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# ULI & HSBC Webinar: Reactivating Europe - The Role Of Cities



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# ULI & HSBC Webinar

## Reactivating Europe - The Role Of Cities



**Andrea Carpenter**

Director

Women Talk Real Estate





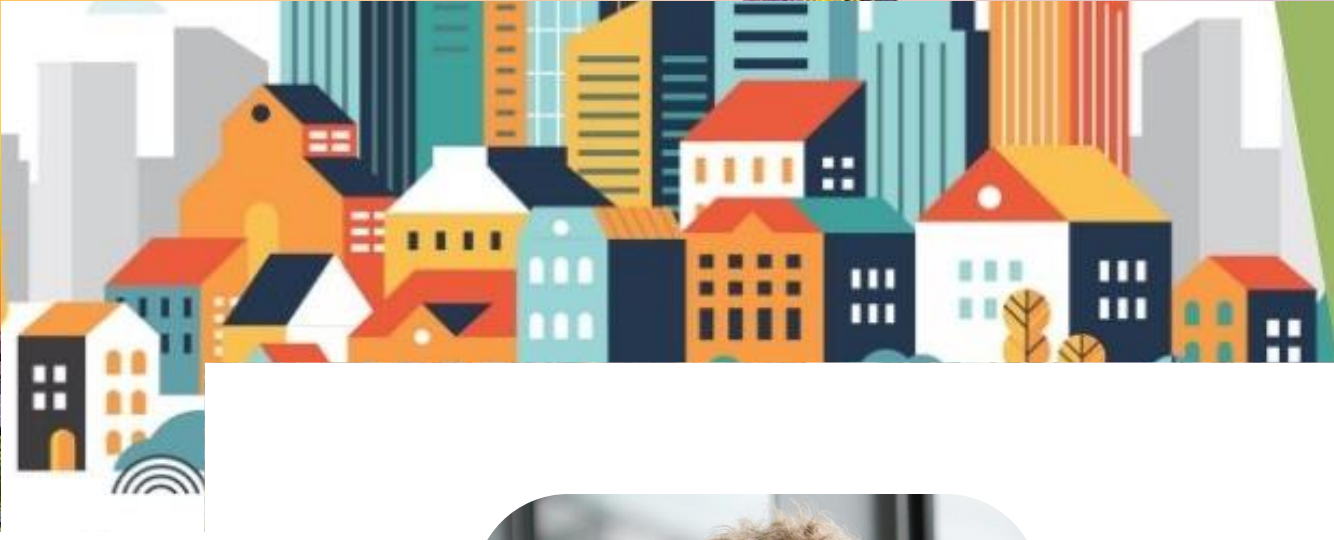
# ULI & HSBC Webinar

## Reactivating Europe - The Role Of Cities

7 December 2020







# ULI & HSBC Webinar

## Reactivating Europe - The Role Of Cities



**Greg Clark**

Global Head of Future Cities & New Industries  
HSBC

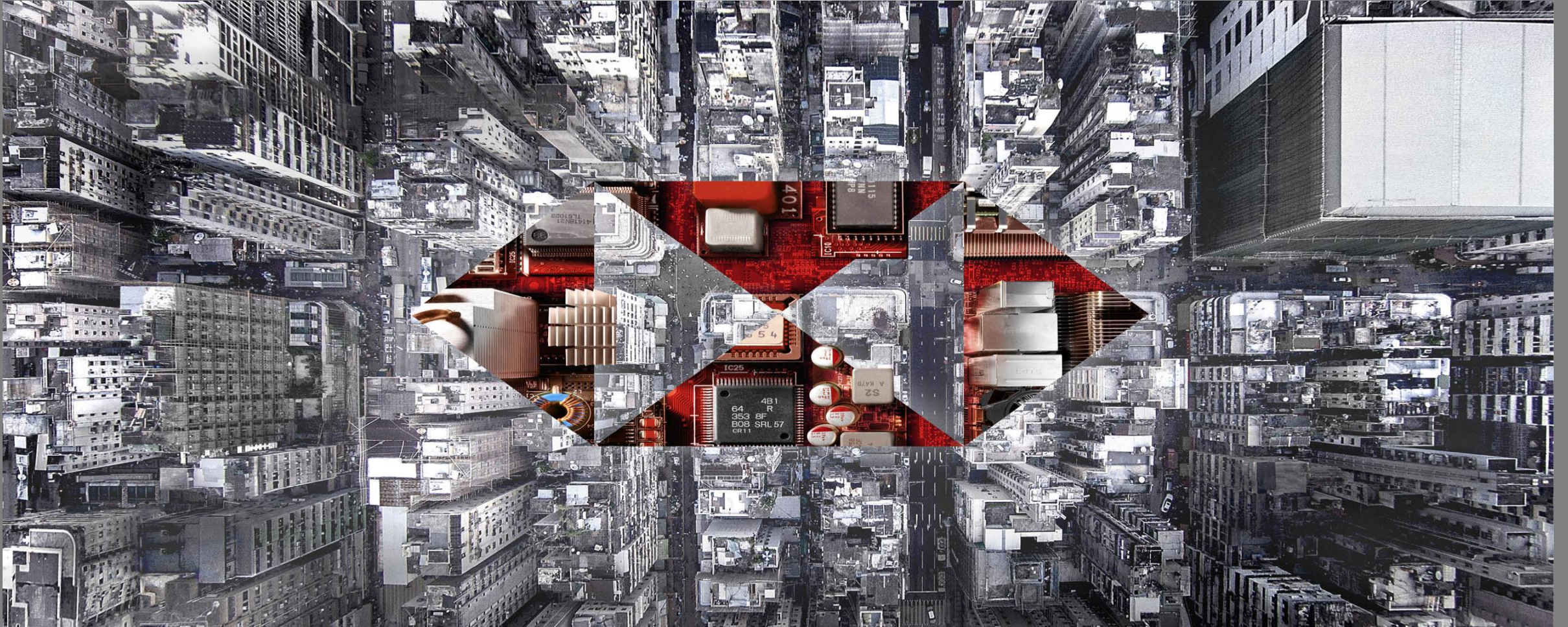
Senior Fellow  
Urban Land Institute



# Reactivating Europe: the Role of Cities.






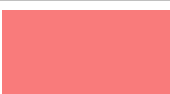

Prof Greg Clark CBE

Global Head, Future Cities & New Industries








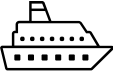




# The Century of Cities

Global Population % Urbanised		Global Incidents	Drivers	New Spatial Forms	Key Urban Industries and City Systems	New Wave Urban Policies
1980 - 1990	 41%	<ul style="list-style-type: none"> <li>! AIDS</li> <li>! Chernobyl</li> <li>✓ Fall of the Berlin Wall</li> </ul>	<ul style="list-style-type: none"> <li>Services</li> <li>Global supply-chains</li> <li>De-industrialisation</li> <li>Capital markets</li> <li>Multi-national business</li> </ul>	<ul style="list-style-type: none"> <li>Densifying core cities</li> <li>Fast growing megacities</li> </ul>	<ul style="list-style-type: none"> <li>Financial services</li> <li>Professional services</li> </ul>	<ul style="list-style-type: none"> <li>Urban regeneration</li> <li>Urban transport</li> <li>Urban social &amp; poverty programmes</li> </ul>
