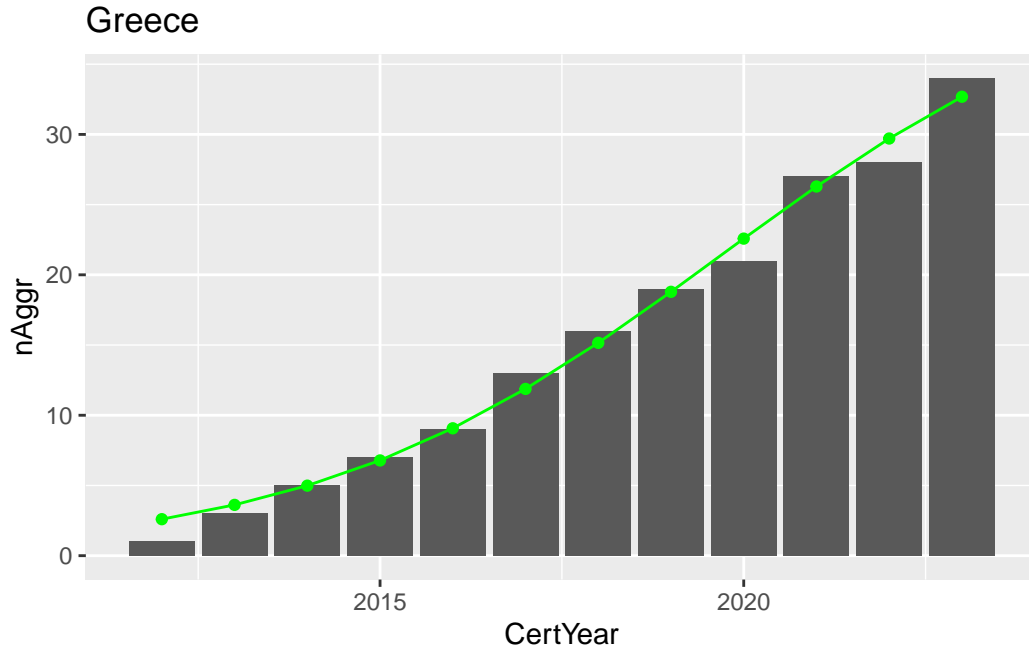
Signif. codes: 0 '***' 0.001 '**' 0.01 '*' 0.05 '.' 0.1 ' ' 1

Residual standard error: 1.186 on 9 degrees of freedom

Number of iterations to convergence: 0

Achieved convergence tolerance: 4.802e-06

[[1]]



Hungary

Certified Buildings (STOCK)

[[1]]

Formula: nAggr ~ SSlogis(CertYear, phi_1, phi_2, phi_3)

Parameters:

	Estimate	Std. Error	t value	Pr(> t)	
phi_1	281.0927	34.9492	8.043	6.21e-06	***
phi_2	2021.0693	0.8879	2276.151	< 2e-16	***
phi_3	3.4010	0.2712	12.540	7.39e-08	***

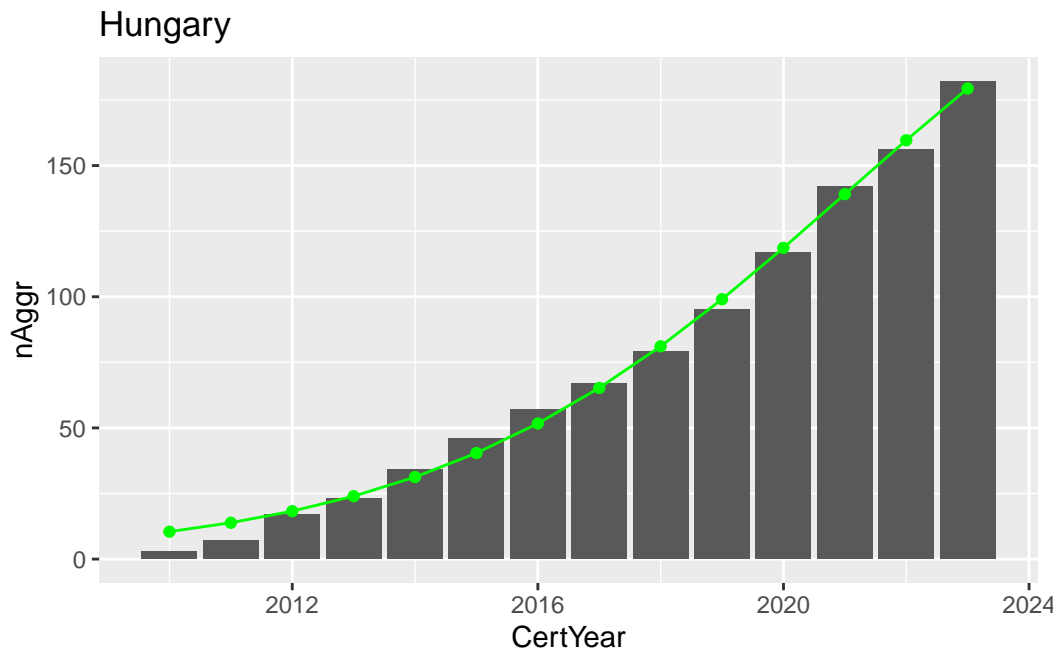
Signif. codes: 0 '***' 0.001 '**' 0.01 '*' 0.05 '.' 0.1 ' ' 1

Residual standard error: 4.543 on 11 degrees of freedom

Number of iterations to convergence: 0

Achieved convergence tolerance: 5.113e-06

[[1]]



Ireland

Certified Buildings (STOCK)

[[1]]

Formula: nAggr ~ SSlogis(CertYear, phi_1, phi_2, phi_3)

Parameters:

	Estimate	Std. Error	t value	Pr(> t)	
phi_1	2.807e+02	1.209e+01	23.23	1.07e-10	***
phi_2	2.021e+03	2.174e-01	9294.62	< 2e-16	***
phi_3	2.120e+00	8.807e-02	24.07	7.27e-11	***

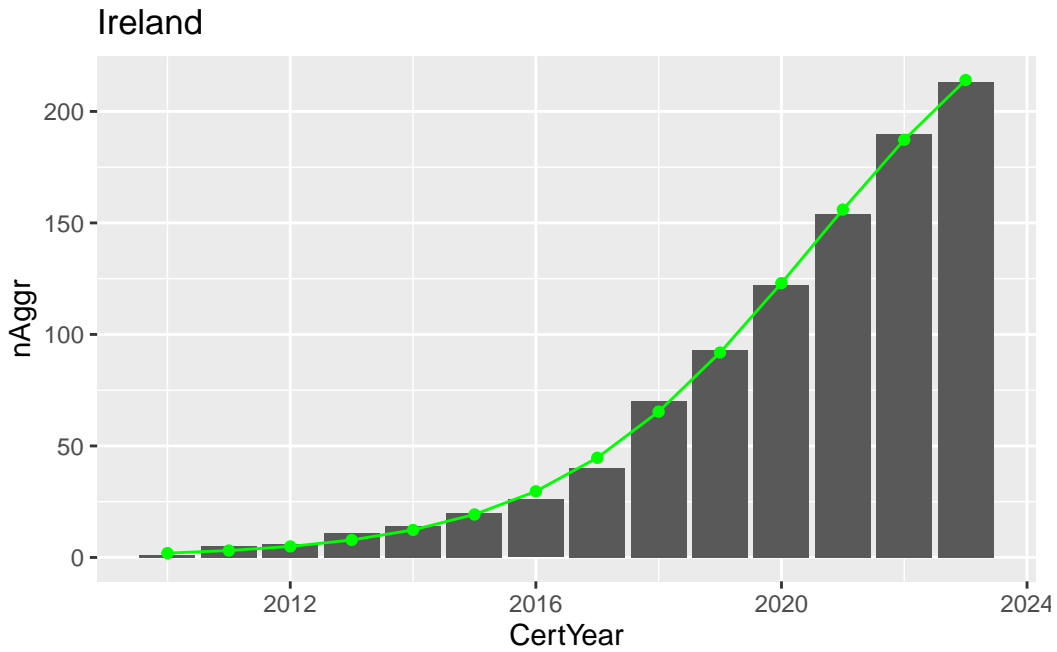
Signif. codes: 0 '***' 0.001 '**' 0.01 '*' 0.05 '.' 0.1 ' ' 1

Residual standard error: 2.87 on 11 degrees of freedom

Number of iterations to convergence: 0

Achieved convergence tolerance: 8.055e-06

[[1]]



Italy

Certified Buildings (STOCK)

[[1]]

Formula: nAggr ~ SSlogis(CertYear, phi_1, phi_2, phi_3)

Parameters:

Estimate	Std. Error	t value	Pr(> t)
----------	------------	---------	----------

```

phi_1 960.5215 143.2141 6.707 9.99e-06 ***
phi_2 2022.6996 0.9375 2157.483 < 2e-16 ***
phi_3 3.3106 0.2170 15.258 4.06e-10 ***

