

# ESGWATCH

TRENDS, STRATEGIES, CONCEPTS, RESEARCH & INTELLIGENCE

## BEST IN CLASS?

NREP SCHEME MEETS  
ALL 17 UN GOALS

## MEET THE ADVISORS

THE NEW GENERATION DRIVING CHANGE IN REAL ESTATE

## GAME ON

CAN GAMIFICATION RADICALLY REDUCE EMISSIONS?

## GREEN SKY THINKING

LAURA JOCKERS ON HOW SHE BAGGED THE TOP JOB AT M&G



## INNOVATION





# IS THIS THE BEST ESG-FOCUSED DEVELOPMENT IN THE WORLD?



MARTIN SCHULTZ NIELSEN, HEAD OF INVESTMENT AT DEVELOPER NREP, ON SITE AT THE UN17 VILLAGE PROJECT IN COPENHAGEN

The UN17 Village development is taking shape and is on course to deliver an attractive new neighbourhood in Copenhagen. But it is far more than just another new community. In fact, it may represent the most roundly sustainable development in the world

**T**he UN 17 Village is unique. That is because all of the thinking around the design, delivery and occupation of the project has been done with the United Nation's sustainable development goals (SDGs) in mind. In fact, the idea is that the development will address all 17 SDGs directly.

PropertyEU caught up with Martin Schultz Nielsen, head of investment at developer NREP, to find out more.

## *Where did the idea for UN17 Village come from?*

UN17 Village's roots go back to 2018 when the City of Copenhagen and City & Port were trying to figure out how to go about procuring a partner for the site in Ørestad (the final undeveloped site for which the latter was responsible).

The site has quick transport links into central Copenhagen and access to natural beauty, something that played into the decision to make the last phase of development a genuine exemplar. Essentially, they fixed the price and let the teams compete to find the best proposal.



## INNOVATION



THE UN17 VILLAGE HAS GREEN URBAN SPACES THAT MIRROR NEIGHBOURING PARKLAND



FOUR OF THE VILLAGE'S FIVE BUILDINGS HAVE LIGHTWEIGHT WOODEN FACADES, WHILE THE FIFTH (RIGHT) IS CLAD WITH UPCYCLED ALUMINIUM



In our bid, we teamed up with a set of strong advisors, and they had the idea that real estate plays a role in the global agenda. It emits 40% of carbon emissions and is where we sleep, where we live, where we work, where we play, where our kids grow up etc. We wanted to put our proposal into a global context and the link to the SDGs grew from there.

***How did you go about developing the plans for the project?***

Starting out, we didn't see this as a construction project, but as a project with a people and sustainability priority. Having settled on addressing the SDGs, we started interpreting them in a Danish real estate context, which led to the six core themes: water, energy, biodiversity, materials, community and health.

From this framework, we came up with a long list of 300 initiatives, of which 200 were selected based on most sustainability impact for the investment. In the process, we also became keenly, at times painfully, aware that the initiatives are interdependent and that they impact each other. This phase was very time-consuming, probably equal to the actual construction, but it was well worth it as it led to the UN17 Village methodology, which defines the development.

***How did you ensure that future residents played a role in shaping the project?***

When City & Port designed the criteria for the competition, they did it with a wide variety of stakeholders, including citizen involvement. We have built several residential buildings in the area and designed the buildings with the learnings from these residents in mind.

We started the letting process for two of the five buildings at the beginning of this year. As soon as we had enough apartments rented out, our community manager began hosting meetings so the tenants could meet each other, get acquainted and start speaking about mutual interests



**'I'd like it to be seen as a project that accelerated the green transition.'**

**Martin Schultz Nielsen, head of investment, NREP**

and ideas for their communities, e.g. communal dining, how to share common rooms and how to cultivate mutual hobbies.

We have experience from other co-living communities and we've found that the process works when the tenants are included. Essentially, we create the framework, and then we help the tenants fill it out.

***Could you tell me a little bit about the project's environmental credentials?***

The total CO<sub>2</sub> reduction for the UN17 Village is 31% compared to the new requirements of the Danish Building Regulations. Also, the UN17 Village will have 1,700 square meters of solar panels, creating Denmark's largest energy community to increase local consumption of locally produced renewable energy. The buildings are designed to collect over 1 million litres of rainwater per year for recycling.

There's a lot of initiatives, and looking across them all, we're aiming for certification that supports our claims and ambitions: we expect to obtain DGNB Platinum, which would be a first for residential buildings in Denmark. We are also working on getting a WELL certification and DGNB Heart although they are more directed towards the health aspect. Nevertheless, we see many firsts in the UN17 Village.



THE VILLAGE FOCUSES ON MEASURES THAT CREATE VISUAL CONNECTIONS TO NATURE, INCLUDING WATER



## INNOVATION

### *How have you gone about incorporating some of the social goals?*

I think it's important to say that we can only create the right environment and help facilitate the communities that we're hoping to see flourish as the tenants move in and start using and filling the space. All five buildings of the development have common areas in the ground floor that are open to everybody. Also, the buildings target different people.

