

# **Press Release**

Europe's sustainable built environment initiative gains momentum: Launch of Built4People Innovation Cluster Network to accelerate sustainable innovation

Today (25 September 2023) the <u>Built4People</u> (B4P) partnership announced the launch of a new network of innovation clusters, to action sustainable innovation and help hit EU climate targets for Europe's ageing building stock, which is lagging behind in the green transition.

The B4P public-private partnership between the European Commission and two of Europe's leading built environment associations, <u>European Construction, built environment, and energy-efficient buildings Technology Platform (ECTP)</u> and <u>World Green Building Council (WorldGBC)</u> was set up in 2021 to channel around €800 million into research and innovation for the sector. The partners are now calling for clusters of businesses to join the Built4People Innovation Cluster (B4PIC) Network. The B4PIC network will help the industry to scale up new solutions, products and services aligned with the ambitions of the <u>EU Green Deal</u> and New European Bauhaus.

The B4P partners welcome existing hubs or clusters to join the multidisciplinary European network to engage, connect, and scale sustainable innovations across Europe.

The built environment currently accounts for a staggering 39% of global CO2 emissions, which continue to rise. The EU has a target to upgrade 35 million homes by the end of the decade and new legislation under development may make it mandatory for all new buildings to be Zero Emissions by 2028. Currently however, investments in the sector are way off track, with an estimated annual shortfall of some €282 billion needed to upgrade just the existing building stock.

Unlocking this investment and delivering on the EU's ambitious goals requires a major shift in the way sustainable buildings are delivered. The construction sector has not kept pace with productivity gains seen in other sectors in past decades and has been one of the slowest to exploit opportunities from digitalisation.

The complexity and fragmentation of the sustainable built environment ecosystem necessitates the involvement of all players across the value chain and building lifecycle to achieve holistic transformation. However, waiting for innovations to scale organically is insufficient. Innovations require the right conditions and networks to reach the market quickly. The new network of B4PICs will play a crucial role in incubating solutions and accelerating their maturity levels, benefiting companies of all sizes. Crucially, this also means increasing the chances of successful outcomes from the dozens of projects the EU is funding under the B4P Partnership.



## Driving productivity, growth, and efficiency

By leveraging their collaborative ecosystems, expertise and resources, clusters within B4PICs can accelerate the development, adoption, and scale-up of green technologies and solutions. Research indicates that innovation clusters yield substantial benefits including:

- Increased Productivity: Companies within innovation clusters are around 40% more productive than non-clustered organisations, according to the <u>European Cluster</u> <u>Observatory</u>. Additionally, a study conducted by the <u>Massachusetts Institute of</u> <u>Technology (MIT)</u> revealed that innovation cluster companies experience an average productivity growth rate of 1.2% per year, compared to 0.5% for non-clustered firms.
- 2. Accelerated Growth: <u>The Global Cluster Observatory</u> reported that companies in innovation clusters experience 2.5 times faster employment growth and generate 18% higher gross value added (GVA) compared to non-clustered firms.
- 3. Scale and Supply Chain Efficiency: Collaboration within clusters can result in up to a 48% reduction in supply chain lead time, positively impacting productivity, as published in the International Journal of Production Economics.

## Unlocking the Potential: B4PIC Network's offer and added value

B4PIC candidates will be engaged in an evolution or transformation process, to enhance their maturity levels. Participants can benefit from:

- Improved visibility towards the European Commission and the major European stakeholders from across the built environment.
- Facilitate adoption, and uptake of innovative solutions aligned with the New European Bauhaus, thanks to increased awareness of the benefits of innovation and better access to co-financing.
- Intensified cross-sectoral and interdisciplinary peer learning from front runners, fostering cross-border cooperation and networking.
- Preparation for long-lasting activities within the network of B4P Innovation Clusters, with integration opportunities for subsequent clusters.

## Key services and support

The set-up of this new B4PIC network is supported by the <u>NEBULA project</u>. Funded by the Built4People Partnership, B4PIC candidate clusters are supported with a dedicated timeline and step-by-step integration of the B4PIC success factors, helping clusters to reach maturity levels faster.

NEBULA provides a range of key services to assist clusters on their transformative journey, including:

- Finance toolbox encompassing public and private funding of innovation
- Match-making sessions to foster valuable connections
- Capacity-building workshops tailored for clusters
- Handbook for the New European Bauhaus (NEB)
- NEB Advisors to support and promote events and materials
- Peer-learning webinars
- Dedicated clusters module on the METABUILDING platform



• Identification and promotion of EU-funded innovations.

#### How can clusters join the B4PIC network?

Existing hubs or clusters across Europe are invited to complete an expression of interest form. Upon submission, applicants will receive further information regarding the subsequent steps to initiate the application process.

The first members of the Built4People Innovation Cluster network, ERAIKUNE (Basque Country Construction Cluster) and ODEYS (Cluster construction et aménagements durables in Nouvelle-Aquitaine), signed the B4PIC charter, confirming their participation in the network on 18 September 2023. These clusters will collaborate to mobilise innovation in the building and construction sector in the Euroregion Nouvelle-Aquitaine, Euskadi, Navarra.

For inquiries about the process, please contact info@built4people.eu or find out more here.

## Paul CARTUYVELS, Bouygues Europe Executive Director and ECTP President:

"For us at Bouygues, innovation is at the very core of our business model as we strive to meet the major challenges facing our customers and society and to speed up our response to environmental challenges. That is why we support the efforts of the Built4People partnership and the NEBULA project and welcome the launch of this new international network of innovation clusters and the potential it brings for new collaborations and rapid scaling of new solutions."

## Thomas Fuhr, Chief Technology Officer, Uponor:

"Uponor is committed to a step change in innovation and new technology development, and we recognise that this requires creating synergies across our business and beyond. Collaboration is key to sustainable business development and partnerships like Built4People, and this new network of innovation clusters can help businesses like ours to work with partners and customers to lead the construction industry towards net zero."

#### Fernando Sigchos Jiménez, Secretary General, European Builders Confederation:

"EBC represents the interests of the building sector's micro, small and medium-sized entrepreneurs to ensure they can play their part in helping the European Union respond to challenges such as job growth, youth unemployment, digital economy, energy efficiency, circular economy and more - goals that are well aligned with the Built4People Partnership. We welcome the formation of this new network of innovation clusters for the opportunity it offers construction SMEs to get closer to the innovation community, to generate ever more useful synergies to meet the challenge of massive renovation of Europe's built environment and buildings."



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