```

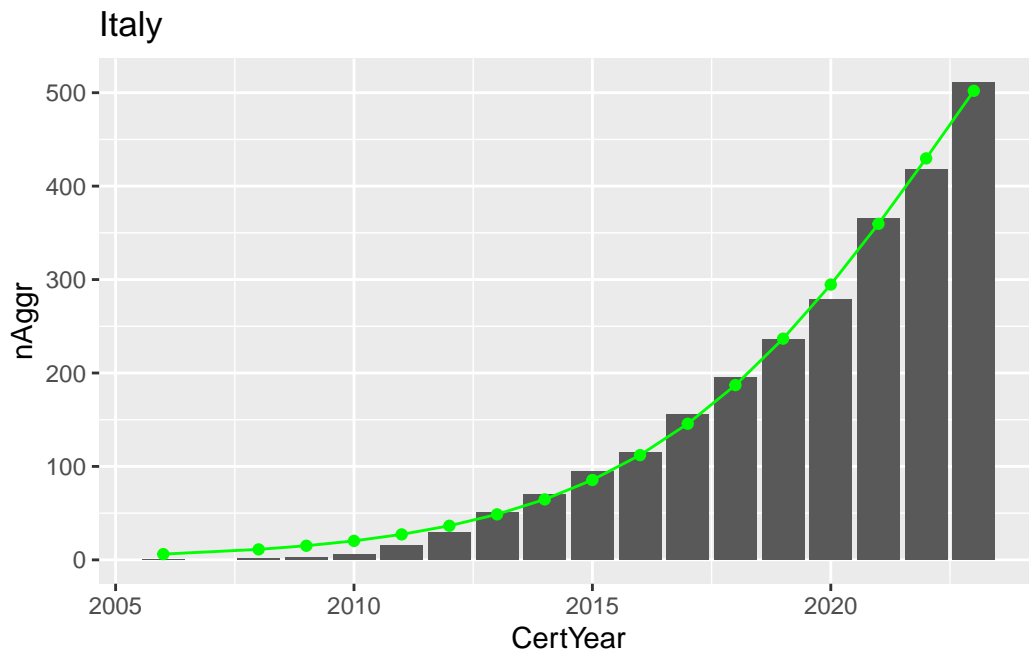
Signif. codes: 0 '***' 0.001 '**' 0.01 '*' 0.05 '.' 0.1 ' ' 1

Residual standard error: 10.21 on 14 degrees of freedom

Number of iterations to convergence: 0

Achieved convergence tolerance: 8.285e-06

[[1]]



Lithuania

Certified Buildings (STOCK)

[[1]]

Formula: nAggr ~ SSlogis(CertYear, phi_1, phi_2, phi_3)

Parameters:

	Estimate	Std. Error	t value	Pr(> t)	
phi_1	94.2928	4.2677	22.09	5.62e-07	***
phi_2	2019.7192	0.2075	9735.87	< 2e-16	***
phi_3	1.6787	0.1181	14.21	7.59e-06	***

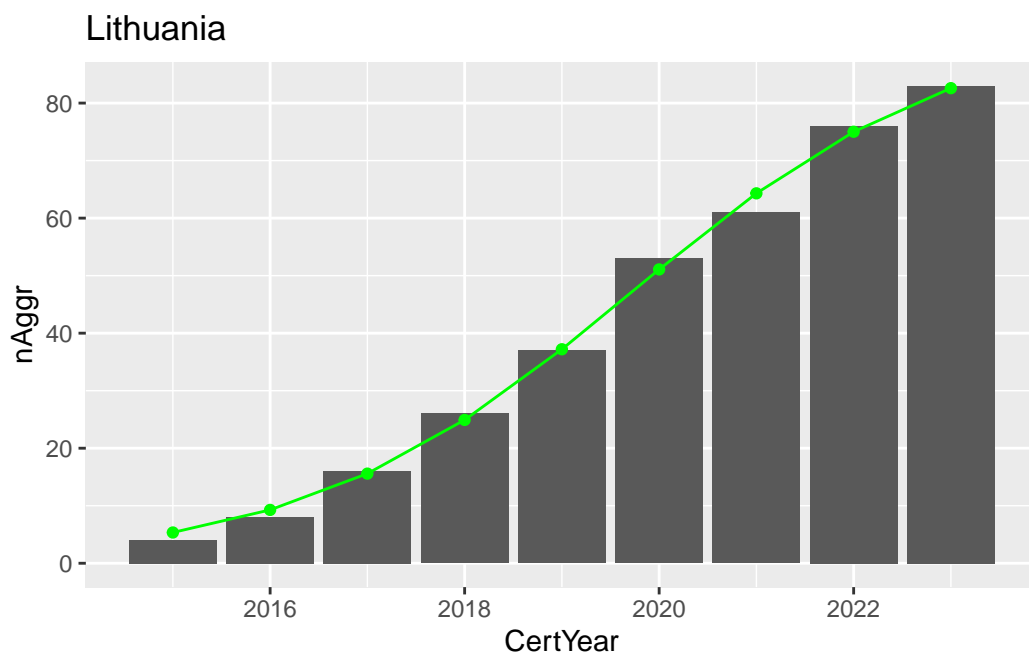
Signif. codes: 0 '***' 0.001 '**' 0.01 '*' 0.05 '.' 0.1 ' ' 1

Residual standard error: 1.853 on 6 degrees of freedom

Number of iterations to convergence: 0

Achieved convergence tolerance: 3.649e-07

[[1]]



Luxembourg

Certified Buildings (STOCK)

[[1]]

Formula: nAggr ~ SSlogis(CertYear, phi_1, phi_2, phi_3)

Parameters:

	Estimate	Std. Error	t value	Pr(> t)	
phi_1	184.578	27.656	6.674	5.54e-05	***
phi_2	2020.741	1.033	1956.783	< 2e-16	***
phi_3	3.188	0.342	9.324	3.01e-06	***

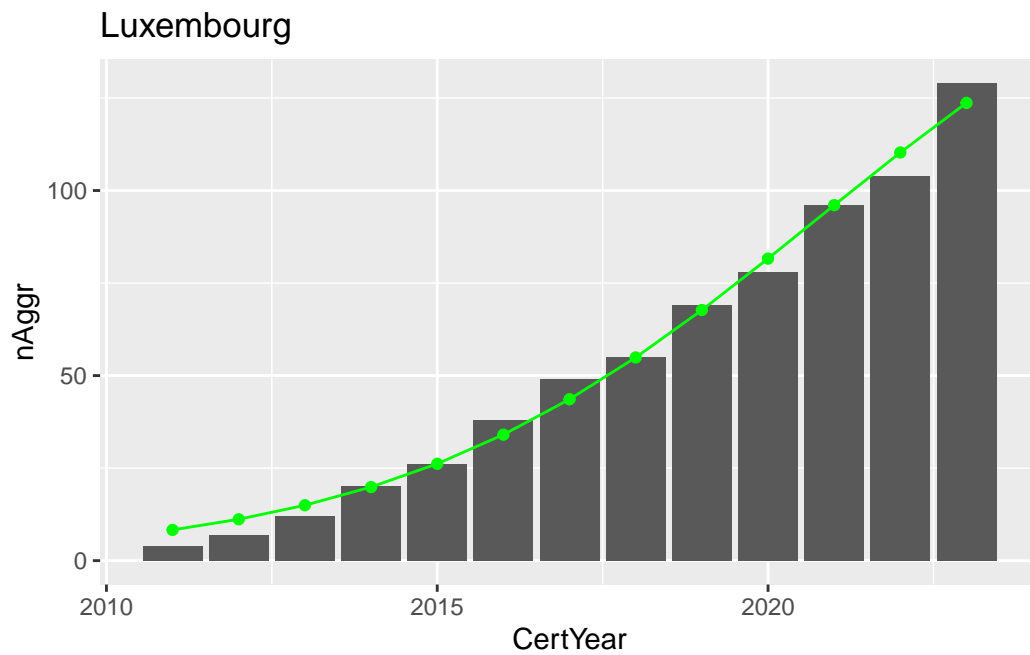
Signif. codes: 0 '***' 0.001 '**' 0.01 '*' 0.05 '.' 0.1 ' ' 1

Residual standard error: 4.149 on 10 degrees of freedom

Number of iterations to convergence: 0

Achieved convergence tolerance: 1.359e-06

[[1]]



Latvia

Certified Buildings (STOCK)

[[1]]

Formula: nAggr ~ SSlogis(CertYear, phi_1, phi_2, phi_3)

Parameters:

	Estimate	Std. Error	t value	Pr(> t)	
phi_1	58.7439	24.4767	2.40	0.05330	.
phi_2	2022.1536	2.1553	938.24	< 2e-16	***
phi_3	2.5534	0.6138	4.16	0.00594	**

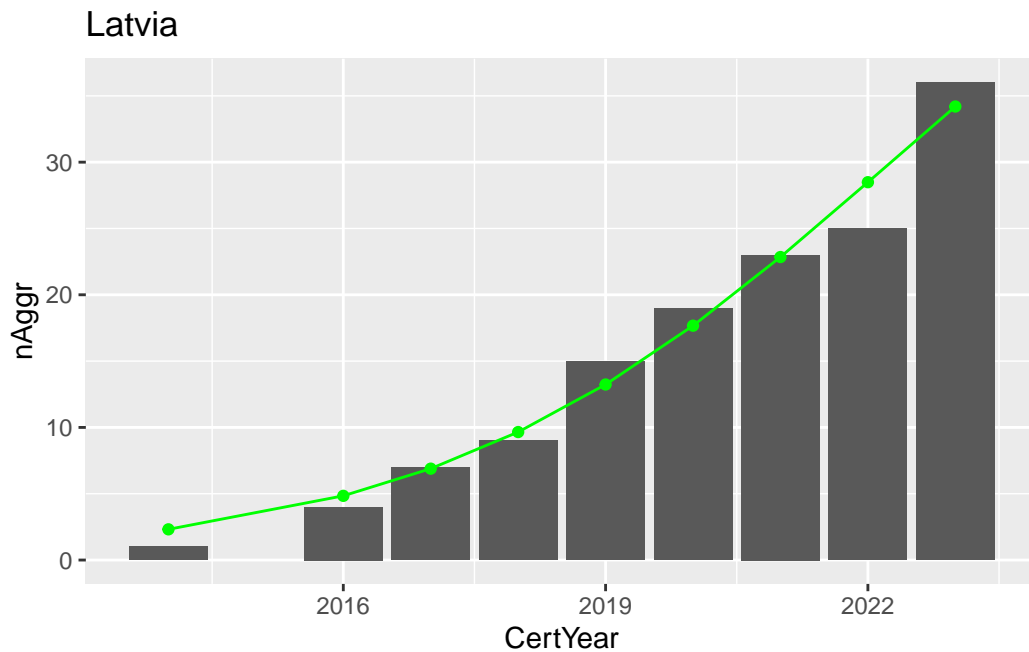
Signif. codes: 0 '***' 0.001 '**' 0.01 '*' 0.05 '.' 0.1 ' ' 1