1990 - 2000	 45%	<ul style="list-style-type: none"> <li>✓ End of Cold War</li> <li>✓ WTO formed</li> <li>! Asian Financial Crisis</li> <li>! Y2K</li> </ul>	<ul style="list-style-type: none"> <li>Regional integration</li> <li>Global trade</li> <li>Population mobility</li> </ul>	<ul style="list-style-type: none"> <li>Metropolitan areas and city-regions</li> </ul>	<ul style="list-style-type: none"> <li>Creative industries</li> <li>Media</li> <li>Science</li> </ul>	<ul style="list-style-type: none"> <li>Metropolitan governance</li> <li>Knowledge clusters</li> </ul>
2000 - 2010	 49%	<ul style="list-style-type: none"> <li>! 9/11 and the 'War on Terror'</li> <li>! SARS</li> <li>! Indian Ocean Tsunami</li> <li>! Global Financial Crisis</li> </ul>	<ul style="list-style-type: none"> <li>Re-urbanisation of business and capital</li> <li>War for talent</li> <li>Mass internet access</li> </ul>	<ul style="list-style-type: none"> <li>Multi-city regions</li> <li>Growth corridors</li> </ul>	<ul style="list-style-type: none"> <li>Urban tourism</li> <li>Higher education</li> <li>Retail</li> <li>Real estate</li> <li>Sport</li> </ul>	<ul style="list-style-type: none"> <li>Smart cities</li> <li>High speed rail</li> <li>Systems of cities</li> <li>Special zones</li> </ul>
2010 - 2020	 54%	<ul style="list-style-type: none"> <li>✓ Global Financial Crisis Recovery</li> <li>! Fukushima</li> <li>! Iceland Volcano Ash Cloud</li> </ul>	<ul style="list-style-type: none"> <li>Exponential technologies</li> <li>Aging demographics</li> <li>Rise of Asia-Pacific</li> <li>New enterprise models</li> </ul>	<ul style="list-style-type: none"> <li>Mega-region clusters (GBA, YRD)</li> <li>Tier 2 and 3 city growth</li> </ul>	<ul style="list-style-type: none"> <li>Innovation economy</li> <li>Sharing economy</li> <li>Advanced manufacturing</li> <li>Micro-mobility</li> </ul>	<ul style="list-style-type: none"> <li>NetZero cities</li> <li>City deals</li> <li>New cities</li> <li>Innovation districts</li> </ul>
