

London Business School & MIPIIM 2022

Driving Urban Change

Political Leaders' Summit



LBS & MIPIM



Educational Partner

The London Business School Career Centre is proud to be MIPIM's educational partner.

MIPIM invited a select group of LBS students, across all programmes, to participate in what is the world's leading real estate event, which took place in Cannes on 15-18 March 2022.

MIPIM gathers the most influential players from all sectors of the international property industry for four days of networking, learning and doing business, including a full programme of events and conferences. This year, 20,000 professionals attended MIPIM from over 80 countries.



DRIVING URBAN CHANGE

Transforming the spaces in which we live, work and play to enable a more sustainable and prosperous future for all.

The COVID-19 pandemic has forced us to rethink the way we live. It is transforming our industries and how we do business. It is intensifying social and environmental crises in our communities. And it is challenging fundamental assumptions and global trends, such as urbanization, to build the smartest city for tomorrow.

As the world prepares to build back stronger and better, the whole real estate industry has to drive the change all together and work on essential values: livability, sustainability, resilience and affordability.

These are strictly necessary to drive a transition of the real estate ecosystem and the built environment. Thanks to technological innovation and progress, we have new tools available to support this effort and to reimagine and transform physical spaces—our homes, offices, factories, farms, healthcare facilities and public spaces—to be more adaptive, customized and even anticipate new needs before they arise. New models for public-private cooperation and shared community services are also changing the way in which cities provide services to residents and business, blurring the lines between government and the private sector with more and more initiatives arriving from all sides, to move forward in the right way.

For this 2022 Mipim edition, the conferences programme will rely on 6 different highlights:

- Cities for Citizens – The big debate
- Housing First – Back to essentiality
- Green is the new black – The new deal
- The office uprising: Innovating to bounce back
- Real Estate: much more than an asset – A jump in a financial market
- Real Estate Tech – Future is now!

Student Participation

Students are invited to apply to attend MIPIM towards the beginning of the academic year. Those selected have demonstrated a strong understanding of the real estate sector either through professional experience or education. The students are also at MIPIM to represent London Business School, and so those successful in their applications are trusted to maintain the respected reputation of the School.

“MIPIM was an incredibly insightful and rewarding experience. It provided me with the opportunity to join senior leaders in real estate investment while they debated the role of sustainability in urban transformation, and to listen to political leaders of European cities debate climate challenges. It was extremely valuable to gain perspective and understanding into how leaders in business and politics are thinking about climate change and how they are tackling these issues.

I’m grateful to London Business School and to MIPIM for providing me with such a meaningful opportunity which has undoubtedly been one of the most memorable experiences of my MBA.”

Kasia Cios, MBA 2022

“MIPIM was an amazing and highly rewarding experience and I left Cannes with lasting impressions and a lot of food for thought.

Attending the closed-door sessions allowed me to sit alongside the most senior decision makers. Listening to their discussions was the ultimate way to have a finger on the pulse of the industry and it was a hugely inspiring experience for me as a young real estate professional.

I am thankful that London Business School and MIPIM provided me with this extraordinary opportunity.”

Jorden Korte, Masters in Finance 2022

Student Attendees



Carrie Cheung

MiF 2022

Carrie is a part-time MiF student at LBS. She is an Associate Director in the Deal Advisory team at KPMG UK, advising on buy and sell-side real estate transactions across Europe. Carrie is passionate about supporting diversity in real estate and serves as the Senior Vice President of Fundraising at the LBS Women in Business Club. Carrie is a Chartered Professional Accountant and a graduate from McGill University in Montreal, Canada, with a Bachelor of Commerce.



Cristian Suarez Alvarado

MiF 2022

Cristian is a part-time MiF student at LBS. Alongside his studies, he works as a Director at Castl lake. Prior to Castl lake, Cristian developed a significant part of his career at ActivumSG and Arcano Partners. Early in his professional life, Cristian studied for a Masters in Real Estate & Town Planning at the CEU San Pablo University in Madrid. He graduated from the University of Las Palmas de Gran Canaria with a BSc in Economics (Bachelor's Degree Extraordinary Award), which included studying for a year at the University of Hertfordshire in the UK.