Residual standard error: 1.967 on 6 degrees of freedom

Number of iterations to convergence: 0

Achieved convergence tolerance: 1.648e-06

[[1]]



Norway

Certified Buildings (STOCK)

[[1]]

Formula: nAggr ~ SSlogis(CertYear, phi_1, phi_2, phi_3)

Parameters:

	Estimate	Std. Error	t value	Pr(> t)	
phi_1	242.0613	13.7008	17.668	7.19e-09	***
phi_2	2017.1486	0.3350	6021.403	< 2e-16	***
phi_3	1.6746	0.2516	6.657	5.66e-05	***

Signif. codes: 0 '***' 0.001 '**' 0.01 '*' 0.05 '.' 0.1 ' ' 1

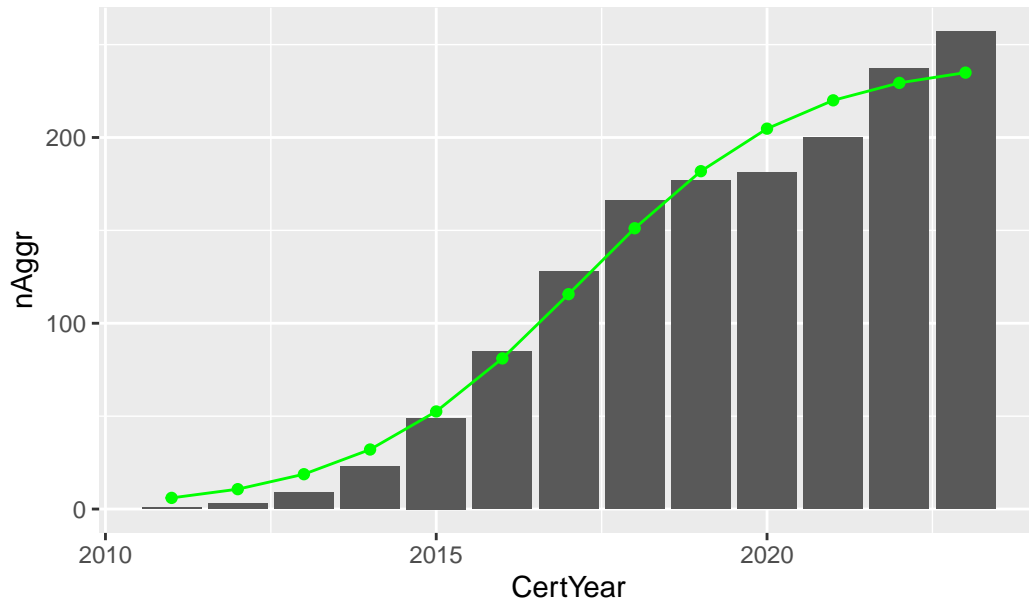
Residual standard error: 14.81 on 10 degrees of freedom

Number of iterations to convergence: 0

Achieved convergence tolerance: 5.778e-06

[[1]]

Norway



Poland

Certified Buildings (STOCK)
[[1]]

Formula: $nAggr \sim SSlogis(CertYear, \phi_1, \phi_2, \phi_3)$

Parameters:

	Estimate	Std. Error	t value	Pr(> t)	
phi_1	1974.0715	212.3291	9.297	1.52e-06	***
phi_2	2021.4071	0.6494	3112.930	< 2e-16	***
phi_3	2.8742	0.1952	14.721	1.39e-08	***

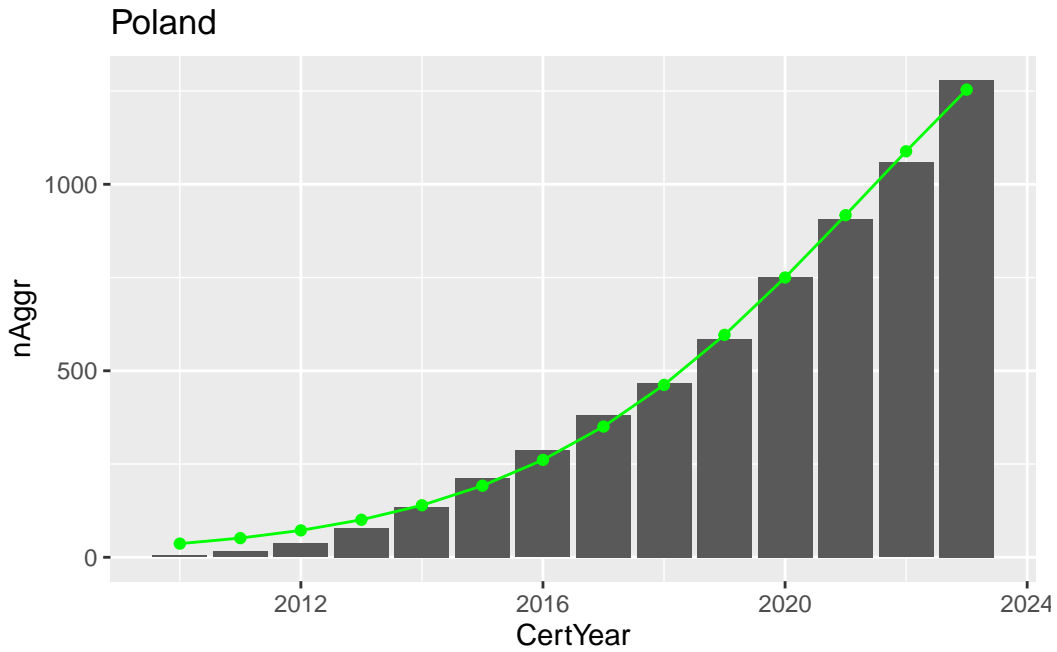
Signif. codes: 0 '***' 0.001 '**' 0.01 '*' 0.05 '.' 0.1 ' ' 1

Residual standard error: 26.76 on 11 degrees of freedom

Number of iterations to convergence: 0

Achieved convergence tolerance: 1.188e-06

```
[[1]]
```



Portugal

Certified Buildings (STOCK)

```
[[1]]
```

Formula: nAggr ~ SSlogis(CertYear, phi_1, phi_2, phi_3)

Parameters:

	Estimate	Std. Error	t value	Pr(> t)	
phi_1	55.1096	10.4333	5.282	0.000506	***
phi_2	2020.7321	0.8518	2372.323	< 2e-16	***
phi_3	1.8685	0.3654	5.114	0.000633	***

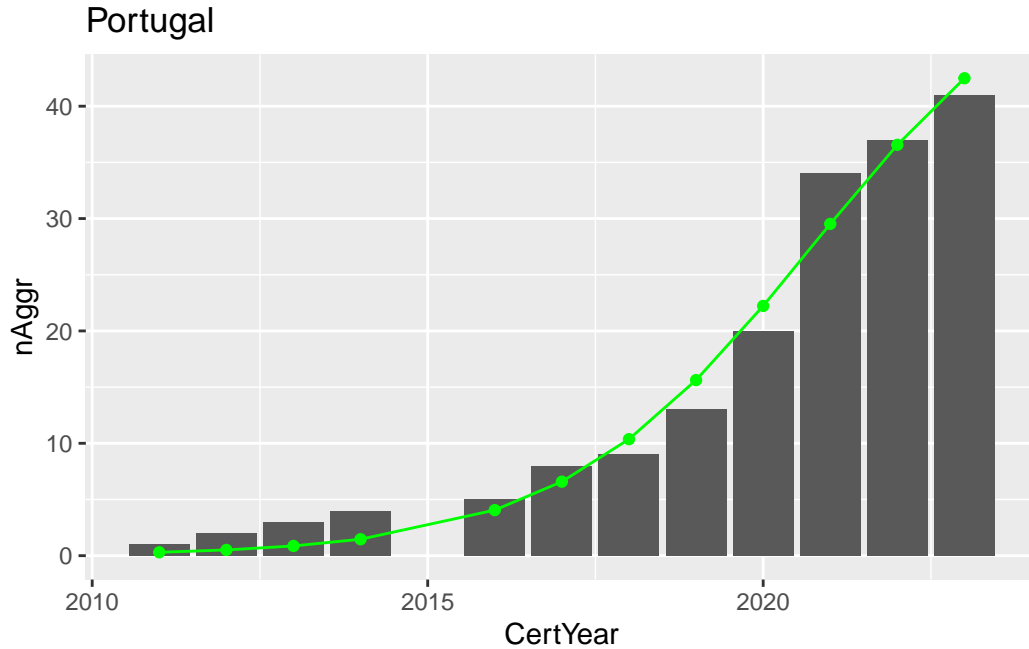
Signif. codes: 0 '***' 0.001 '**' 0.01 '*' 0.05 '.' 0.1 ' ' 1

Residual standard error: 2.421 on 9 degrees of freedom

Number of iterations to convergence: 0

Achieved convergence tolerance: 9.104e-06

[[1]]