2020 - 2030	 58%	<ul style="list-style-type: none"> <li>! COVID-19</li> <li>! Droughts</li> <li>! Climate Refugees</li> </ul>	<ul style="list-style-type: none"> <li>Post COVID recovery</li> <li>Climate change</li> <li>Geo-Politics</li> <li>IoT and digital technologies</li> </ul>	<ul style="list-style-type: none"> <li>Regional networks multiple diverse corridors and gateways</li> <li>More distributed urbanization</li> <li>Polycentric cities and poly-city regions</li> </ul>	<ul style="list-style-type: none"> <li>Circular economy</li> <li>Experience economy</li> <li>Urban logistics and food</li> <li>Green energy</li> <li>Low carbon transit</li> </ul>	<ul style="list-style-type: none"> <li>Healthy cities</li> <li>15-minute cities</li> <li>Zero car cities</li> </ul>
2030 - 2040	 ~65%	<ul style="list-style-type: none"> <li>! COVID-19</li> <li>! Droughts</li> <li>! Climate Refugees</li> </ul>	<ul style="list-style-type: none"> <li>Post COVID recovery</li> <li>Climate change</li> <li>Geo-Politics</li> <li>IoT and digital technologies</li> </ul>	<ul style="list-style-type: none"> <li>Blended/Hybrid Cities</li> <li>NetZero Cities</li> <li>IoT and Automated Cities</li> </ul>		
2040 - 2050	 ~70%					



# Are European cities still globally relevant?

-  Relatively small size compared to cities in US and Asia → Only 4 of the world's **top 50 urban economies** are in Europe
-  Far from main centres of economic growth and demand
-  Adverse demographic outlook in many cities → 75% of Europe's cities have an **old age dependency ratio** >30, compared to 33% in the US
-  Slow integration of exponential technologies
-  Modest track record of innovation and venturing → Of the top 1,000 **innovative tech firms** globally, only 160 have their HQs in European cities – compared to >650 in US cities
-  Externalities relating to over tourism
-  Erratic appetite to grow, densify and attract newcomers → 52 of the 100 slowest growing urban areas >1m from 2018-2035 will be in Europe
-  Social and political polarisation on the rise