Jordan Korte

MiF 2022

Jordan is a real estate private equity professional with broad expertise in developing pan-European investment solutions. He is responsible for expanding the global product portfolio of PATRIZIA AG, the global real assets investment manager. At LBS, he is a part-time Masters in Finance student and a member of the LBS Real Estate Club's Executive Committee.

Passionate about shaping his industry, Jordan is an active member of ULI and INREV, where he is co-chair of the INREV Young Professionals Committee as well as member of the Fund Manager Advisory Council. Jordan graduated from the University of Hamburg with a Bachelor's in Socioeconomics and is a CAIA Charterholder.



Kasia Cios

MBA 2022

Kasia is a full-time MBA student at LBS. Prior to joining the programme, Kasia worked as a Manager in the Deal Advisory team at Deloitte's New York office, advising on buy and sell-side transactions across North America and Europe and covering multiple industries. She is an active member of the Real Estate and PE&VC Clubs at LBS, and a participant in the Urban Land Institute's 2021-22 Mentorship Programme. Kasia graduated from DePaul University in Chicago with a Bachelor's in Commerce and is a Certified Public Accountant.

Student Attendees



Karina Sukhanenya

MBA 2022

Karina is a real estate investment professional with broad expertise in acquiring and managing assets across Asia. Prior to her MBA, Karina spent four years at real estate private equity firm Pacific Star Group in Singapore as an Assistant Vice President of investment and development, and three years at a real estate developer building new projects across emerging countries in Southeast Asia. Karina graduated from Chulalongkorn University with a Bachelor's in Economics and has her CFA Level II.



Patrice Noujaim

MBA 2023

Patrice is the Vice President – Finance of the LBS Real Estate Club. Prior to starting his MBA at LBS, Patrice worked as an Investment Associate at SFO Capital Partners, where he spent three years acquiring and managing assets across Europe (UK, France, Germany and Ireland). Before that, Patrice worked in the Assurance Services line at EY, mainly working with clients in the real estate and telecoms sectors. He is a graduate from the Saint-Joseph University of Beirut with a Bachelor's in Economics.



Susse Schaumann

MiM 2022

Susse is a full-time student at LBS on the Masters in Management programme and is a Vice President in the LBS Real Estate Club. Before joining LBS, Susse worked as a Junior Consultant at the Danish Pension Fund PFA Pension, where she worked with the real estate team to optimise the customer experience on PFA's residential platform. Susse graduated from Copenhagen Business School with a Bachelor's in European Business in 2020. Next year, Susse will join NREP's London office as an Investment Analyst.

Vinay works in the London Business School Career Centre and looks after the real estate sector.

Through the incredible LBS community in real estate, Vinay is responsible for managing the partnership with MIPIM to ensure LBS involvement with numerous invite-only and open-access MIPIM events.

Vinay works with MIPIM to cement the LBS partnership.



Vinay Mistry
MIPIM Lead
Career Centre



Reports

As part of the partnership between LBS and MIPIM, students are invited to roundtable and panel discussions where they meet leading figures in real estate. During the sessions, discussions take place about key trends and areas of note in real estate.

Here we feature the students' reports from the MIPIM Political Leaders' Summit held on 15 March at MIPIM 2022 in Cannes.

“MIPIM was an amazing and highly rewarding experience and I left Cannes with lasting impressions and a lot of food for thought.

Attending the sessions allowed me to sit next to the most senior decision makers. Listening to their discussions is the ultimate way of having a finger on the pulse of the industry and a hugely inspiring experience for me as a young real estate professional.

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Jorden Korte, Masters in Finance 2022

Political Leaders' Summit

This high-level event, co-organised with Eurocities, the network of European cities, brings together city leaders from across Europe to share perspectives and priorities as they prepare for the urgent transition to net zero carbon. Organised around an open exchange, the Summit allowed political leaders to engage and learn, as well as to understand how to finance sustainable infrastructure, attract green investment and bring citizens with them on the journey.