Romania

Certified Buildings (STOCK)

[[1]]

Formula: $nAggr \sim SSlogis(CertYear, \phi_1, \phi_2, \phi_3)$

Parameters:

	Estimate	Std. Error	t value	Pr(> t)	
phi_1	279.3309	17.8569	15.64	7.32e-09	***
phi_2	2019.8626	0.3755	5379.68	< 2e-16	***
phi_3	2.4227	0.1601	15.13	1.04e-08	***

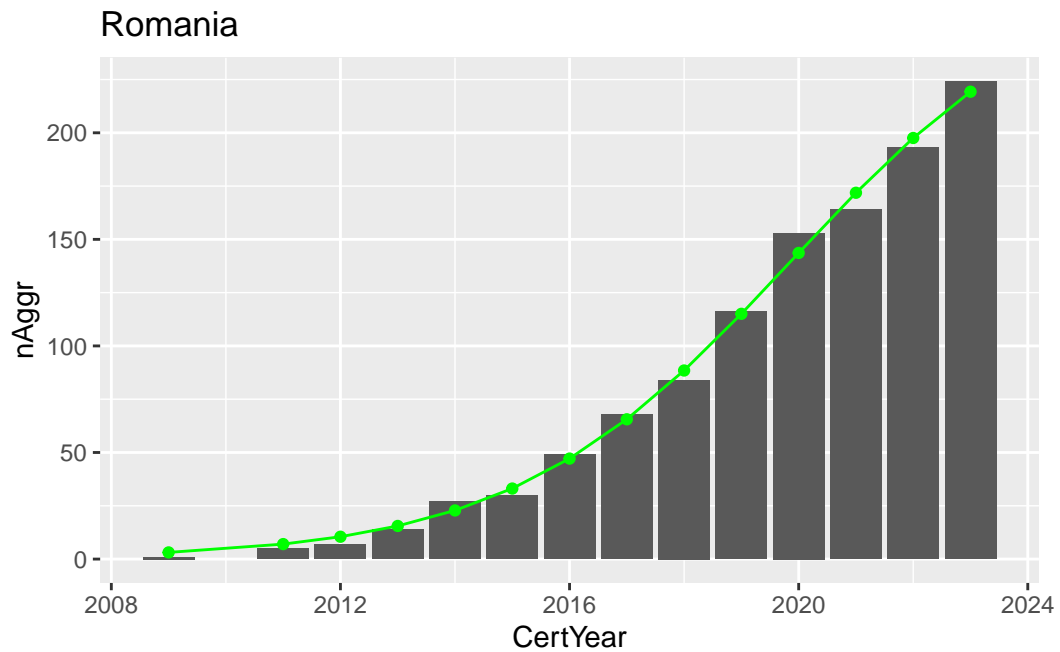
Signif. codes: 0 '***' 0.001 '**' 0.01 '*' 0.05 '.' 0.1 ' ' 1

Residual standard error: 4.983 on 11 degrees of freedom

Number of iterations to convergence: 0

Achieved convergence tolerance: 8.057e-07

[[1]]



Sweden

Certified Buildings (STOCK)

[[1]]

Formula: nAggr ~ SSlogis(CertYear, phi_1, phi_2, phi_3)

Parameters:

	Estimate	Std. Error	t value	Pr(> t)	
phi_1	443.4380	25.6124	17.31	2.5e-09	***
phi_2	2017.4270	0.4008	5034.02	< 2e-16	***
phi_3	2.4404	0.2431	10.04	7.1e-07	***

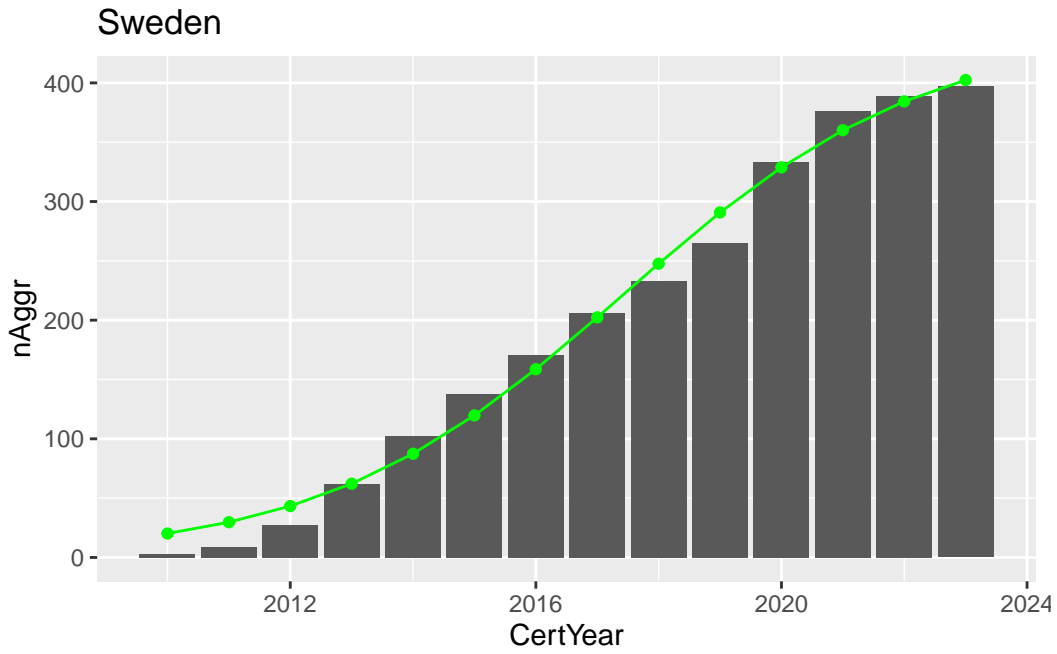
Signif. codes: 0 '***' 0.001 '**' 0.01 '*' 0.05 '.' 0.1 ' ' 1

Residual standard error: 16.24 on 11 degrees of freedom

Number of iterations to convergence: 1

Achieved convergence tolerance: 1.826e-06

[[1]]



Slovakia

Certified Buildings (STOCK)

[[1]]

Formula: nAggr ~ SSlogis(CertYear, phi_1, phi_2, phi_3)

Parameters:

Estimate Std. Error t value Pr(>|t|)

```

phi_1  85.7769    6.2093   13.814 7.28e-07 ***
phi_2 2017.7766    0.4255 4741.848 < 2e-16 ***
phi_3   1.9371    0.2973    6.516 0.000185 ***

```

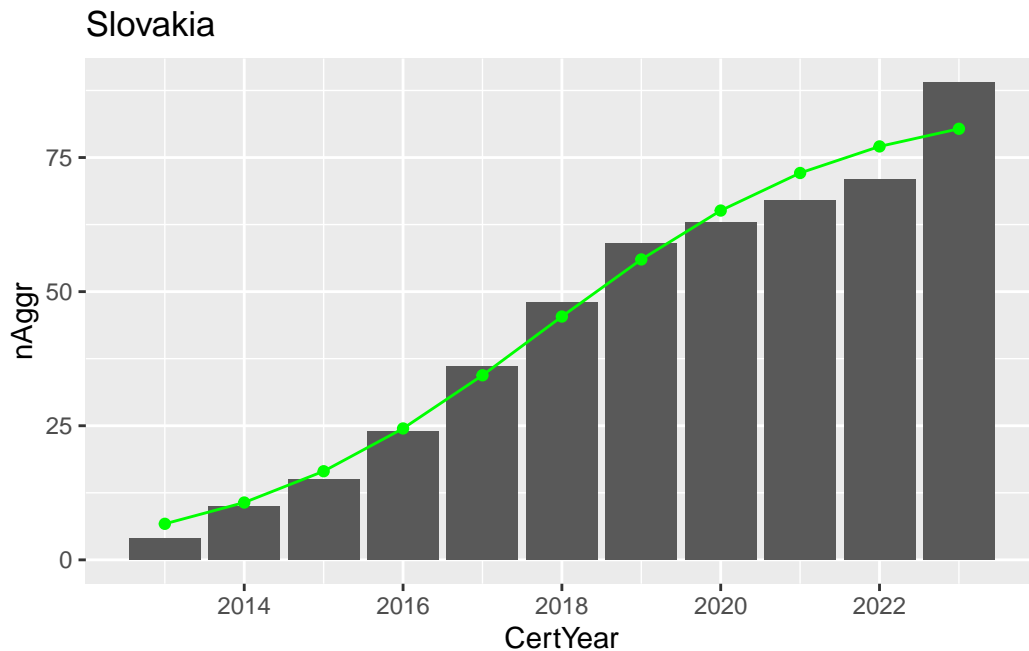
Signif. codes: 0 '***' 0.001 '**' 0.01 '*' 0.05 '.' 0.1 ' ' 1

Residual standard error: 4.625 on 8 degrees of freedom

Number of iterations to convergence: 0

Achieved convergence tolerance: 3.652e-06

[[1]]



Turkije

Certified Buildings (STOCK)

[[1]]

Formula: nAggr ~ SSlogis(CertYear, phi_1, phi_2, phi_3)

Parameters:

	Estimate	Std. Error	t value	Pr(> t)	
phi_1	2.070e+02	3.545e+00	58.41	4.58e-15	***
phi_2	2.017e+03	1.139e-01	17707.25	< 2e-16	***
phi_3	1.997e+00	8.373e-02	23.85	8.01e-11	***

