Tagging the Threats: Unpacking Propositions for Real Estate Climate Risk Labels in the Netherlands

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Abstract

Climate risk labelling has emerged as a potential strategy for managing physical climate risks in the Dutch real estate sector, particularly following substantial flooding in the Limburg region in 2021. This study examines the concept of, implementation challenges, and implications of residential climate risk labels in the Netherlands through expert interviews with researchers and practitioners in urban governance, flood risk management, and real estate economics. The research explores how risk labels could influence climate adaptation, market dynamics, and equity concerns. Findings reveal methodological challenges in developing standardized and accurate labels, tensions between potential climate label user groups, and potential distributional effects on housing affordability. The study identifies key considerations for implementation: ensuring quality and transparency of risk information, clarifying adaptation action perspectives for homeowners, addressing scale mismatches between building-level and area-level risks, and embedding labels within broader climate adaptation policies. This research contributes to understanding how climate risk information provision mechanisms operate in practice and their implications for urban practitioners.

Keywords

climate change adaptation, housing market, physical climate risk, risk labels

University of Toronto Press, 2025 DOI:10.3138/jccpe-2025-0010Journal of City Climate Policy and Economy, 4.1, 2025

The full article can be requested at the publisher (doi.org/10.3138/jccpe-2025-0010) or at HKV (secretariaat@hkv.nl), for personal use only.