One of the first buildings will be for people aged 40-plus and is set up along the co-housing model. Another will target 20-35-year-old demographic, while others will provide larger units aimed at families or feature a mix of sizes aimed at all age groups. We're trying to build specific communities in each of the buildings, while also doing something across the entire development. We're hoping to see a genuine, inclusive, and quite unique community emerge.

### *Presumably, some of the SDGs are more difficult than others to address. What were some of the toughest goals and what solutions did you come up with?*

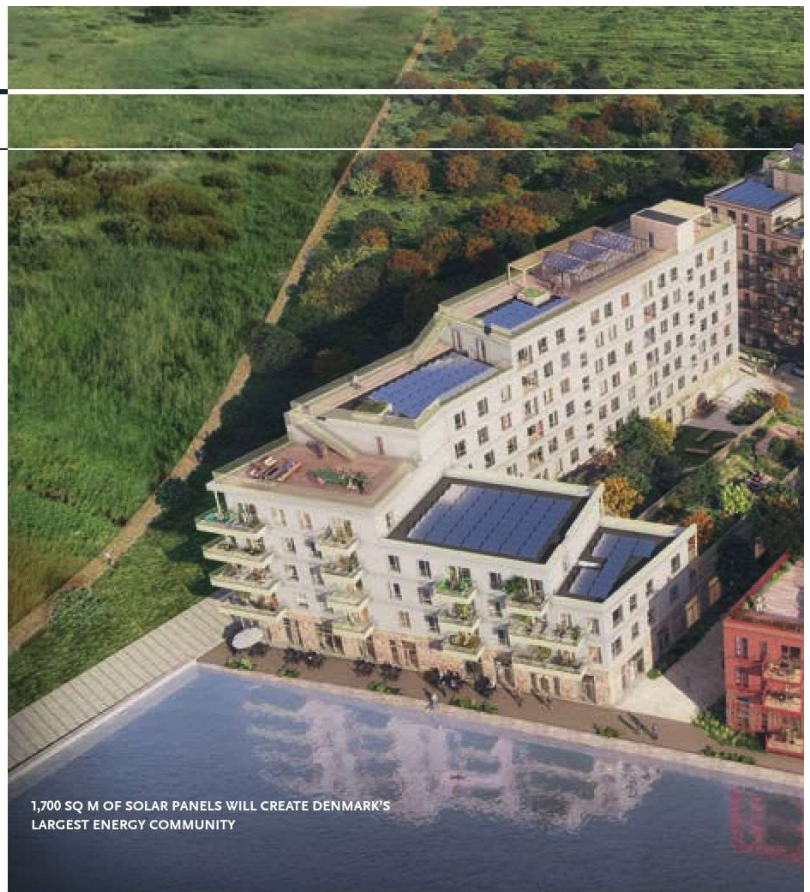
First and foremost, it's about putting things in a local context. SDG number two – zero hunger – is a good example. Fortunately, hunger is not a big problem in Denmark, but we do have a nutrition and health food diet agenda. Therefore, we have a common dining area, but we also have a researcher and cook who helps do affordable, healthy food for the people who live there. In addition, there are greenhouses on some of the buildings where the people can grow their own fruit and vegetables.

The biggest challenge was actually striking a balance between conflicting SDGs. Example: In Denmark, we like open kitchens, which is great for the social side and reduces the need for materials for walls but it creates particle pollution for the rest of the apartment. Thus, we had to balance the ambition to reduce greenhouse gas emissions versus adding additional CO<sub>2</sub>-emitting materials to ensure a better, healthier indoor climate.