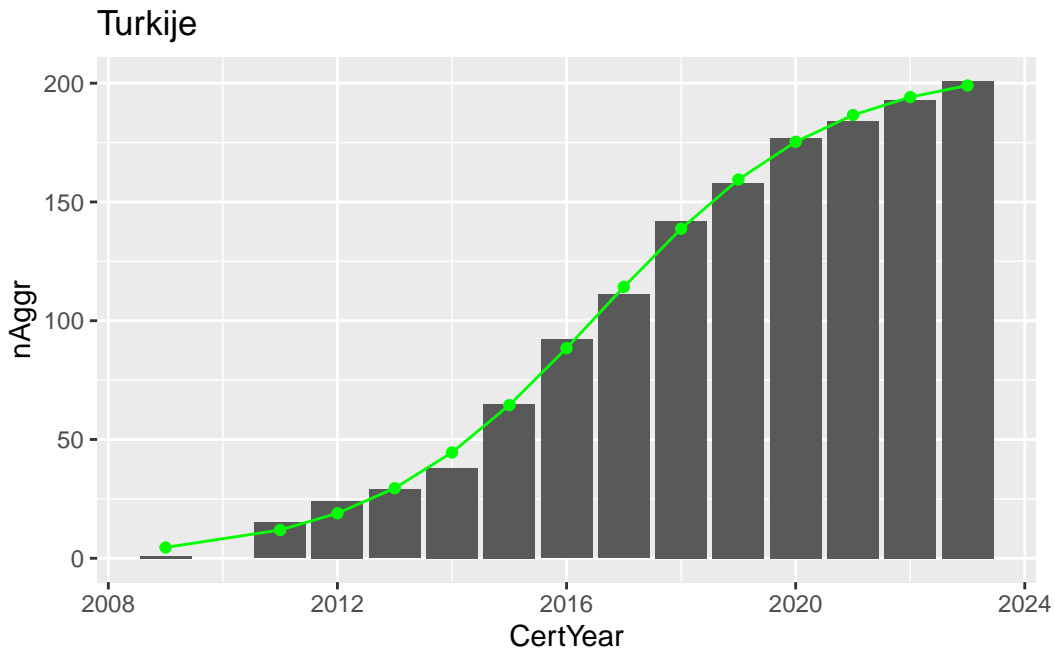
Signif. codes: 0 '***' 0.001 '**' 0.01 '*' 0.05 '.' 0.1 ' ' 1

Residual standard error: 3.586 on 11 degrees of freedom

Number of iterations to convergence: 1

Achieved convergence tolerance: 1.151e-06

[[1]]



6.2.1 Excluded Countries

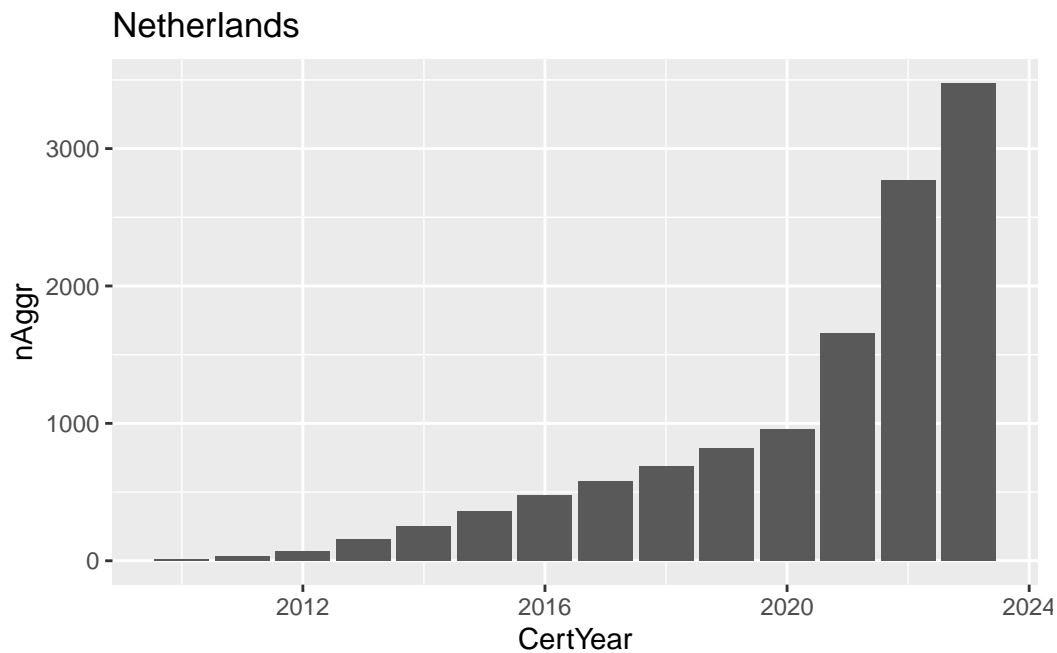
The countries “Cyprus”, “Estonia”, “Croatia”, “Iceland”, “Malta”, “Serbia”, and “Slovenia” all had fewer than 30 certified buildings. This turns out to be too few observations for the estimation and we had to skip these countries. A special case is “The Netherlands”. With 3475

this country has a substantial number of certified green buildings. The plot, however shows that up to 2020, the increase is fairly moderate. After 2020, the numbers increase much more strongly. When we try to estimate a logistic curve for the Netherlands, the procedure fails. The parameter estimates do not converge but grow beyond bounds. We can only estimate two of the three parameters and have to fix the third one.

```
byYear <- byCountryYear %>%
  filter(country == "NL")
byYear$nAggr = sapply(byYear$CertYear, function(x){
  sum(byYear$n[byYear$CertYear <= x])})

nonlinNL <- nls(nAggr ~ 3407*(1/(1+exp((phi2-CertYear)/phi3))),start = list(phi2=2024, phi3=
sum <- summary(nonlinNL)

byYear$fittedNL = fitted(nonlinNL)
ggplot(byYear) +
  geom_col(aes(x=CertYear,y=nAggr)) +
  ggtitle(countryNames["NL"])
```



When we split the dataset into two period, before 2018 and 2018 and later, the model converges for each of the periods:


```

byYear <- byCountryYear %>%
  filter(country == "NL") %>%
  filter(CertYear < 2018)
byYear$nAggr = sapply(byYear$CertYear, function(x){
  sum(byYear$n[byYear$CertYear <= x])})

nonlinNL <- nls(nAggr ~ SSlogis(CertYear, phi1, phi2, phi3), data=byYear)
sum <- summary(nonlinNL)
sum

```

Formula: nAggr ~ SSlogis(CertYear, phi1, phi2, phi3)

Parameters:

	Estimate	Std. Error	t value	Pr(> t)	
phi1	6.906e+02	3.560e+01	19.40	6.72e-06	***
phi2	2.015e+03	1.830e-01	11008.47	< 2e-16	***
phi3	1.358e+00	9.198e-02	14.77	2.58e-05	***

Signif. codes: 0 '***' 0.001 '**' 0.01 '*' 0.05 '.' 0.1 ' ' 1

Residual standard error: 11.07 on 5 degrees of freedom

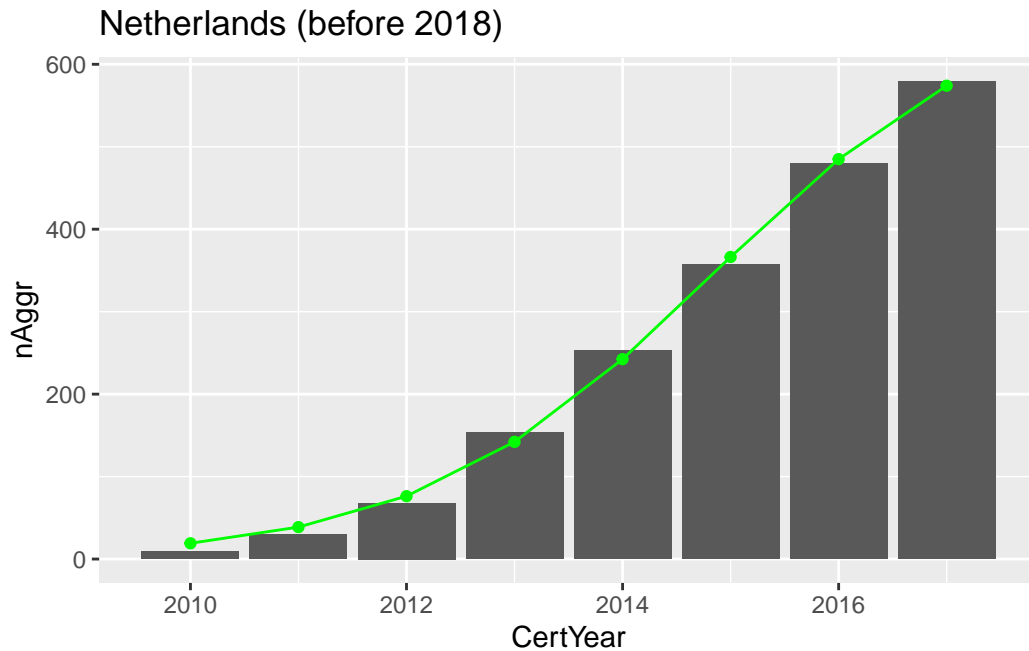
Number of iterations to convergence: 0

Achieved convergence tolerance: 1.783e-06

```

byYear$fittedNL = fitted(nonlinNL)
ggplot(byYear) +
  geom_col(aes(x=CertYear,y=nAggr)) +
  geom_line(aes(x=CertYear, y=fittedNL), color="green") +
  geom_point(aes(x=CertYear, y=fittedNL), color="green") +
  ggtitle(paste(countryNames["NL"],"(before 2018)"))

