

How Climate Change Is Altering the Real Estate Wave In India



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"Fighting Climate Change calls for innovation, cooperation and will power to make the changes that the world needs." - Prime Minister Narendra Modi

In essence, this quote captures the meta-sentiment associated with climate change and commitments across all sectors to reduce their carbon footprints. The real estate sector is one of key drivers of the Indian economy and contributes about 6-7% to the GDP, and by virtue of its nature of business, it accounts for 22% of all the emissions in the country. According to an industry report, 40% of the global energy is used by the real estate industry along with 40% of all raw materials weighing three billion tonnes annually. The buildings constructed account for originating 20% of all global greenhouse gas emissions. To tackle this, the real estate industry in India is chalking plans for introducing climate-resilient and sustainable infrastructure projects.

India is committed to attain United Nations sustainable development goals to narrow down its carbon footprint by 30-35% by 2030. The real estate and construction sector has to renovate the way it conducts business to enable climate commitments. This path towards sustainability comes with a price for the sector that includes the increase in the cost of construction and maintenance of buildings. The Indian government has taken measurable steps to mitigate these effects by introducing policies and regulations for building design and construction. The

use of green infrastructure to promote sustainable development is one key feature that can help the sector prepare for the obstacles while contributing to reducing the risks of climate change.

Government Of India's Role In Alleviating The Risk For Climate Change

Many global frameworks and standards relating to low emissions, net-zero carbon, and green buildings have been introduced in recent years. The Indian government too has taken some significant steps to tackle the effects of climate change on the country's economy and the real estate sector. The government has set up a National Adaptation Fund and an India Climate Resilience Fund to finance projects that are aimed at reducing greenhouse gas emissions. The Government is also contributing towards averting the risk of climate change in the real estate sector to develop solar energy generating infrastructure through National Solar Mission (NSM).

The Real Estate Sector And Climate Change

The real estate sector is vulnerable to climate change as it relies heavily on weather conditions to plan and conduct business. Leading real estate investors too are emphasizing on their preference to partner with companies that adhere to transparent ESG reporting, leading to a hike on the footprint of green buildings in the country. Moreover, large investors are already seeking adherence with ESG best practices and standards leading to real estate players adopting these practices to mitigate the carbon footprint by the industry.

"Sattva Knowledge City" a technologically advanced pre-LEED certified IT/ITES building situated in Hyderabad is developed and constructed as per the "CII's Indian Green Building Council (IGBC) rating system" by Sattva Group. Sattva is a frontrunner in rainwater harvesting. Solar PV Panels and Solar Hot Water Systems are used in this project, making Sattva an efficacious leader in this space.

Tackle The Threat Of Climate Change In Realty

In order to adapt and meet the needs to tackle climate change, real estate developers should consider how their business will be affected by changes in weather patterns and natural disasters. They should also think about how they can use technology and innovation to help them prepare for these changes and reduce their carbon footprint.

The challenges posed by the real estate sector can be mitigated through proper planning and implementation. Real estate developers need to plan for the impacts of climate change. For example, it is important to ensure that real estate projects are built close to water sources, so that they can be safely used in a flood situation. Project design and development also need to be sensitive to the needs of the local people. This can help reduce the impact of climate change on the real estate sector.

The 3 Key Steps Realty Players Can Adopt

Reuse: Every real estate player needs to act as a repository for materials that can be reused in construction. Building debris plays a crucial role and can be recycled wherever possible.

Energy Management: New construction can be made to be energy efficient. Features like natural cooling systems, open and airy layouts, use of renewables to meet a building's energy demands should be integrated in buildings of the future.

Sustainable Development: Basic sustainable features a building can incorporate include sewage and water treatment plants and rainwater harvesting system. These basic features ensure green cover with sustainability.

To conclude, the path to becoming a sustainable sector is challenging and to champion this, real estate players will have to move swiftly. The sector's newfound enthusiasm to curtail its carbon footprint is a vital step toward climate mitigation efforts. By marrying sustainability with technology, green living, green engineering and green building will drive the new guiding mantra for the real estate sector. We have to take steps right now to mitigate all the burdens by going green in the real estate industry. That means smarter consumption, decarbonization and choosing better materials to construct properties that are ready to face the challenges of our climate. Energy use and manufacturing are two of the most significant ways we can make the changes needed to help make our environment a friendlier place to live and succeed.