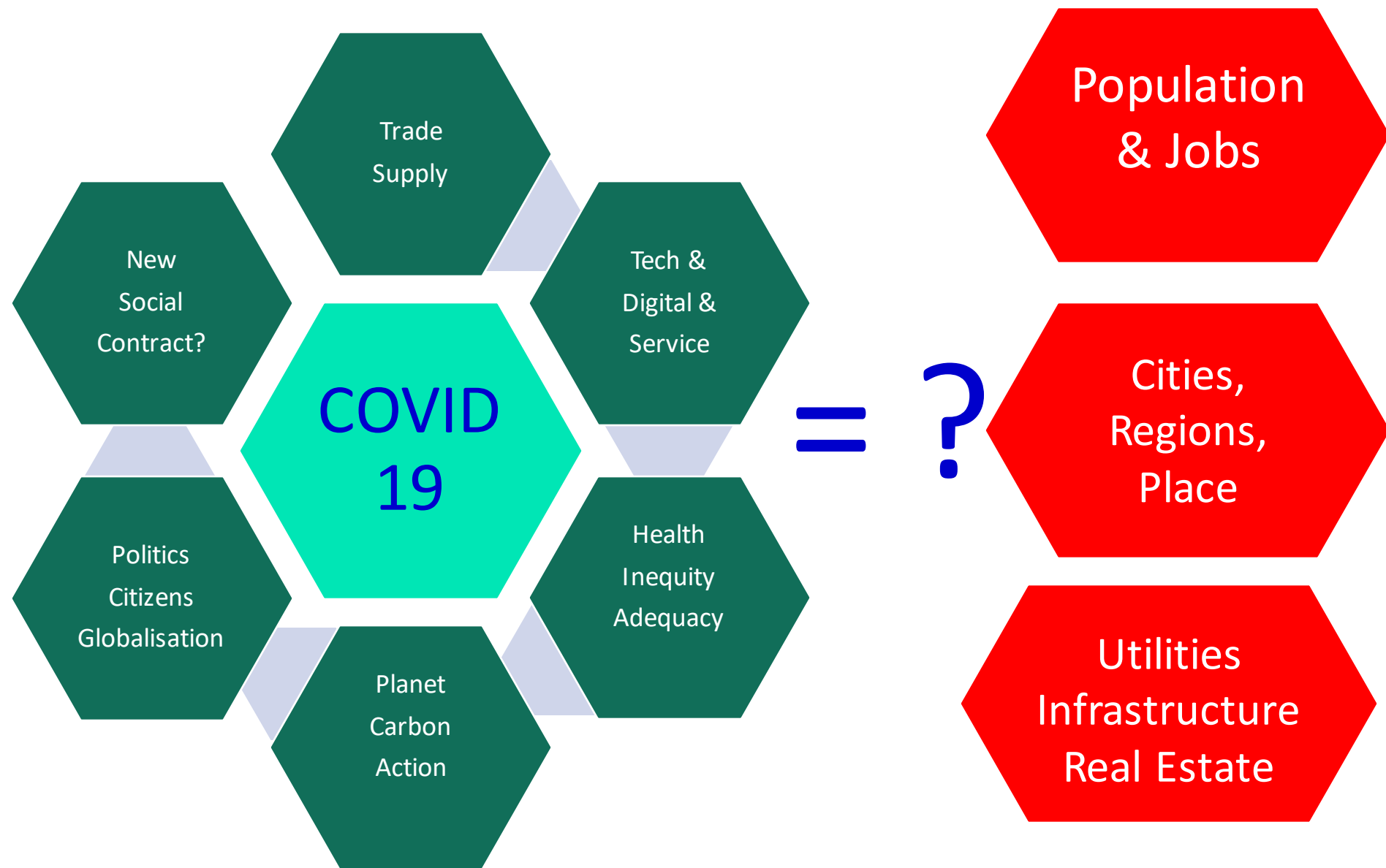


# COVID19: Agent of Change & Accelerator

Phase 1 Pandemic

Phase 2 Recovery

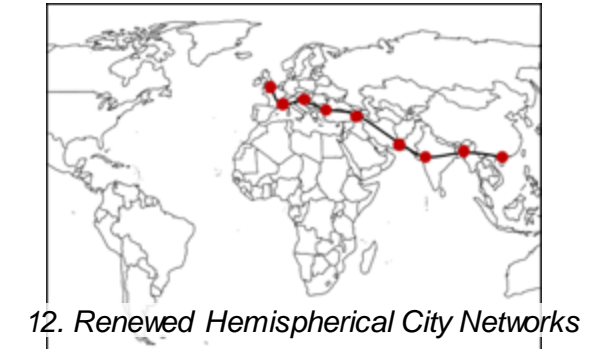
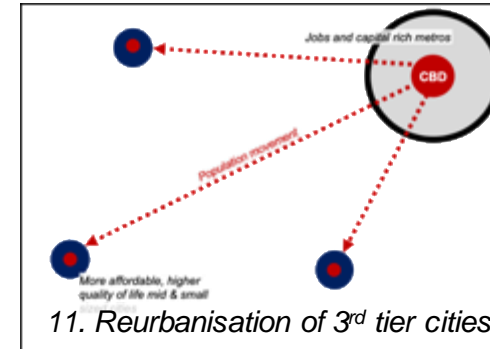