```



```
byYear <- byCountryYear %>%
  filter(country == "NL") %>%
  filter(CertYear >= 2018)
byYear$nAggr = sapply(byYear$CertYear, function(x){
  sum(byYear$n[byYear$CertYear <= x])})

nonlinNL <- nls(nAggr ~ SSlogis(CertYear, phi1, phi2, phi3), data=byYear)
sum <- summary(nonlinNL)
sum
```

Formula: nAggr ~ SSlogis(CertYear, phi1, phi2, phi3)

Parameters:

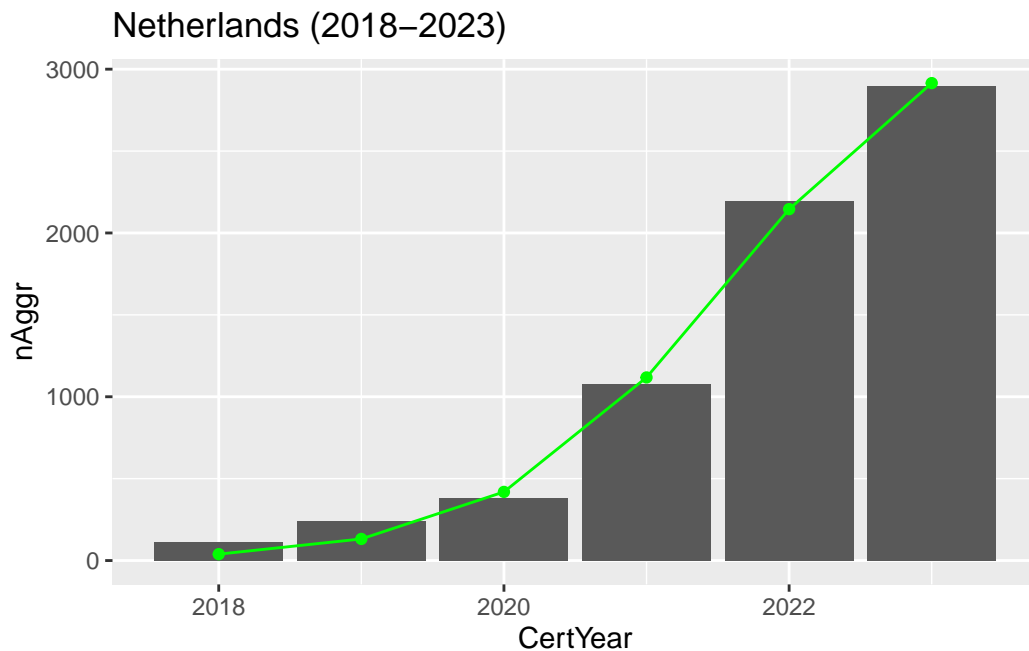
	Estimate	Std. Error	t value	Pr(> t)	
phi1	3.407e+03	2.691e+02	12.664	0.00106	**
phi2	2.022e+03	1.774e-01	11393.552	1.49e-12	***
phi3	8.016e-01	9.998e-02	8.017	0.00405	**

Signif. codes: 0 '***' 0.001 '**' 0.01 '*' 0.05 '.' 0.1 ' ' 1

Residual standard error: 88.12 on 3 degrees of freedom

Number of iterations to convergence: 1
Achieved convergence tolerance: 2.937e-06

```
byYear$fittedNL = fitted(nonlinNL)
ggplot(byYear) +
  geom_col(aes(x=CertYear,y=nAggr)) +
  geom_line(aes(x=CertYear, y=fittedNL), color="green") +
  geom_point(aes(x=CertYear, y=fittedNL), color="green") +
  ggtitle(paste(countryNames["NL"]," (2018-2023)"))
```



We get very different results for the two time periods: For the first period the estimated upper limit is 690 certified green buildings, for the second one it is 3407, almost five times as many.

When we explicitly set the parameter `phi1` to the value 3407, that we got from the second time period, and only estimate the other two parameters, the model converges, but does not fit the observations very well. Therefore, we leave out The Netherlands from the further analysis and hope that data from additional years and from additional certification schemas will help resolve this problem.

```
byYear <- byCountryYear %>%
  filter(country == "NL")
byYear$nAggr = sapply(byYear$CertYear, function(x){
  sum(byYear$n[byYear$CertYear <= x])})
```

```

nonlinNL <- nls(nAggr ~ 3407*(1/(1+exp((phi2-CertYear)/phi3))),
  start = list(phi2=2024, phi3=2), data=byYear, trace=FALSE)
sum <- summary(nonlinNL)
sum

```

Formula: nAggr ~ 3407 * (1/(1 + exp((phi2 - CertYear)/phi3)))

Parameters:

	Estimate	Std. Error	t value	Pr(> t)
phi2	2020.5451	0.2586	7814.596	< 2e-16 ***
phi3	1.3585	0.2466	5.509	0.000134 ***

Signif. codes: 0 '***' 0.001 '**' 0.01 '*' 0.05 '.' 0.1 ' ' 1

Residual standard error: 303.5 on 12 degrees of freedom

Number of iterations to convergence: 17

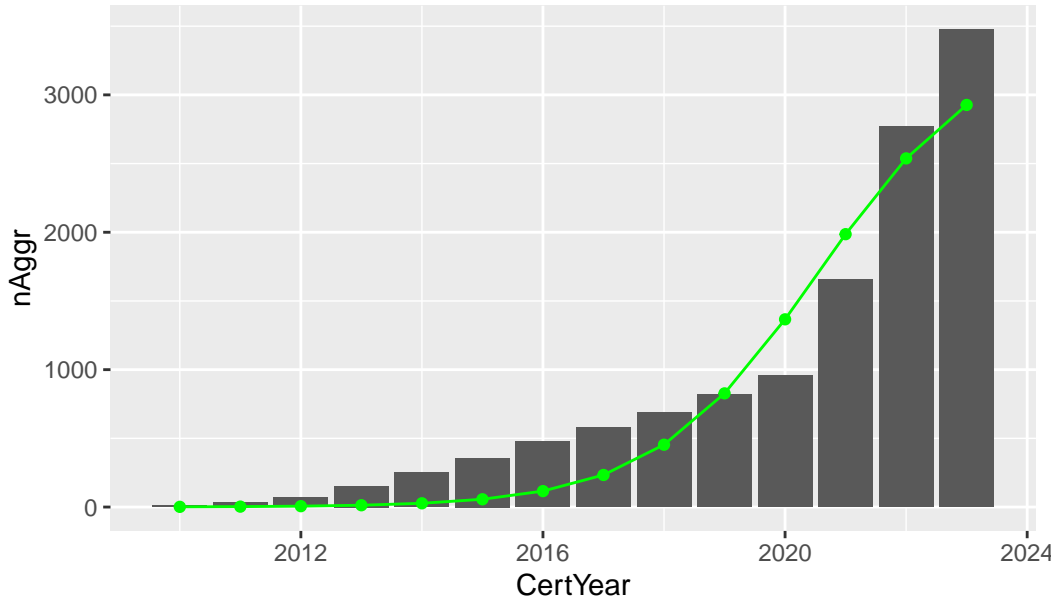
Achieved convergence tolerance: 7.595e-06

```

byYear$fittedNL = fitted(nonlinNL)
ggplot(byYear) +
  geom_col(aes(x=CertYear,y=nAggr)) +
  geom_line(aes(x=CertYear, y=fittedNL), color="green") +
  geom_point(aes(x=CertYear, y=fittedNL), color="green") +
  ggtitle(paste(countryNames["NL"]," (parameter phi1 set to 3407)"))

```

Netherlands (parameter phi1 set to 3407)



6.3 Interpreting the parameters

The estimated parameter values differ considerably between the countries. We estimate a saturation point (parameter ϕ_1) of just 28.56 certified green buildings for Denmark, but over 8,000 for Spain and almost 16,000 for Great Britain. On the other hand, for Denmark and Great Britain we estimate the lowest turning points (late 2015 and early 2016, respectively), for Spain with 2024 the highest one.

parameters

	country	phi1	phi2	phi3
1	TOTAL	35839.79192	2018.944	2.945705
2	AT	61.56865	2017.885	3.187544
3	BE	432.14174	2019.162	3.004766
4	BG	54.72004	2017.745	2.131665
5	CH	76.03678	2018.662	2.488630
6	CZ	297.56003	2018.634	2.612407
7	DE	398.78153	2016.922	2.469876
8	DK	28.56384	2015.892	1.912345
9	ES	8014.54081	2024.341	2.105183
10	FI	454.09965	2017.796	2.574699
11	FR	3461.40816	2021.006	2.687529

12	GB	15918.06740	2016.135	2.243569
13	GR	42.64520	2019.669	2.803938
14	HU	281.09266	2021.069	3.400984
15	IE	280.73159	2020.527	2.119614
16	IT	960.52149	2022.700	3.310613
17	LT	94.29277	2019.719	1.678673
18	LU	184.57788	2020.741	3.188375
19	LV	58.74388	2022.154	2.553400
20	NO	242.06128	2017.149	1.674614
21	PL	1974.07145	2021.407	2.874246
22	PT	55.10958	2020.732	1.868463
23	RO	279.33095	2019.863	2.422696
24	SE	443.43797	2017.427	2.440390
25	SK	85.77695	2017.777	1.937094
26	TR	207.04588	2016.586	1.997266

