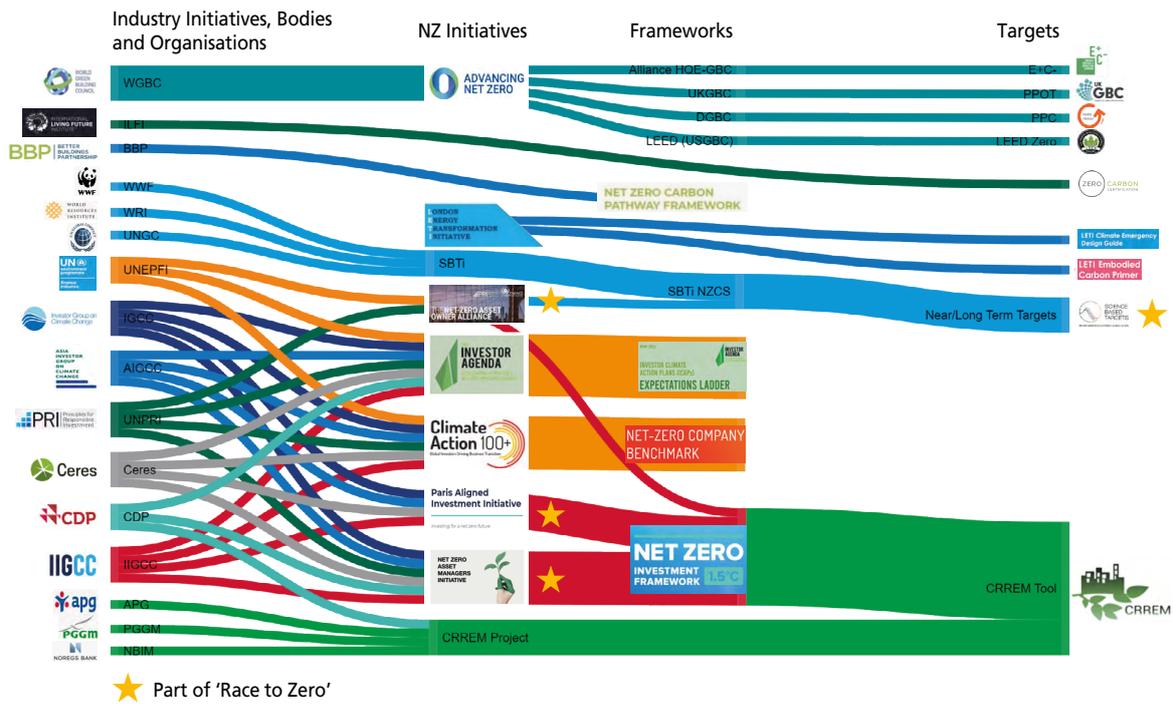


Pathways to Net Zero Carbon Emissions in International Real Estate Investment

Key NZC Schemes and Developers/Sponsors

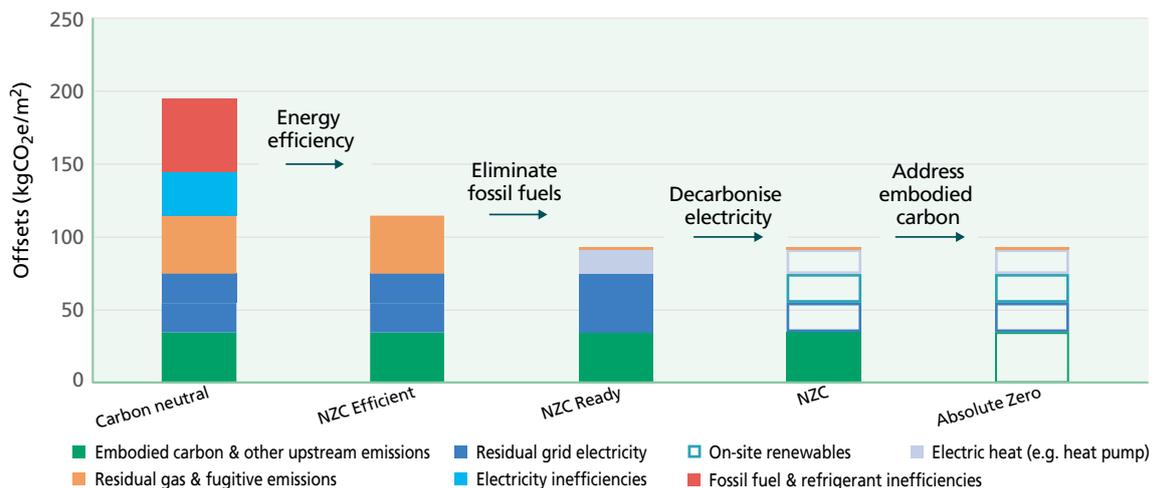


The built environment is one of the largest contributors to global carbon emissions. With a lack of consistency in defining what net zero carbon (NZC) means, the growing number of schemes emerging to guide the real estate industry to achieve this objective only serve to confuse stakeholders.