Speakers



François HOLLANDE
Former President of
France



Dorthe NIELSEN
Acting Secretary General
EUROCITIES



Dr Tim MOONEN
Co-Founder
THE BUSINESS OF
CITIES



Olga BALYTSKA
Advisor to Kyiv City Mayor



Gregory DOUCET
Mayor, City of Lyon



Begoña VILLACÍS SÁNCHEZ
Deputy Mayor, City of Madrid

The COVID-19 pandemic has shed light on many challenges. It has also intensified the social and environmental crises in our communities.

At the Political Leaders' Summit, city leaders addressed the actions needed post-COP by focussing on three key pillars:

- How to finance climate action
- What action is needed for recovery and the green transition
- How to build climate-resilient and sustainable health systems

Introduction

The event was opened by master of ceremonies **Dr Tim Moonen**, followed by a welcome address from the co-organiser of the Political Leaders' Summit, **Dorthe Nielsen, Acting Secretary-General of Eurocities**.

The introductory panel presented by **Grégory Doucet, Mayor of Lyon**, and **Begoña Villacís Sánchez, Deputy Mayor of Madrid**, discussed the importance of climate goals at a city level. Both mayors outlined ambitious plans to reduce CO₂ emissions in their cities: Lyon is planning to be climate neutral by 2030, while Madrid is planting an urban forest which will absorb an estimated 175,000 tons of CO₂ each year.

To be effective, the participants stressed the importance of targeting climate change on a local level, and the need to share outlined ambitions with all stakeholders in order to create a common objective and to encourage collaboration.

Political Leaders' Summit

As they closed the introductory panel, both the Mayor of Lyon and the Deputy Mayor of Madrid addressed the war in Ukraine, acknowledging the impact that it would have on the cities they lead.

The introduction was closed by a keynote from **François Hollande, former President of France**, addressing the urgency to take the right actions regarding the current political and environmental situation.

Roundtable discussions followed, and then the event closed with a keynote by **Olga Balytska, Advisor to Kyiv City Mayor**.

With a powerful and emotional speech, she described the current situation in Ukraine and asked for increased support from international leaders concerning military and economic sanctions against Russia. She ended with a thank you for the support received and with a positive outlook for post-war Ukraine.



Political Leaders' Summit

Roundtable – Moderated by Mārtiņš Staķis, Mayor of Riga, and Remigijus Šimašius, Mayor of Vilnius

Participants agreed that the urban and natural ecosystem is being affected by climate change. Wildfire, for example, is one of the key new problems faced by cities. Although the plans and policies launched by local government are promising, many participants agreed that they are very difficult to implement.

The participants discussed two approaches to prepare for climate change:

1. Top-down: Local government needs standardised policies across the country and/or the economic region, such as the EU. Often national government doesn't act in the same way as local government. For example, a mayor told how he was campaigning for a renewable energy plan for his city at the same time that the national government was building a new coal plant. Local government cannot effectively tackle climate change alone. It needs top-down support and policy from national government.

2. Bottom-up: Local government needs to engage citizens to take decisions to help them shape and drive behaviour towards a common goal. Some political leaders suggested that the objective could be framed in a way that benefited the individual. For example, saying that a campaign would reduce citizens' energy expenses rather than carbon emissions. Financial incentives are also proven to be an effective tool to shape citizen behaviour: for example, an incentive to lower property tax for households with low carbon emissions had been very popular and successful, the Summit heard.

The political leaders also warned about the need to **calculate city carbon emissions and energy consumption** in order to properly weigh costs and benefits of every climate change initiative. One of the mayor's responsibilities is to ensure the safety and 'liveability' of their city. They need to create a good environment so that people are more willing to stay in the city and to help boost the local economy. Policies such as turning off street lights earlier in a retail area will not significantly reduce carbon emissions but will instead make the city less vibrant, less urbanised, and it may drive people out of the city, potentially creating more pollution due to longer commutes. As such, mayors should ensure carbon emissions data is being considered when launching and evaluating climate change policies.

Karina Sukhanenya
MBA 2022



Political Leaders' Summit

Roundtable – Moderated by Grégory Doucet, Mayor of Lyon

The commitment of cities to decarbonization was one of the main topics at the Political Leaders' Summit. The outbreak of Covid-19 has highlighted the resilience of cities, even though the severe lockdowns had put some doubt on their future at the time. However, the recovery from the pandemic has demonstrated that 'talent' is still attracted to the vibe and professional opportunities that large cities are able to offer.