As we mentioned above, parameter `phi1` estimates the upper limit of the logistic function. We can interpret this as the estimated maximum number of certified green buildings. Of course, the maximum number of green buildings in a country is strongly influenced by the size of the country. Exactly the same growth process will yield a larger estimate for `phi1` in a larger country than in a smaller one. To make the results comparable, we divide the estimated values of `phi1` by the population of the country. In the following table we show `phi1ByPop`, the value of `phi1` per 100,000 inhabitants of the country. The table is in descending order of this variable.

```
parameters %>%
  merge(PopulationByCountryPlus, by = "country") %>%
  mutate(phi1ByPop = 100000*phi1/pop) %>%
  arrange(desc(phi1ByPop)) %>%
  select(country, phi1, pop, phi1ByPop)
```

	country	phi1	pop	phi1ByPop
1	LU	184.57788	613894	30.0667353
2	GB	15918.06740	66647112	23.8841068
3	ES	8014.54081	46918951	17.0816709
4	FI	454.09965	5517919	8.2295454
5	TOTAL	35839.79192	630663666	5.6828693
6	IE	280.73159	4940311	5.6824679
7	PL	1974.07145	37972812	5.1986444
8	FR	3461.40816	67290471	5.1439797
9	SE	443.43797	10230185	4.3346036
10	LT	94.29277	2812200	3.3529894

11	BE	432.14174	13213979	3.2703377
12	LV	58.74388	1919968	3.0596280
13	HU	281.09266	9700272	2.8977812
14	CZ	297.56003	10649800	2.7940434
15	NO	242.06128	9951007	2.4325305
16	IT	960.52149	59816673	1.6057755
17	SK	85.77695	5450421	1.5737674
18	RO	279.33095	19414458	1.4387780
19	CH	76.03678	8544527	0.8898887
20	BG	54.72004	6664177	0.8211072
21	AT	61.56865	8858775	0.6950018
22	PT	55.10958	10333496	0.5333101
23	DK	28.56384	5806081	0.4919643
24	DE	398.78153	83019213	0.4803485
25	GR	42.64520	10724599	0.3976391
26	TR	207.04588	82003882	0.2524830

Because of its small size, Luxembourg with just 129 certified green buildings has by far the largest value of `phi1ByPop`. In some countries at the end of the ranking, like Austria, Germany, and Denmark, green building certification is dominated by the DGNB system, which is not yet included in our analysis. With a more complete dataset, these countries will most likely reach considerably higher values.

The slope of the function at the inflection point ($x = \phi_2$) is $\frac{\phi_1}{2\phi_3}$. Standardized to the same saturation level, this slope is just $\frac{1}{2\phi_3}$. We calculate this standardized slope for each of the countries and store it in the column `slope` of the data frame `parameters`. In addition, we also calculate at what year the curve reaches 10% of the saturation level. This is calculated by $x = \phi_2 - \phi_3 \ln(\frac{1}{a} - 1)$ with $a = 0.1$ and stored in column `tens`.

```
parameters$slope <- 1/(2*parameters$phi3)
parameters$tens <- parameters$phi2-parameters$phi3*log(9)
```

The parameter estimates and these indicators are shown in the following table.

```
parameters %>%
  arrange(tens) %>%
  select(country, phi3, slope, tens)
```

	country	phi3	slope	tens
1	AT	3.187544	0.1568606	2010.882
2	GB	2.243569	0.2228592	2011.206
3	DE	2.469876	0.2024393	2011.496

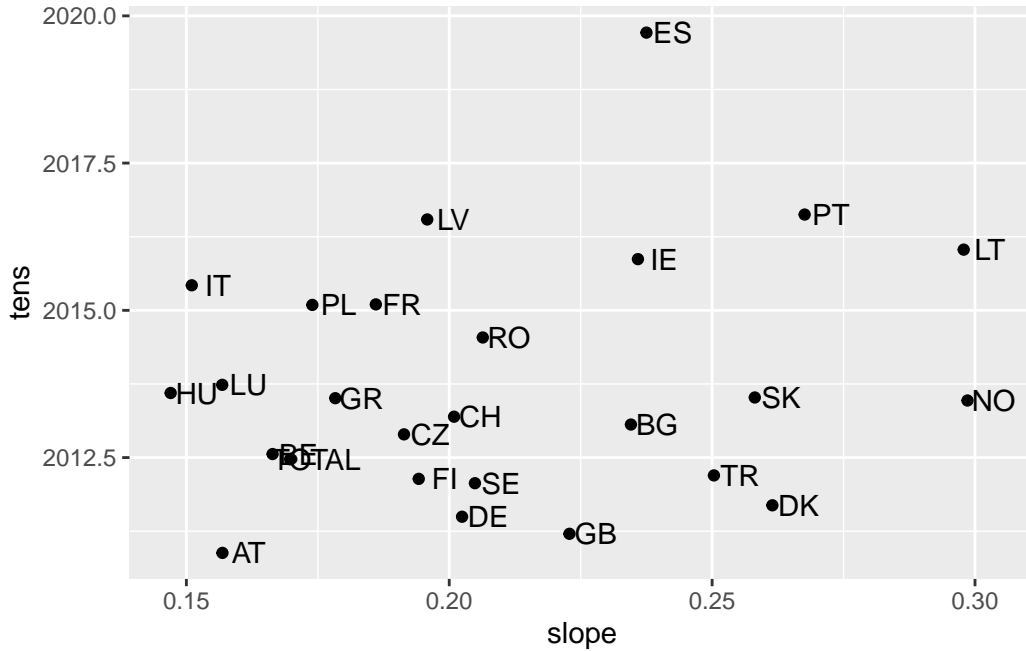
4	DK	1.912345	0.2614591	2011.690
5	SE	2.440390	0.2048853	2012.065
6	FI	2.574699	0.1941975	2012.138
7	TR	1.997266	0.2503422	2012.197
8	TOTAL	2.945705	0.1697386	2012.471
9	BE	3.004766	0.1664023	2012.560
10	CZ	2.612407	0.1913944	2012.894
11	BG	2.131665	0.2345584	2013.061
12	CH	2.488630	0.2009138	2013.194
13	NO	1.674614	0.2985763	2013.469
14	GR	2.803938	0.1783206	2013.508
15	SK	1.937094	0.2581186	2013.520
16	HU	3.400984	0.1470163	2013.597
17	LU	3.188375	0.1568197	2013.735
18	RO	2.422696	0.2063817	2014.539
19	PL	2.874246	0.1739587	2015.092
20	FR	2.687529	0.1860445	2015.101
21	IT	3.310613	0.1510294	2015.425
22	IE	2.119614	0.2358920	2015.869
23	LT	1.678673	0.2978544	2016.031
24	LV	2.553400	0.1958174	2016.543
25	PT	1.868463	0.2675997	2016.627
26	ES	2.105183	0.2375090	2019.716

We see clear differences between the countries in the estimation results. Our measure for the standardized saturation level, `phi1ByPop`, shows that LEED and BREEAM certifications are strong in a small number of countries. Only Luxembourg, Great Britain, Spain, and Finland show higher standardized saturation levels than all the countries in average. The other 21 countries all show smaller values. It will be interesting to see when we use a wider set of certification schemas.

The indicator `tens` shows, when a country reached 10% of its estimated saturation level. `slope` shows how strongly the growth process is. The table again shows quite different growth processes. Austria, for example, is the first country that reached the 10% mark, but also has one of the smallest slopes. Countries like Spain, Portugal, and Lithuania, on the other hand, reach the 10% mark much later, but have a much steeper slope.

The following scatterplot positions the countries in these two dimensions.

```
ggplot(parameters, aes(x=slope, y=tens)) +
  geom_point() +
  geom_text(label=parameters$country, nudge_x=0.005)
```

7 Conclusion

As has been said in the introduction, the aim of this discussion paper is to demonstrate that a spatio-temporal analysis of the diffusion of green building certifications in Europe is feasible. Since we only have data for LEED and BREEAM available at this point, we have to refrain from more substantial interpretations of the results. The analysis shows, however, that such an analysis will most likely lead to valuable new insights. As we did show, there was a massive growth in the number of green buildings in Europe during the observation period. This process was not uniform, but resulted in a concentrated pattern of certified green buildings with significant spatial clusters. More in depth analysis seems needed to clearly understand the dynamics of this spatio-temporal process, and to identify policy instruments that can help to stimulate a stronger and more wide spread application of green technologies in the construction sector and in the buildings we use. Since buildings and their construction are critical elements for the transition to more sustainability, this knowledge is of great importance, in our view.

References

Childs, Dylan Z, Bethan J Hindle, and Philip H Warren. n.d. *Introductory Biostatistics with r*. <https://tuos-bio-data-skills.github.io/intro-stats-book/>.

- Shi, Yingling, and Xiping Liu. 2019. “Research on the Literature of Green Building Based on the Web of Science: A Scientometric Analysis in CiteSpace (2002–2018).” *Sustainability* 11 (13): 3716. <https://doi.org/10.3390/su11133716>.
- Wang, Wei, Shoujian Zhang, Yikun Su, and Xinyang Deng. 2018. “Key Factors to Green Building Technologies Adoption in Developing Countries: The Perspective of Chinese Designers.” *Sustainability* 10 (11): 4135. <https://doi.org/10.3390/su10114135>.