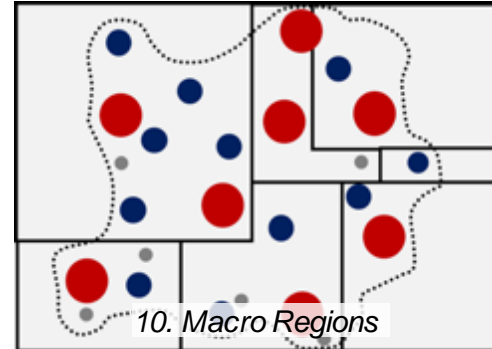
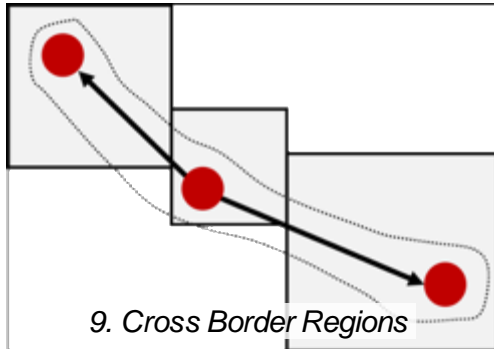
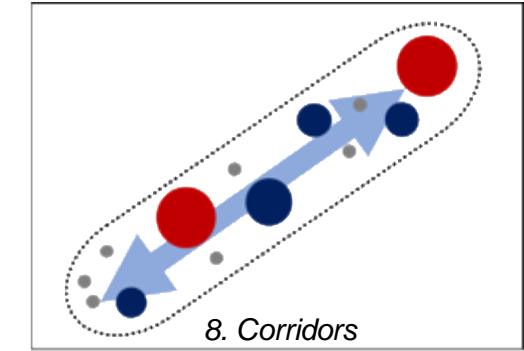
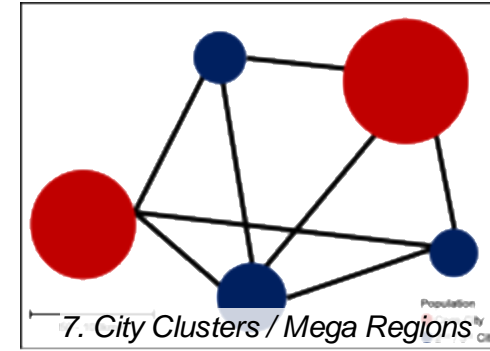
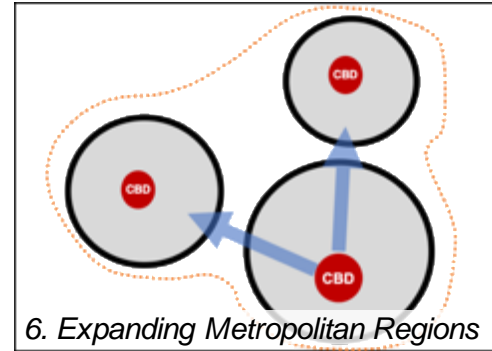
