

RICS, Athens 19 May 2009

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Chairman RICS Europe

19 May 2009

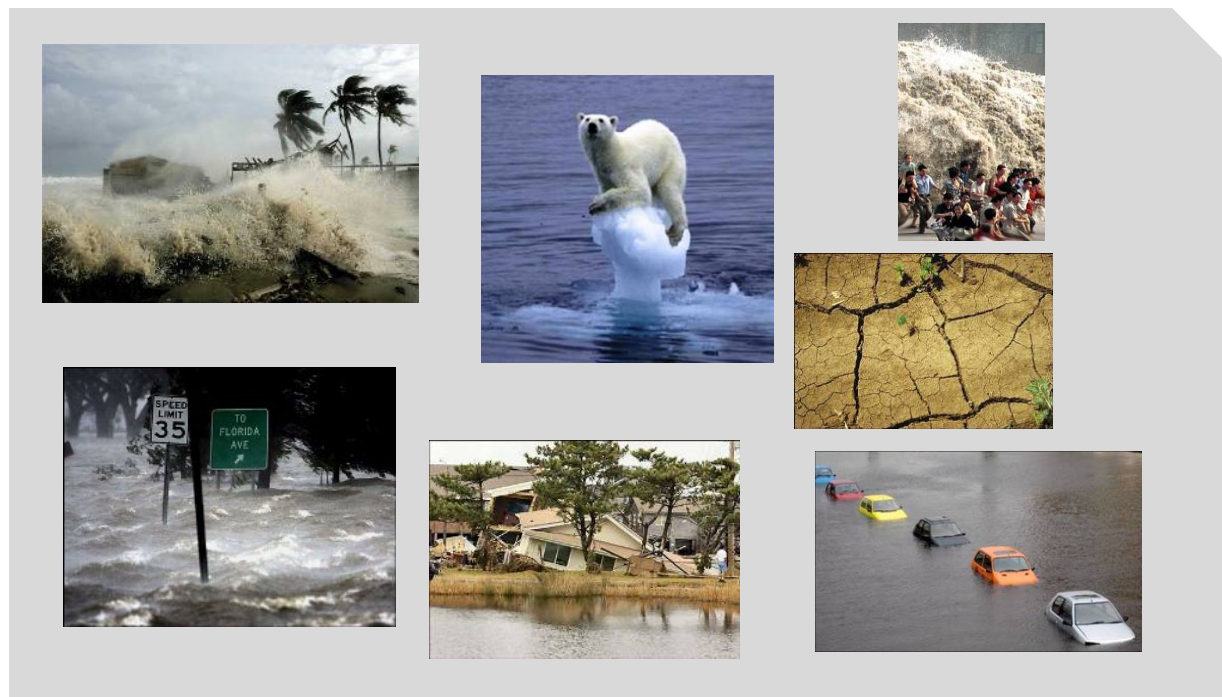
Surveying Sustainability



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The Facts

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The Causes

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The Figures (I)

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- ➔ **The Stern Review warns unabated global warming could cause damage worth 5-20 % of global GDP.**
- ➔ IPCC reports unequivocal proof that the Earth is warming and confirms that human activities are behind increased atmospheric greenhouse gas concentrations since 1750.
- ➔ **WHO reports that urban air pollution causes some 2 million premature deaths annually, more than half of which are in developing countries.**



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The Figures (II)

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- Nearly one in six species of European mammals is threatened with extinction, and all currently fished marine species could collapse by 2050.
- CO2 levels are at their highest level in 650,000 years - the average temperature of the Earth is "heading for levels not experienced for millions of years."
- The Arctic Ocean could be ice-free during the summer as early as 2020.



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Facing Reality I

19 May 2009

The Earth's capacity to sustain its human population and current life style is finite.
Climate Change is a reality and the property sector can prepare for the changes it will bring.