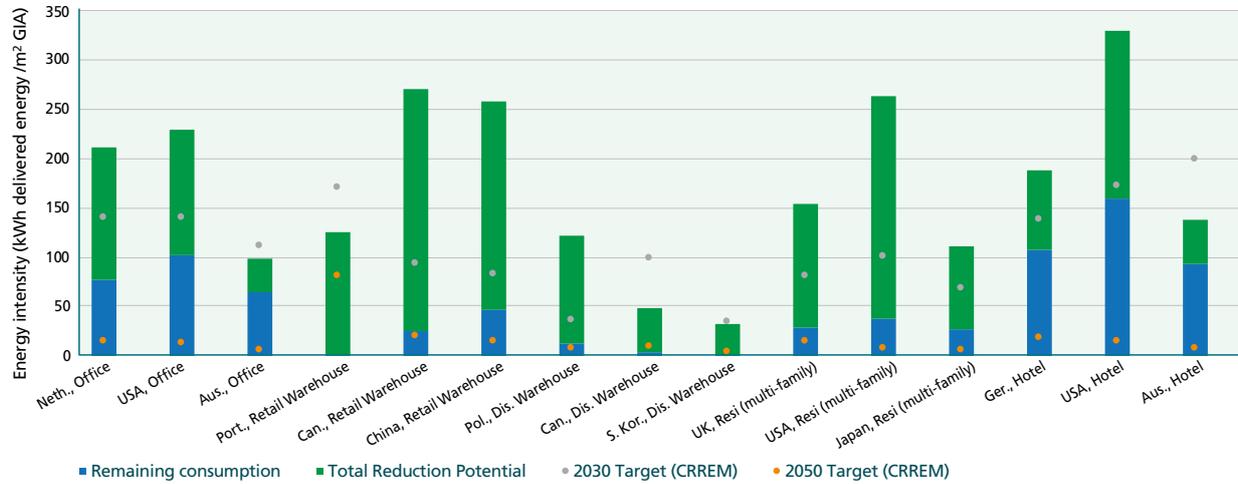
The principal schemes currently available have been assessed as part of this study to identify their use in transitioning the global real estate sector to NZC. The main challenges the industry faces in this transition using existing are also outlined.

The research recommends a set of principles and practical steps for stakeholders, as well as a common vocabulary to define the stages of a building's transition to net zero.

Building-level 'Zero Carbon' Definitions



Case Study Results



Case Study Analysis

The application of various frameworks to a range of property types and geographies illustrates the differences between targets currently set by NZ schemes and how achievable certain targets are using existing technologies.

Obstacles to Achieving Net Zero

Challenges

1. Inconsistent NZ definitions
2. Misaligned approaches to NZ from landlords and occupiers
3. Skills gap around NZ concepts and practices
4. Limited evidence of NZ retrofit costs
5. Lack of primary data for GHG foot printing
6. Lack of government leadership

Unintended Consequences

1. Trade off between embodied versus operational carbon – redevelop or refurbish?
2. ‘Asset stranding’ – dispose or retrofit?
3. Single or diversified NZ certification?
4. Individual building focus – will this miss out on a more holistic approach?
5. Can future demand for electrical energy be delivered?

Conclusions

- Set and implement own NZ strategies immediately
- Target energy efficiency first
- No fossil fuel use on site
- Adopt whole building scope
- Establish landlord and occupier collaboration
- Account for whole life carbon
- Differentiate between property & corporate NZ claims
- Minimise use of offsets
- Implement standards with consequences

Recommendations for the Industry

- NZC certification
- Measure, don't guess
- Develop passports for buildings
- Commit to corporate NZ too
- Encourage government leadership

Detailed recommendations for immediate action from real estate investors and asset managers appear in the full and summary reports of this research, which may be downloaded from the [IPF website](#).

Acknowledgement

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