

Research on Carbon Emission Forecasting of China's Construction Industry

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Abstract: As the global population grows and urbanization accelerates, the construction industry has become one of the primary sources of global greenhouse gas emissions. Reducing carbon emissions from the construction sector is crucial to addressing the increasingly severe challenges of global environmental change. At present, research in the field of carbon emissions has been intensifying. Through literature research, this paper compares the current status of domestic and foreign research on the decomposition of carbon emission influencing factors and forecasting methods and briefly introduces the relevant models and their advantages and disadvantages to provide a reference for the research on carbon emission forecasting in the construction industry.

Keywords: carbon emission; construction industry; factor decomposition; forecasting methods

INTRODUCTION

In response to climate change caused by the greenhouse effect, the Chinese government has pledged to peak carbon dioxide emissions by 2030 and achieve carbon neutrality by 2060. As one of the three major sectors with high carbon emissions (industry, transportation and construction), the construction industry will play an essential role in energy saving and emission reduction in the future. Accurate forecasting of carbon emissions from the construction industry can promote the development of the construction industry in a more sustainable direction and facilitate the process of green, intelligent and low-carbon construction industry. This paper reviews the relevant literature on carbon emission forecasting in the construction industry from two perspectives: the decomposition of carbon emission influencing factors and forecasting methods, in order to understand the current status of research, research methods and research results on carbon emission forecasting in the construction industry, to improve the accuracy and operability of carbon emission forecasting in the construction industry.

DECOMPOSITION OF THE FACTORS INFLUENCING CARBON EMISSIONS

The study of factors influencing carbon emissions is a prerequisite for reducing emissions for the industry and can provide a theoretical basis for carbon emission forecasting studies. Currently, three types of models are used to study the factors affecting carbon emission: IPAT model and its extended model, factor decomposition analysis model and other models.

The IPAT model was primarily used to capture the impact of population activities on environmental stress and was later extended with the Stochastic Impacts by

Regression on Population, Affluence and Technology (STIRPAT) model and Kaya properties. For example, Wang, et al. used the STIRPAT model to explore the driving forces of carbon dioxide emissions associated with energy consumption and found that the dominant contributors differed across time [Wang, et al., 2017]. Ghazali, et al. applied the extended STIRPAT model to study the impact of different factors on CO₂ emissions in ten newly industrialized countries [Ghazali, et al., 2019]. Han used the STIRPAT model to estimate the impact of urban agglomeration economies on carbon emissions, and the results show that both agglomeration specialization and diversification agglomeration can significantly contribute to carbon reduction in local and neighboring cities through agglomeration externalities [Han, et al., 2018]. Liu, et al. extended the Kaya equation to include energy structure and industrial structure, and used the LMDI method to decompose the primary carbon emission influencing factors. The study found that energy intensity could significantly suppress carbon emissions in the transportation industry in Hubei Province [Liu, et al., 2022].

Factor decomposition analysis models are another widely used method for identifying the drivers of carbon emissions. This model is used to decompose changes in the target variable into combinations of several factors to explore each factor's contribution to the target variable, mainly including exponential decomposition analysis (IDA) and structural decomposition analysis (SDA). In contrast, the IDA approach is simple and widely applicable, and can be further subdivided into various forms, such as LMDI and Laspyres methods. For example, Zhang and Da used the LMDI exponential decomposition method to examine the contribution of various factors to the growth of carbon emissions and carbon intensity from 1996 to 2010 [Zhang, et al., 2015]. By constructing a modified Laspyres decomposition model, Zang and

Wu decomposed the factors influencing carbon emissions into the total input effect, the input structure effect and the technological progress effect to decompose and calculated the changes in carbon emissions in China's industrial sectors from 2005 to 2018[Xu, 2021]. SDA based on input-output structure can be used for more detailed analysis. Based on the SDA model, Guan, et al. decomposed the factors affecting carbon emissions from the construction industry into Leontief effect, intensity effect and final demand scale effect, which improved the accuracy of the empirical research results[Guan, et al., 2016]. In addition, Grey Relational Analysis and Principal components analysis can also be used to explore the impact indicators.

RESEARCH ON CARBON EMISSION FORECASTING METHODS FOR THE CONSTRUCTION INDUSTRY

Domestic and foreign scholars have conducted a large amount of research on predicting carbon emissions from the construction industry, with research methods divided into top-down and bottom-up models, and combining them with scenario analysis to predict construction carbon emissions.

Top-down models are used to comprehensively explore the interactions between energy-consuming sectors and macroeconomic factors to predict future carbon emissions. Xiang, et al. used the STIRPAT model combined with LASSO regression analysis to find that carbon emissions from commercial buildings in China are expected to peak at 126 million tCO₂ in 2030 [Xiang, et al., 2022]. Zhao and Liu adopted the system dynamics approach to explore the influence relationship among subsystems of economy, energy, population and environment, indicating that the production of building materials is the main source of carbon emissions in the construction industry[Zhao, et al., 2019]. In contrast, bottom-up models predict or analyze a building's peak carbon emissions by summarizing end-use energy consumption from bottom to top and building energy consumption and carbon emissions at a regional or national level. For example, Xie constructed a LEAP-based carbon emission prediction model for public buildings and used scenario analysis to predict the peak time and peak level of carbon emissions for public buildings in Chongqing[Xie, 2019].

Scenario analysis methods can combine top-down and bottom-up models to determine the path of carbon emission peaks. However, this approach is only a static projection that ignores the uncertainty of future variable changes. To address these shortcomings, scholars have attempted to conduct sensitivity analysis of variables at a fixed rate, while others have further tried to set different rates of change in different periods. The Monte Carlo simulation approach allows for better dynamic modeling as it can incorporate uncertainty

analysis into the forecasting process. Regarding carbon emissions in the construction sector, Ma innovatively combined the IPAT model and Monte Carlo methods to predict the evolution of carbon emissions from Chinese buildings during the operational phase[Ma, 2020].

CONCLUSION

Previous studies have provided us with some models and evidence for carbon emission forecasting in the construction industry. However, at the same time, there are some things that could be improved, such as the lack of systematic analysis of influencing factors, the complexity of model establishment, and the uncertainty and randomness of variables. Therefore, in the future, it is necessary to dig deeply into the influencing factors of carbon emission, further improve and refine the prediction models, enhance the data quality and prediction accuracy, strengthen the analysis of the whole construction industry carbon emission system, and provide stronger support for carbon emission reduction decisions in the construction industry.

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