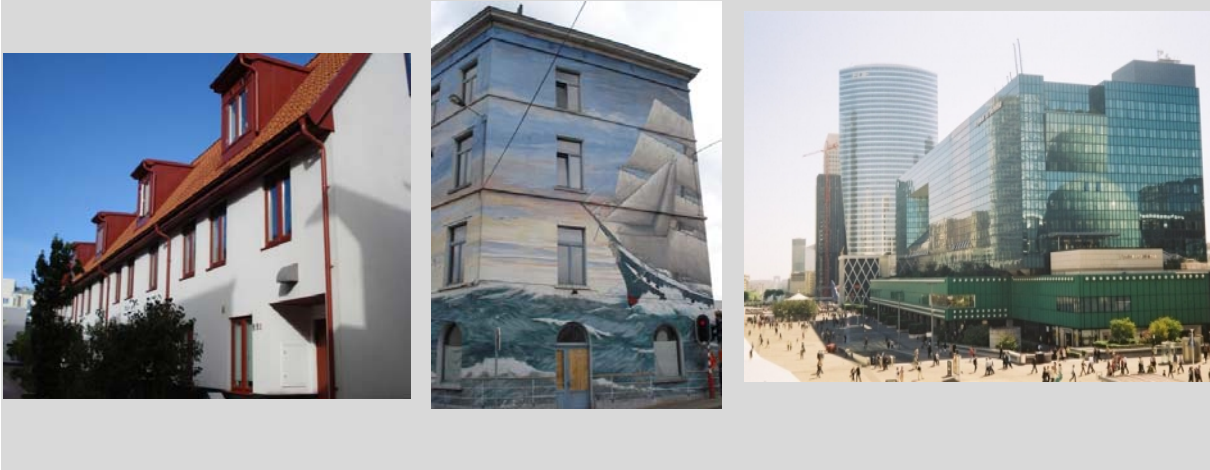


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Facing Reality II

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The buildings we live and work in have an impact not only on our lives, and our sense of well-being, but also on the world we live in.



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The Built Environment – The Figures

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- ➔ The 160 million buildings in the EU use almost half of Europe's energy and create approximately 44% of total CO₂ emissions.
- ➔ Conservative estimates state that the global building sector could deliver emission reductions of 1.8 million tonnes of CO₂.
- ➔ Construction and demolition waste makes up approximately 25% of all waste generated in the EU, with a large proportion arising from the demolition and renovation of old buildings.
- ➔ Between 1990-2000 the growth of urban areas in the EU consumed more than 8,000 km² (the size of Luxembourg).



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The Challenge Ahead – The Need for New Thinking

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Today's problems cannot be solved if we still think the way we thought when we created them.

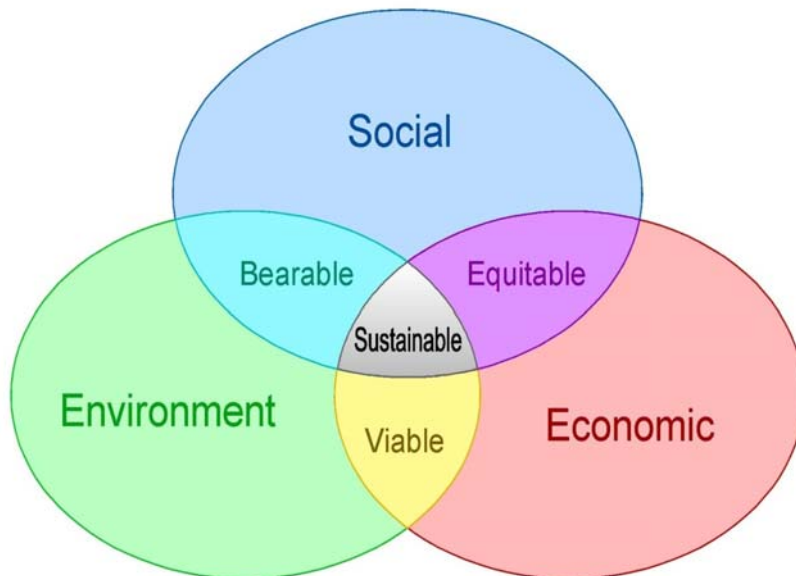
Albert Einstein



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The Solution - The Triple Bottom Line People, Planet, Profit

19 May 2009



Source: http://en.wikipedia.org/wiki/Image:Sustainable_development.svg



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Defining Sustainable Development

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"Development that meets the needs of the present
without compromising the ability of future generations
to meet their own needs"

Brundlandt Report, 1987



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Applying Sustainable Development Principles to Property

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- **Social**
Fits needs of occupiers, and is acceptable to wider community
- **Environmental**
Minimises impact on the local and global environment
- **Economic**
Financial returns are demonstrably acceptable



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RICS and Embedding Sustainability

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RICS and Embedding Sustainability – where we have come from

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- ➔ The RICS Presidential Commission on Sustainability - a member group to champion the cause of sustainable development - was established at a time when Sustainability and Climate Change were just beginning to enter public consciousness.
- ➔ RICS was first to join Forum for the Future in developing “Professions in Partnership for Sustainability”.
- ➔ The Sustainability policy written by the Commission was adopted by RICS International Governing Council in July 2005.