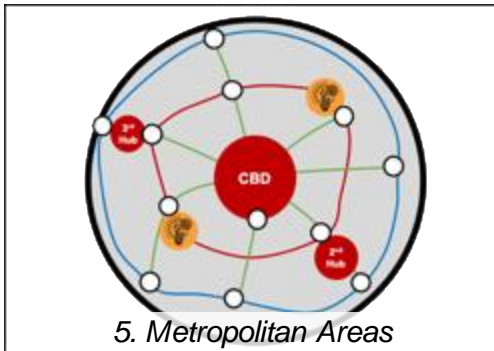
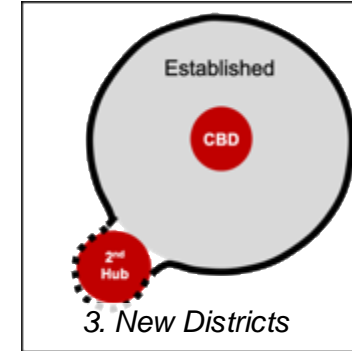
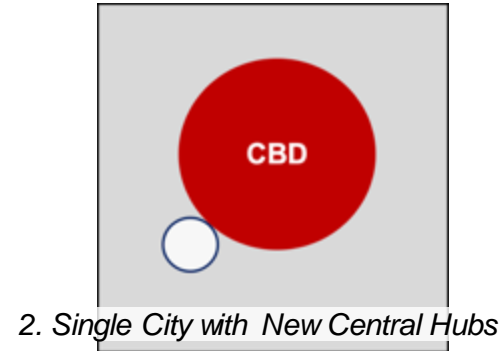
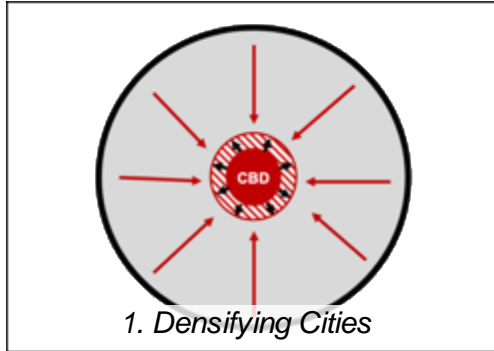
Phase 3 Reset





