13th Capital Link SUSTAINABILITY FORUM

DIKA AGAPITIDOU, FOUNDER & DIRECTOR
JLL-ATHENS ECONOMICS

SYNOPSIS OF THE CURRENT THINKING AND PRACTICES FOLLOWED IN RELATION TO SUSTAINABLE BUILDINGS IN GREECE

The built environment accounts for about 40% of global carbon emissions (12% relating to actual construction and materials & 28% to operations, eg, heating), which means that the real estate industry can play a significant role in bringing about a sustainable future. In order to adhere to the timeline put forward by the Paris Agreement to cut carbon emissions by 45% by 2030, and according to JLL's Responsible Real Estate framework, a holistic systemic review of thinking and practices at every level is called for.

A basic component of such processes is the application of sustainability certifications for buildings, namely (1) LEED for new construction & major renovation, (ii) LEED for existing buildings, operation & maintenance, (iii) BREEAM for new construction/ refurbishment and (iv) BREEAM in-use. To date, 53 buildings have obtained a LEED certificate in Greece, mostly offices, while 19 have been certified by BREEAM. Post-certification regular monitoring and assessment are carried out by other entities such as EPRA & GRESB.

Compliance with sustainable practices has been spearheaded by institutional investors & EBRD, which swiftly cottoned on to the obvious advantages of green buildings and processes, followed by banks that are increasingly seen to apply green criteria to loan agreements. Moreover, and in line with EU regulations, it is compulsory for commercial buildings in Greece to upgrade to EPC rating E by 2027 at the latest and to EPC rating D no later than 2030.

The latter also applies to residential property and it is evident that a large proportion of the population will struggle to meet the target for cost reasons. In our view, such challenges need to be supported by state aid, not least because the private benefit is far smaller than the social benefit, like in all environmental procedures that create externalities.