Session Info

```
sessioninfo::session_info()
```

```
- Session info -----
setting  value
version  R version 4.4.1 (2024-06-14 ucrt)
os       Windows 11 x64 (build 26100)
system   x86_64, mingw32
ui       RTerm
language (EN)
collate  English_Austria.utf8
ctype    English_Austria.utf8
tz       Europe/Vienna
date     2024-11-12
pandoc   3.2 @ C:/Program Files/RStudio/resources/app/bin/quarto/bin/tools/ (via rmarkdown)

- Packages -----
package      * version    date (UTC) lib source
abind        1.4-8       2024-09-12 [1] CRAN (R 4.4.1)
assertthat   0.2.1       2019-03-21 [1] CRAN (R 4.4.1)
backports    1.5.0       2024-05-23 [1] CRAN (R 4.4.0)
base64enc    0.1-3       2015-07-28 [1] CRAN (R 4.4.0)
bibtex       0.5.1       2023-01-26 [1] CRAN (R 4.4.1)
boot         1.3-30      2024-02-26 [2] CRAN (R 4.4.1)
cellranger   1.1.0       2016-07-27 [1] CRAN (R 4.4.1)
class        7.3-22      2023-05-03 [2] CRAN (R 4.4.1)
classInt     0.4-10      2023-09-05 [1] CRAN (R 4.4.1)
cli          3.6.3       2024-06-21 [1] CRAN (R 4.4.1)
codetools    0.2-20      2024-03-31 [2] CRAN (R 4.4.1)
colorspace   2.1-1       2024-07-26 [1] CRAN (R 4.4.1)
countrycode  1.6.0       2024-03-22 [1] CRAN (R 4.4.1)
crosstalk    1.2.1       2023-11-23 [1] CRAN (R 4.4.1)
```

curl	5.2.3	2024-09-20	[1]	CRAN	(R 4.4.1)
data.table	1.16.0	2024-08-27	[1]	CRAN	(R 4.4.1)
DBI	1.2.3	2024-06-02	[1]	CRAN	(R 4.4.1)
deldir	2.0-4	2024-02-28	[1]	CRAN	(R 4.4.0)
dichromat	2.0-0.1	2022-05-02	[1]	CRAN	(R 4.4.0)
digest	0.6.37	2024-08-19	[1]	CRAN	(R 4.4.1)
dplyr	* 1.1.4	2023-11-17	[1]	CRAN	(R 4.4.1)
e1071	1.7-16	2024-09-16	[1]	CRAN	(R 4.4.1)
eurostat	* 4.0.0	2023-12-19	[1]	CRAN	(R 4.4.1)
evaluate	1.0.1	2024-10-10	[1]	CRAN	(R 4.4.1)
fansi	1.0.6	2023-12-08	[1]	CRAN	(R 4.4.1)
farver	2.1.2	2024-05-13	[1]	CRAN	(R 4.4.1)
fastmap	1.2.0	2024-05-15	[1]	CRAN	(R 4.4.1)
forcats	* 1.0.0	2023-01-29	[1]	CRAN	(R 4.4.1)
gdata	3.0.1	2024-10-22	[1]	CRAN	(R 4.4.1)
generics	0.1.3	2022-07-05	[1]	CRAN	(R 4.4.1)
ggplot2	* 3.5.1	2024-04-23	[1]	CRAN	(R 4.4.1)
glue	1.8.0	2024-09-30	[1]	CRAN	(R 4.4.1)
gmodels	* 2.19.1	2024-03-06	[1]	CRAN	(R 4.4.1)
gtable	0.3.6	2024-10-25	[1]	CRAN	(R 4.4.1)
gtools	3.9.5	2023-11-20	[1]	CRAN	(R 4.4.1)
here	1.0.1	2020-12-13	[1]	CRAN	(R 4.4.1)
hms	1.1.3	2023-03-21	[1]	CRAN	(R 4.4.1)
htmltools	0.5.8.1	2024-04-04	[1]	CRAN	(R 4.4.1)
htmlwidgets	1.6.4	2023-12-06	[1]	CRAN	(R 4.4.1)
httr	1.4.7	2023-08-15	[1]	CRAN	(R 4.4.1)
httr2	1.0.6	2024-11-04	[1]	CRAN	(R 4.4.1)
ISOweek	0.6-2	2011-09-07	[1]	CRAN	(R 4.4.1)
jsonlite	1.8.9	2024-09-20	[1]	CRAN	(R 4.4.1)
KernSmooth	2.23-24	2024-05-17	[2]	CRAN	(R 4.4.1)
knitr	1.48	2024-07-07	[1]	CRAN	(R 4.4.1)
labeling	0.4.3	2023-08-29	[1]	CRAN	(R 4.4.0)
lattice	0.22-6	2024-03-20	[2]	CRAN	(R 4.4.1)
lazyeval	0.2.2	2019-03-15	[1]	CRAN	(R 4.4.1)
leafem	0.2.3	2023-09-17	[1]	CRAN	(R 4.4.1)
leaflet	2.2.2	2024-03-26	[1]	CRAN	(R 4.4.1)
leafsync	0.1.0	2019-03-05	[1]	CRAN	(R 4.4.1)
lifecycle	1.0.4	2023-11-07	[1]	CRAN	(R 4.4.1)
lubridate	* 1.9.3	2023-09-27	[1]	CRAN	(R 4.4.1)
lwgeom	0.2-14	2024-02-21	[1]	CRAN	(R 4.4.1)
magrittr	2.0.3	2022-03-30	[1]	CRAN	(R 4.4.1)
MASS	7.3-60.2	2024-04-26	[2]	CRAN	(R 4.4.1)
munsell	0.5.1	2024-04-01	[1]	CRAN	(R 4.4.1)

pillar	1.9.0	2023-03-22	[1]	CRAN	(R 4.4.1)
pkgconfig	2.0.3	2019-09-22	[1]	CRAN	(R 4.4.1)
plotly	* 4.10.4	2024-01-13	[1]	CRAN	(R 4.4.1)
plyr	1.8.9	2023-10-02	[1]	CRAN	(R 4.4.1)
png	0.1-8	2022-11-29	[1]	CRAN	(R 4.4.0)
proxy	0.4-27	2022-06-09	[1]	CRAN	(R 4.4.1)
purrr	* 1.0.2	2023-08-10	[1]	CRAN	(R 4.4.1)
R6	2.5.1	2021-08-19	[1]	CRAN	(R 4.4.1)
rappdirs	0.3.3	2021-01-31	[1]	CRAN	(R 4.4.1)
raster	3.6-26	2023-10-14	[1]	CRAN	(R 4.4.1)
RColorBrewer	1.1-3	2022-04-03	[1]	CRAN	(R 4.4.0)
Rcpp	1.0.13-1	2024-11-02	[1]	CRAN	(R 4.4.1)
readr	* 2.1.5	2024-01-10	[1]	CRAN	(R 4.4.1)
readxl	1.4.3	2023-07-06	[1]	CRAN	(R 4.4.1)
RefManageR	1.4.0	2022-09-30	[1]	CRAN	(R 4.4.1)
regions	0.1.8	2021-06-21	[1]	CRAN	(R 4.4.1)
rlang	1.1.4	2024-06-04	[1]	CRAN	(R 4.4.1)
rmarkdown	2.29	2024-11-04	[1]	CRAN	(R 4.4.1)
rprojroot	2.0.4	2023-11-05	[1]	CRAN	(R 4.4.1)
rstudioapi	0.17.1	2024-10-22	[1]	CRAN	(R 4.4.1)
s2	1.1.7	2024-07-17	[1]	CRAN	(R 4.4.1)
scales	1.3.0	2023-11-28	[1]	CRAN	(R 4.4.1)
sessioninfo	1.2.2	2021-12-06	[1]	CRAN	(R 4.4.1)
sf	* 1.0-18	2024-10-11	[1]	CRAN	(R 4.4.1)
sp	2.1-4	2024-04-30	[1]	CRAN	(R 4.4.1)
spData	* 2.3.3	2024-09-02	[1]	CRAN	(R 4.4.1)
spdep	* 1.3-6	2024-09-13	[1]	CRAN	(R 4.4.1)
stars	0.6-6	2024-07-16	[1]	CRAN	(R 4.4.1)
stringi	1.8.4	2024-05-06	[1]	CRAN	(R 4.4.0)
stringr	* 1.5.1	2023-11-14	[1]	CRAN	(R 4.4.1)
terra	1.7-83	2024-10-14	[1]	CRAN	(R 4.4.1)
tibble	* 3.2.1	2023-03-20	[1]	CRAN	(R 4.4.1)
tidyr	* 1.3.1	2024-01-24	[1]	CRAN	(R 4.4.1)
tidyselect	1.2.1	2024-03-11	[1]	CRAN	(R 4.4.1)
tidyverse	* 2.0.0	2023-02-22	[1]	CRAN	(R 4.4.1)
timechange	0.3.0	2024-01-18	[1]	CRAN	(R 4.4.1)
tmap	* 3.3-4	2023-09-12	[1]	CRAN	(R 4.4.1)
tmaptools	3.1-1	2021-01-19	[1]	CRAN	(R 4.4.1)
tzdb	0.4.0	2023-05-12	[1]	CRAN	(R 4.4.1)
units	0.8-5	2023-11-28	[1]	CRAN	(R 4.4.1)
utf8	1.2.4	2023-10-22	[1]	CRAN	(R 4.4.1)
vctrs	0.6.5	2023-12-01	[1]	CRAN	(R 4.4.1)
viridisLite	0.4.2	2023-05-02	[1]	CRAN	(R 4.4.1)

withr	3.0.2	2024-10-28	[1]	CRAN	(R 4.4.1)
wk	0.9.4	2024-10-11	[1]	CRAN	(R 4.4.1)
xfun	0.49	2024-10-31	[1]	CRAN	(R 4.4.1)
XML	3.99-0.17	2024-06-25	[1]	CRAN	(R 4.4.1)
xml2	1.3.6	2023-12-04	[1]	CRAN	(R 4.4.1)
yaml	2.3.10	2024-07-26	[1]	CRAN	(R 4.4.1)

[1] C:/Users/gmaier/AppData/Local/R/win-library/4.4

[2] C:/Program Files/R/R-4.4.1/library
