

EmiratesGBC 2024 Congress Briefing

Beyond COP28: The Role of the Built Environment to Deliver on the UAE Consensus.

*Under the Patronage of the **Ministry of Energy & Infrastructure.***

Panel 5.1: Finance Fueling Sustainable Change in the Built Environment

“Finance Fueling Sustainable Change in the Built Environment” panel explored the role of finance as a catalyst for advancing sustainability in the built environment. It highlighted the challenges and opportunities associated with mobilizing finance to drive the clean energy transition, focusing on innovative models, regulatory enablers, and the importance of global and local collaboration.

Speakers

Aditya Shah, Chief Growth Officer, Taka Solutions

Philipp Rosenthal, Climate Change, Carbon & Waste Middle East Leader, WSP

Zoe Knight, Group Head, Centre of Sustainable Finance and Head of Climate Change MENA, HSBC

Zulema Sanchis, Director, Accuracy, as moderator

The discussion began with **HSBC** emphasizing the pivotal role financial institutions play in enabling sustainability through lending and investment strategies. Looking into **HSBC's** global initiatives and success stories, green financing models can attract investment and foster environmentally sustainable projects, highlighting the importance of creating trust in policy frameworks to accelerate the flow of green finance.

WSP focused on climate-aligned investments, explaining how they reduce emissions and build resilience for companies and communities, outlining three primary investment areas:

Gold Sponsor



Silver Sponsors



renewables and energy efficiency, adaptation measures like stormwater protection, and hybrid approaches such as reforestation projects. **WSP** emphasized that sustainable finance not only lowers costs and enhances reputational value but also addresses long-term climate risks, urging communities to adapt proactively.

Moving on, **Taka Solutions**, a Positive Zero Company, shared how they introduced innovative financing models like "Efficiency-as-a-Service," which remove the financial burden from building owners by offering savings-driven solutions. Such models simplify decarbonization by eliminating upfront costs and ensuring long-term operational efficiency. These solutions make sustainability accessible while driving significant reductions in energy consumption and carbon footprints.

The panel also examined barriers to green finance, including lack of policy enforcement, high risk, and low returns, as outlined in a report on green bonds and sukuk. **HSBC** noted that while progress has been made, challenges remain, particularly around integrating policy with market needs, therefore, there must be clearer roadmaps and consistent policies to enable large-scale retrofitting and energy efficiency projects.

WSP discussed their SDG-linked offerings, sharing how the company integrates sustainability into its operations and advises clients on climate resilience. **WSP** highlighted the benefits of sustainable finance, including lower costs, increased talent retention, and enhanced reputational value, while addressing the complexity of scaling sustainable projects.

Next, **Taka Solutions**, a Positive Zero Company, reflected on the role of ESCOs (Energy Service Companies) in achieving the UAE's ambitious retrofitting goals, underscoring the importance of managing performance, operational, and financing risks through tailored solutions, ensuring that decarbonization becomes integral to business models.

The session concluded with a discussion on green bonds and their role in raising capital for infrastructure projects aligned with national climate priorities and NDCs. **HSBC** stressed the importance of signaling intent through green finance instruments to attract global investors and future-proof economies against climate-related uncertainties.

Collectively, sharing their expectation for COP28, the panelists find it crucial to emphasize the pivotal role of the built environment and elevate it within the agenda. Recognizing the importance of buildings is essential in effectively achieving objectives related to nature and energy transition, and that is why it is crucial to portray the importance of the role of buildings in COP 28. Furthermore, it was pointed out that while sectors like energy and transportation have received significant attention, the emissions originating from the built environment are equally significant. Due to that, a diverse community of stakeholders are willing to collaborate and showcase excellent initiatives, technologies, and innovations in the sector. Green buildings were highlighted as low-hanging fruits for climate action, particularly in regions like the UAE, due to a large amount of knowledge and expertise already existing about decarbonizing buildings and the decarbonization missions that have already been undertaken.

COP 28 is expected to mobilize and catalyze progress made during COP27, such as the establishment of the loss and damage fund with a particular focus on mitigation. The panel concluded that the built environment sector offers cross-sector opportunities as all businesses require buildings to operate. Existing buildings present numerous possibilities for decarbonization, while designing new buildings with NetZero principles provides a proactive approach. The collective efforts in reducing energy and water consumption not only benefit individual buildings but also impact the infrastructure and lower utility bills for end users and developers.