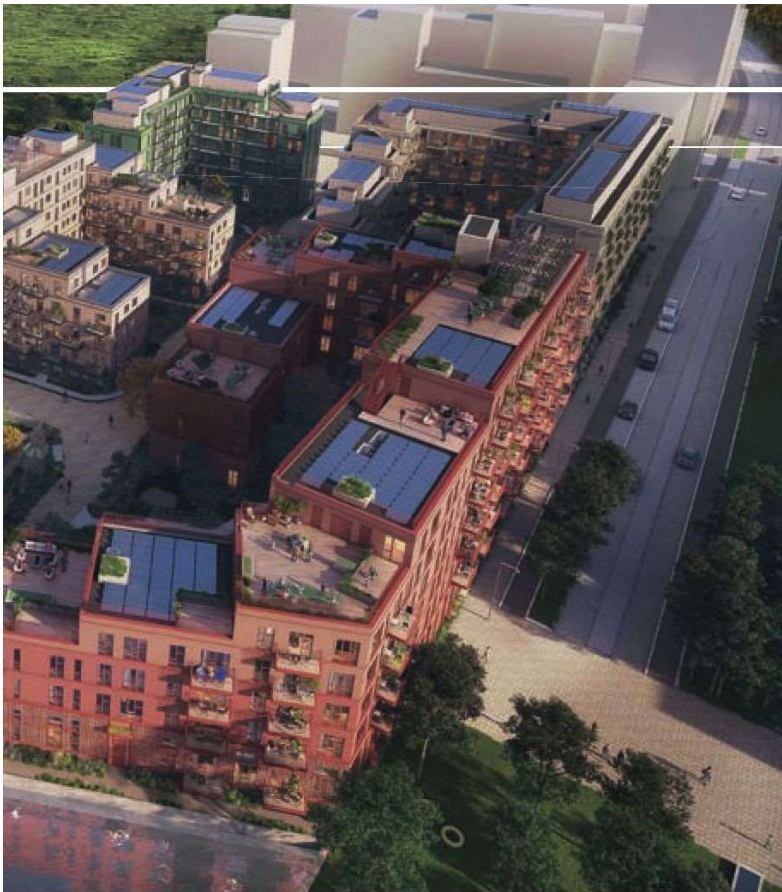
### *Now that the first residents are moving in, how is the transition from theory to reality going?*

It's going very well. There is a lot of enthusiasm and the tenants have clearly been looking forward to being a part of the community. Now, we're starting it up, and we expect the community to develop in the coming months and years.

As one of the new tenants who's moving in with her husband said: "There's so many possibilities here. What will







## Sustainability

it look like in one year, two years, five years? We decided to move in because we were attracted by the environmental aspects and the promise of a strong local community.”

### *How do you plan to measure the success of the project over time?*

Looking at the project from the tenant side, we of course hope that the residents – who we by the way like to call sustainability pioneers – will be happy to live there. This can be measured by tenant churn, though surveys and the level of activity in the community. Are we seeing communal dining? Will we have a waiting list of people ready to move in when there’s a vacancy?

Also, we’re looking into the health aspect. Essentially, we hope to see that tenants will be healthier and happier living in the UN17 Village and we are working on a project to document this. Next, we’d like to see solutions from the UN17 Village used in our wider portfolio and the industry at large.

Finally, and this is not a specific success criterion, but we’d also love to be able to build another UN17 Village in another city – pushing the boundaries once again. We’re speaking to cities in our vicinity and have received enquiries all the way from Japan and Australia. These talks are probably at an exploratory phase right now, but we’re delighted to see the interest in the project.

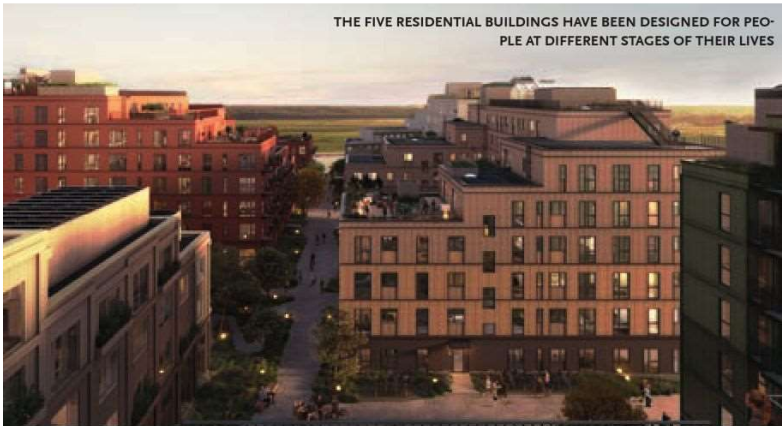
### *What sort of interest have you had from other organisations? Do you think UN17 Village will ultimately be regarded as an exemplar for sustainable development?*

It’s no joke or exaggeration when we say that we consider the UN17 Village our lab to test and develop solutions to increase sustainability. We want to generate insight and learning for what we could migrate to our wider portfolio and the industry at large.

The best example right now is that one of the buildings, standing at 24 metres, is the tallest timber building in Denmark. The building is based on a new building system and it underwent rigorous fire tests to obtain the necessary permits. This is paving the way for new timber construction in our portfolio and we shared the learnings with the industry to promote more sustainable construction practices.

It wasn’t easy to give up the competitive edge, but we’ve found that our colleagues are sharing back, so it’s been a terrific experience. When we started five years ago, many of the solutions we now have weren’t around. Thus, if the UN17 Village is overtaken by even more sustainable developments in the future, which we hope and expect, I’d like it to be seen as a project that helped accelerate the green transition that this industry so urgently needs. ■

THE FIVE RESIDENTIAL BUILDINGS HAVE BEEN DESIGNED FOR PEOPLE AT DIFFERENT STAGES OF THEIR LIVES



THE VILLAGE OFFERS VIEWS OF A LOCAL NATURE RESERVE

