Economic actors take action to organise an efficient sustainable urban development offer in France and abroad

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Heads of companies ***Alstom, Bolloré, Bouygues, Compagnie de Saint-Gobain, Dassault Systèmes, EDF, Egis, Eiffage, GDF SUEZ, JC Decaux, Lafarge, Michelin, Orange, RATP, Renault, Schneider Electric, SNCF, Suez Environnement, SYNTEC Ingénierie***, ***Total, Véolia Environnement, VINCI***, the competitiveness cluster **Advancity,** the **Committee for the Strategic Orientation of Eco-Industries** (COSEI) through its International Action Group (GAIT), the **Efficacity** and the **Vivapolis** initiatives, support the proposals to establish a French sustainable urban development offer in France and abroad, as laid down in the framework of discussions organised by the **French Association of Private Companies (Afep)**.

Afep is involved in drafting cross-sectoral legislation and launching cross-sectoral initiatives, at French and European level, in the following areas: economy, taxation, company law and corporate governance, corporate finance and financial markets, competition, intellectual property and consumer affairs, labour law and social protection, environment and energy and corporate social responsibility. Afep has 110 members which are all large private French companies. More than 8 million people are employed by Afep companies; their annual combined turnover amounts to €2,000 billion. The Chairman of Afep is Pierre Pringuet, CEO of Pernod Ricard. The Association's website (www.afep.com) provides more information on how it operates and its recent work, as well as on the role of the large companies in the French economy.

Economic actors point out that the steps taken in France, particularly in the framework of the Eco-Districts and Eco-Cities programmes, are remarkable in terms of innovation and demonstrating the know-how of the French undertakings and stakeholder authorities. Furthermore, the proposals identified in the framework of Afep's work form part of these programmes.

French economic actors in favour of an efficient and visible sustainable urban development offer

In the light of the development in recent years of urban development offers in driving countries (Germany, Sweden, United Kingdom, Japan, United States), supported by joint public-private promotion, large French undertakings and members of the COSEI international action group shared the desire to raise the profile of a competitive French sustainable urban development offer.

Companies considered that there were **three conditions** for the successful establishment of a French offer for national and export markets:

- **the development of a French offer that is competitive and "differentiating" abroad;**
- **the performance in France and abroad of "physical" innovative, efficient and sustainable urban development pilots, and designing urban simulators;**
- **the development of a communication/promotion strategy abroad for this offer and these pilots.**

The purpose of the pilot projects is to illustrate, over and above the possible implementation of new technologies, the capacity of economic actors to design in groups and at an extremely early stage, organisational solutions covering several urban functions (housing, activities, service, mobility, energy) **in a systemic way**, by **combining various existing technologies** and proposing innovative services for city residents. This design fits in with the international challenges to reduce greenhouse gas emissions, manage energy and integrate a more circular economy. It is based on active cooperation with the public authorities. Indeed, the undertakings want to bring about a new model of governance between public and private actors, by having as their purpose **the development of urban solutions that are as interdependent with each other as possible starting from the design phase, in order to achieve an overall performance that is far superior to the usual "batch"-based piecemeal approach to procurement contracts**. Rather than optimising the performance of a single "batch", performance needs to be improved at overall project scale.

An approach of this kind has the advantage of no longer evaluating performance according to function alone but according to more global targets set by the public authority instead, so guaranteeing a more balanced approach and measurable benefits. The objectives may be:

- per capita consumption (water, energy, CO_2, waste, etc.);
- civic life (use of community spaces, use of public facilities, etc.);
- quality of life (temperature, noise, air, etc.);
- resilience (biodiversity, public health, etc.).

This approach also aims to **pool resources and optimise use** by increasing the rate of use of infrastructures.

The way that **procurement contracts** traditionally work in France, based on functions taken independently of each other, does not guarantee a global performance and just gives a functional performance, as illustrated by the following examples: a building may be extremely energy-efficient but only used 50% of the time, yet it will always consume more per beneficiary than the same less efficient building that is used 90% of the time; creating green and blue networks in no way guarantees their proper future use, nor indeed their actual contribution to the initial targets.

The implementation of several urban development pilots based on a more systemic approach will enable **significant performance gains**:

- reduction in wasted heat, energy, water, transport, non-recycled waste, etc.;
- emergence of innovation-creating activities and local jobs;
- optimisation of undertakings' know-how, both large undertakings and innovative SMEs;
- contribution to combating climate change;
- improvement in urban well-being as part of an approach to improve quality of life;
- better preparing our cities for urbanisation, densification and sedentary lifestyle trends.

The implementation of this more systemic development implies a **change** from the usual patterns in France:

1. **the need for local and regional authorities to enter into procurement contracts in a non-sequential and non-compartmentalised way;**
2. more complex performance, since **undertakings' economic models must take the circular economy into account rather than a linear economy;**
3. **the need for the public project contracting authority to set global performance targets;**
4. **the need for an interface** between the contracting authority (the authority or structure appointed by it) and the various operators;
5. **operators responding to calls for tender as a group in the form of competing consortiums**; once selected, the winning consortium must be given the task of organising and structuring the development and the demonstrator's operation on a long-term basis. This consortium's economic model will no longer focus exclusively on increasing the value of the land (as is the case today with land developers) but also on optimising the performance of the circular economy **during the operation**.

In this context, companies **support the French government's initiative to establish large-scale pilot projects in France starting in 2015**, **in cooperation with regional and local authorities**, illustrating various situations (new builds, modernisation, a combination of the two) in the framework of a **Sustainable City Institute.** They are also **stakeholders in the performance of urban simulators planned in 2015** in the cities of Astana (Kazakhstan) and Santiago de Chile (Chile). Finally, they are fully **mobilised to promote the French sustainable planning offer in the framework of the Vivapolis initiative**, which brings together French exporters.

The following examples illustrate the benefit of the systemic approach promoted:

- city of Grenoble development forecast for 2030 *(Eiffage, Dassault Systèmes)*;
- the "Issy grid" project, in the suburbs of Paris, optimises energy consumption *(Bouygues, Alstom, EDF, Schneider Electric, Total, Microsoft)*;
- Astainable®, a 3D urban demonstrator to assess the French vision of quality of life for Astana (Kazakhstan) with a high ambition of urban sustainability *(Eiffage, Egis, GDF SUEZ)*;
- establishment of integrated energy production management using photovoltaic solar energy in Nice *(Alstom, EDF, ERDF, Saft)*;
- urban project optimization through life cycle analyses with the nova Equer tool: example of Lyon ; integration of biodiversity in urban projects with the Biodi(V)strict methodology *(Vinci)* ;
- sustainable urban mobility use cases (Lafarge, Orange, RATP, Renault, Schneider Electric, SNCF, Véolia Environnement).