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RICS and Embedding Sustainability – where we have come from

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- ➔ RICS adopts new mandatory APC/ATC competency in Sustainability in July 2006.
- ➔ RICS signs Vancouver Valuation Accord in March 2007
- ➔ RICS leads the way in sustainable development information



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RICS and Embedding Sustainability – where we are

19 May 2009

RICS members are uniquely placed to contribute towards sustainability - all the phases of the property life cycle are represented within RICS.

RICS members are information managers for sustainable property in society.

RICS members are planners, developers, asset managers, valuers, cost consultants facilities managers, etc.



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RICS and Embedding Sustainability – where we are

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- RICS has established a cross - faculty sustainability working group to provide a focal point for sustainability issues and provide guidance, information papers, research and events.
- RICS has set up an EU RICS Advisory Group on Sustainable Property Investment & Management.
- RICS recognises outstanding projects in sustainable development through its prestigious Awards.
- RICS is a partner of the EU Sustainable Energy Campaign and associate of the EU EPBD (Energy Performance in Buildings Directive) platform.



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RICS and Embedding Sustainability – where we are going

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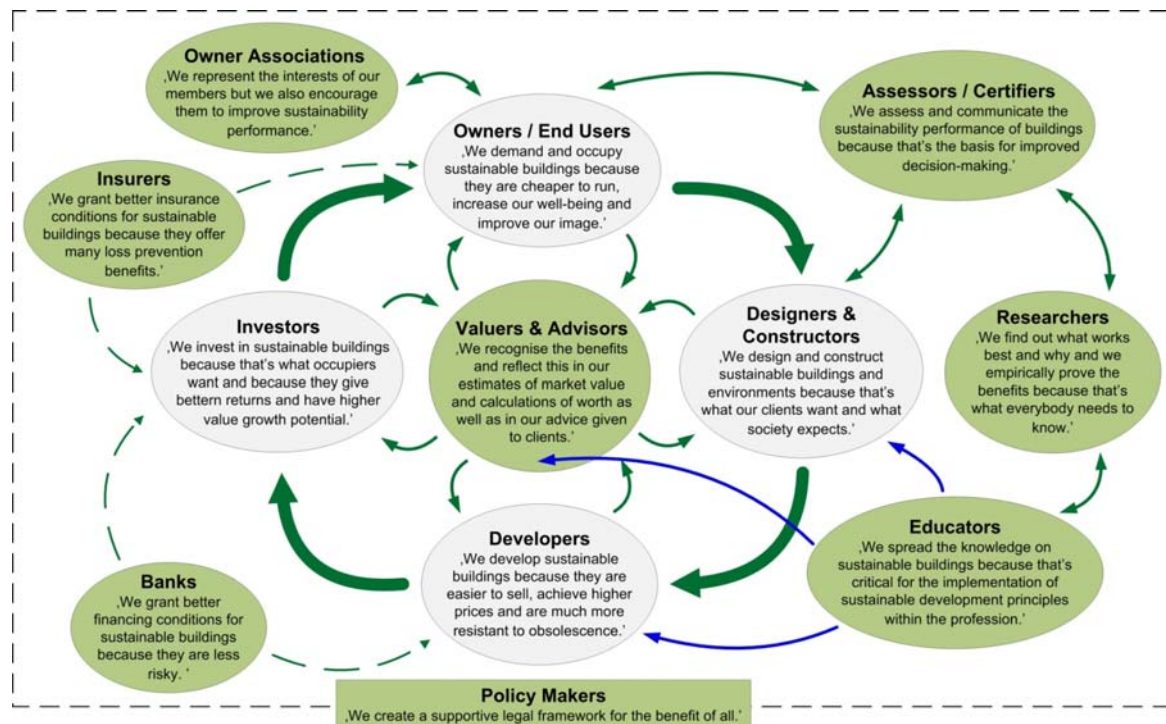
- A Sustainability micro site on www.rics.org
- A quarterly RICS Global Sustainability e-news with regular updates and best practice from the world regions for members and the stakeholder community
- Development of further tool kits and training for members
- Further shaping and influencing of policy
- **RICS research seeking empirical evidence for the business case to mainstream Sustainable Property Investment**



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Turning the Vicious Circle of Blame into Loops of Feedback and Adaptation – a Holistic Approach

19 May 2009



Source: David Lorenz

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Conclusion

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- Unsustainable property investment and management practices will lead to losses in financial performance and asset value.
- Investors and asset managers - apart from their societal responsibility - may in the future also be held financially liable for disregarding the principles of sustainable development.

"Those who are late will be punished by life itself."

Mikhael Gorbachev



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