The foreseeable growth of cities, however, needs to face the **decarbonization challenge**. Transport stands out as one of the major CO₂ contributors, and therefore more energy-efficient commuting alternatives should be developed in the short term.

Some of the largest European cities present at MIPIM declared their strong commitment to decarbonization. All of them have introduced large areas restricted to traffic, which are expected to be expanded in the near future.

Traffic-restricted areas usually have a greater impact on low-income populations given their usually limited access to electric automobiles, because of the expense. This represents a major source of concern for local authorities, and they are trying to provide their citizens with additional public transport infrastructure to reduce the overall impact of new regulation. Most European cities are investing heavily in bike and scooter lanes to facilitate zero-carbon commuting.

In addition, local authorities are giving **financial support** for clean transport alternatives, reducing taxes on the purchases of bikes and scooters, and subsidising the purchase of electric vehicles.

The **unpopularity among citizens of environmental regulation** was another topic capturing the attention of the political leaders at MIPIM. Mayors need to face the disapproval from people still not concerned about the impact of climate change on their environment.

With this regard, the city authorities at the MIPIM Political Leaders' Summit pointed out that **additional efforts needed to be undertaken to engage all citizens to combat climate change**. To minimise social opposition, city residents need to understand why their authorities are concerned about ESG. That being said, city authorities also pointed out that leadership and long-term goals needed to rise above political interests. Climate change is a major concern that should be assessed equally across the agendas of all political parties, regardless of their ideologies.



Political Leaders' Summit

The city authorities pointed out that efforts made with regard to environmental education were already paying off. In general, awareness among citizens of environmental issues had increased significantly over the last decade, which had eased city authorities' efforts in this area.

Finally, the political leaders on the roundtable pointed out their concern about the **funding of ESG capital expenditure**. Public finances are not in the best shape after the pandemic, and now they will need support to face the large investments required for decarbonization.

With that in mind, the majority of participants on the roundtable pointed out the need to bring in **private capital to support the repositioning of cities**. Public-private partnerships would become more important than ever to fight climate change, they concluded.

Patrice Noujaim
MBA 2023



Cristian Suarez Alvarado
MIF 2022



Political Leaders' Summit

Roundtable – Moderated by Begoña Villacís Sánchez, Deputy Mayor of Madrid

The city authorities on this roundtable were from the Netherlands, Poland, Spain and the UK, with each city facing very different problems and populations.

A common concern, however, was the impact that the war in Ukraine would have on their cities. **Many things that were taken for granted – such as security and housing – are now at the forefront of the political agenda.**

They also discussed the **concern about energy supplies**. The fuel crisis has impacted the daily livelihoods of people in many cities. One of the political leaders said that while Poland was highly dependent on energy from Russia, the country had made a significant effort over the past ten years to transition from coal mining.

Participants from the UK and Spain also shared their views on how they were tackling the energy crisis, including the increased use of electricity to fuel fleets used to collect city rubbish. Other countries are more resilient in the face of the current crisis. For example, over 70% of household energy in France comes from nuclear.

The participants also discussed that **the public did not always react well with any change in regulation**. For example, there was a lot of public discontent when Spain first introduced low-emission zones. However, citizens tend to become more accepting of these changes over time as they learn more about the severity of the climate crisis, the roundtable concluded.

Carrie Cheung
MIF 2022



Susse Schaumann
MIF 2022



Political Leaders' Summit

Roundtable – Moderated by Anni Sinnemäki, Deputy Mayor of Helsinki

The participants of this roundtable agreed that the financial burden of a transition to green had to be borne by the entire society – and that all stakeholders need to follow the outlined agenda.

That said, participants were in favour of financial benefits for those stakeholders who actively engaged in a positive change and financial support for lower-income members of society, which is why it is key to have **an appropriate financing structure in place**.

For this reason, the city of **Porto is currently building a green fund**, aimed at supporting lower-income citizens in the upgrade of their homes to meet higher sustainability standards. **Helsinki, meanwhile, is granting tax deductions and grants** for sustainable development. Both cities are also providing advisory help in the areas of energy, refurbishment and construction in an effort to promote an energy transition which goes along with the personal comfort of its citizens.

Obtaining enough **financing** on a national level was described as a challenge by both Porto and Helsinki, with planning and strategies being defined quickly, and funding being available for a limited time, and often used for larger infrastructure projects, such as railroads.

Especially given the current energy crisis, all participants agreed that at the top of the agenda was **innovation** that leads to less energy consumption (in areas such as construction), **alternative energy supplies** (to gain independence from foreign supplies) and finally a **transition to renewable energy**.

Jorden Korte
MIF 2022



Political Leaders' Summit

Roundtable – Rui Moreira, Mayor of Porto

Everyone needs to be on board

The discussion started by identifying **social inequality as the main issue related to climate change**, and the importance of having **everyone on board with climate-change measures** in order to prevent lower-income people from suffering while healthier, better-off people polluted more.

What is most important today?

Participants highlighted **public transport as key** in guaranteeing social sustainability in cities. Collaboration between the public and private sectors as well as greater investment were identified as being essential to make public transport more accessible and environmentally friendly.

It was also agreed that public transportation networks should be funded by government and that they needed to be clean. Porto's metro network project was discussed as a model for other cities looking to decrease carbon emissions. It had increased public transport use by 35%. The network is cross financed between the public and private sectors, as well as being subsidised by the government. The monthly cost for residents is only €40, and those under the age of 18 ride for free to help future generations create more sustainable habits.

Carbon taxes collected by Porto city authorities are invested in clean buses, with the new generation of buses being hydrogen and electric. However, the pandemic has been a setback to Porto's success in increasing public transportation use, as many people went back to using cars and many buses were lost.

In Catalonia, 40% of CO₂ emissions come from transport. This makes increasing public transportation use crucial to decreasing emissions. Investments are needed to transform the public transportation system. This could be funded by economic growth and by subsidising the energy transition, the participants discussed.



Political Leaders' Summit

Energy

In Porto, the energy used to heat water is produced on rooftops, with no carbon emitted. **Rooftop solar panels** have a payback period of about four to five years, generated by the electricity savings incurred by switching energy sources. Additional energy savings are given back to residents, increasing their residual income, which they spend elsewhere, and thereby this helps to grow the economy.

Requiring new buildings to use solar energy and creating solar communities not only benefits citizens, but also industry, as they can buy any excess energy produced.

Involving residents in this initiative is crucial, as individuals can sell this excess energy to the grid regardless of geography, further stimulating economic growth. Tools such as blockchain and other technologies can also help in defining markets.

Closing the session, participants emphasised that it was **critical to change the way we had traditionally defined the energy market in Europe** in order to prepare cities for the climate challenges they face.



Kasia Cios
MBA 2022



Participating Companies

MIPIM is the largest gathering of the real estate industry in the world.

The most influential players from all international property sectors – offices, residential, retail, healthcare, hospitality, logistics and industrial – take part. Offering unrivalled access to the greatest number of development projects and sources of capital worldwide, MIPIM gathers all players from the commercial property value chain for a year's worth of business in four intensive days.

MIPIM in a nutshell

360

Speakers

1/4

Participants are investors

20,000

Delegates

18,500

M²

2,400

Exhibiting Companies

80

Countries

“MIPIM was a unique opportunity to connect with global real estate thought leaders, and a platform to discover the latest market trends, insights, and overall investor sentiment. It was particularly revealing to see how the various actors bounced back from the pandemic, and how there was an accelerated focus on creating a greener – and more resilient – built environment.

Being part of the closed-door events was a highly enriching experience. Participants, leaders from across the investment community, gathered to discuss top-of-mind issues focused on the need to build greener cities, and addressing the various supply/demand imbalances across asset classes and across geographies.

I am grateful that London Business School and MIPIM gave me this lifetime opportunity to attend these sessions and I am confident that the takeaways from the sessions will prove materially useful for my career.”

Patrice Noujaim, MBA 2023

End of Book