# Shapes and Sizes in the Century of Cities

1980-





## The Physical City



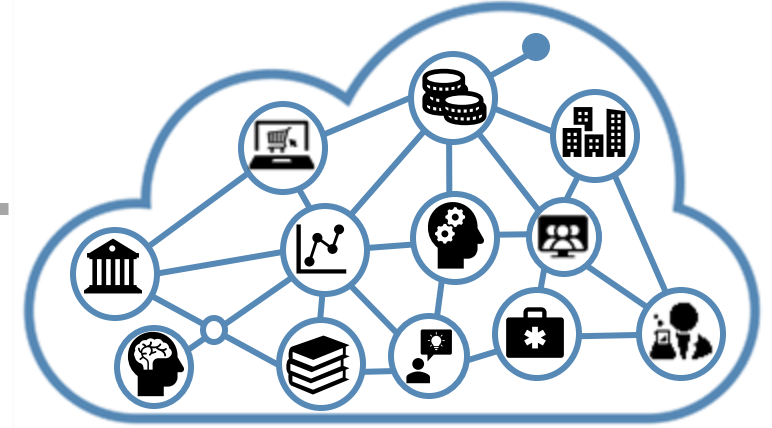
Choices: citizens

1. Where we live
2. How we work and consume
3. When/how we travel

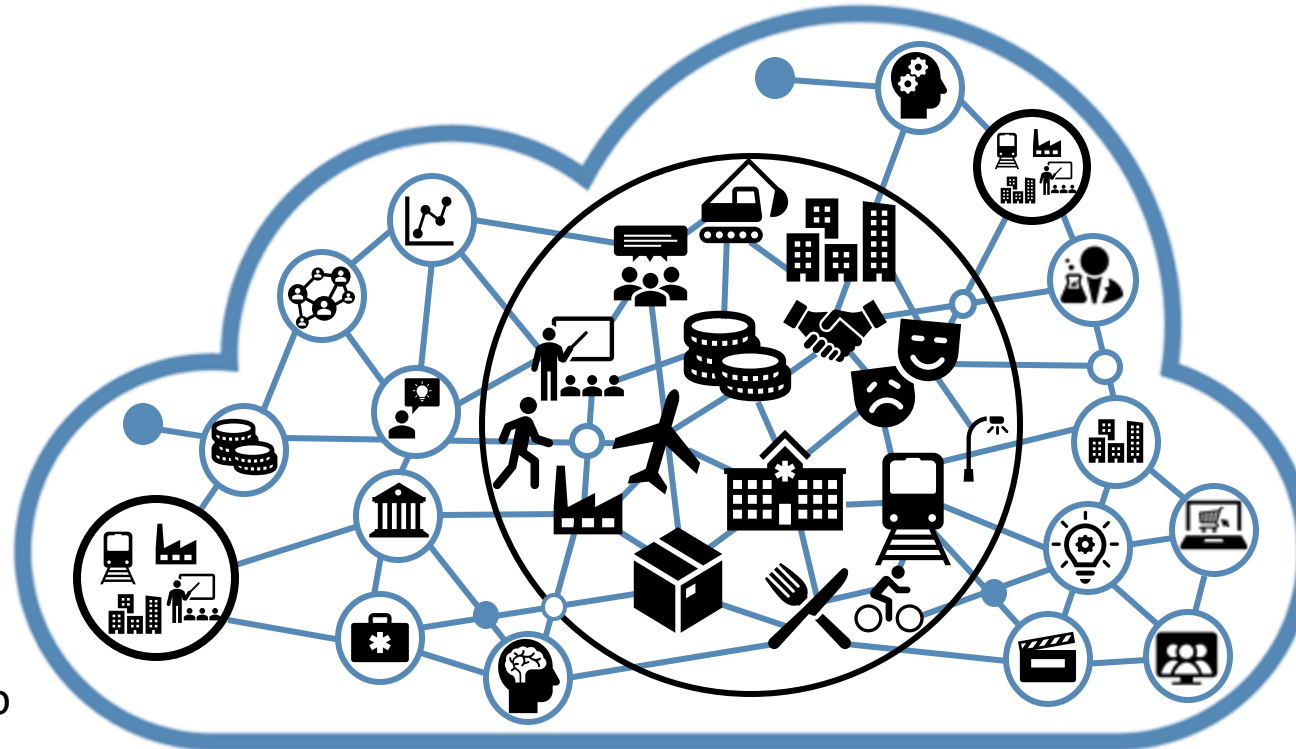
Choices: cities

1. How to adjust services, systems, and shared spaces.
2. How to generate revenues.
3. What economic sectors to pursue and how?

## The Virtual City



## The Blended City



Leads to

1. Changes in effective shape and size of city
2. Accelerated Hybridity.
3. Risk of fragmentation and segregation.



## The Physical City



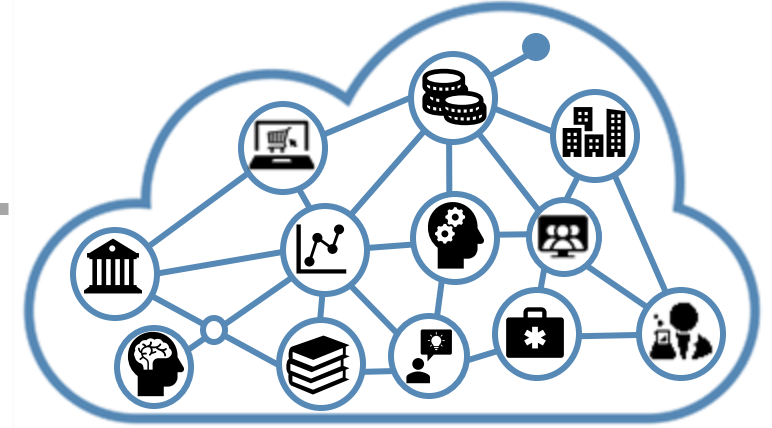
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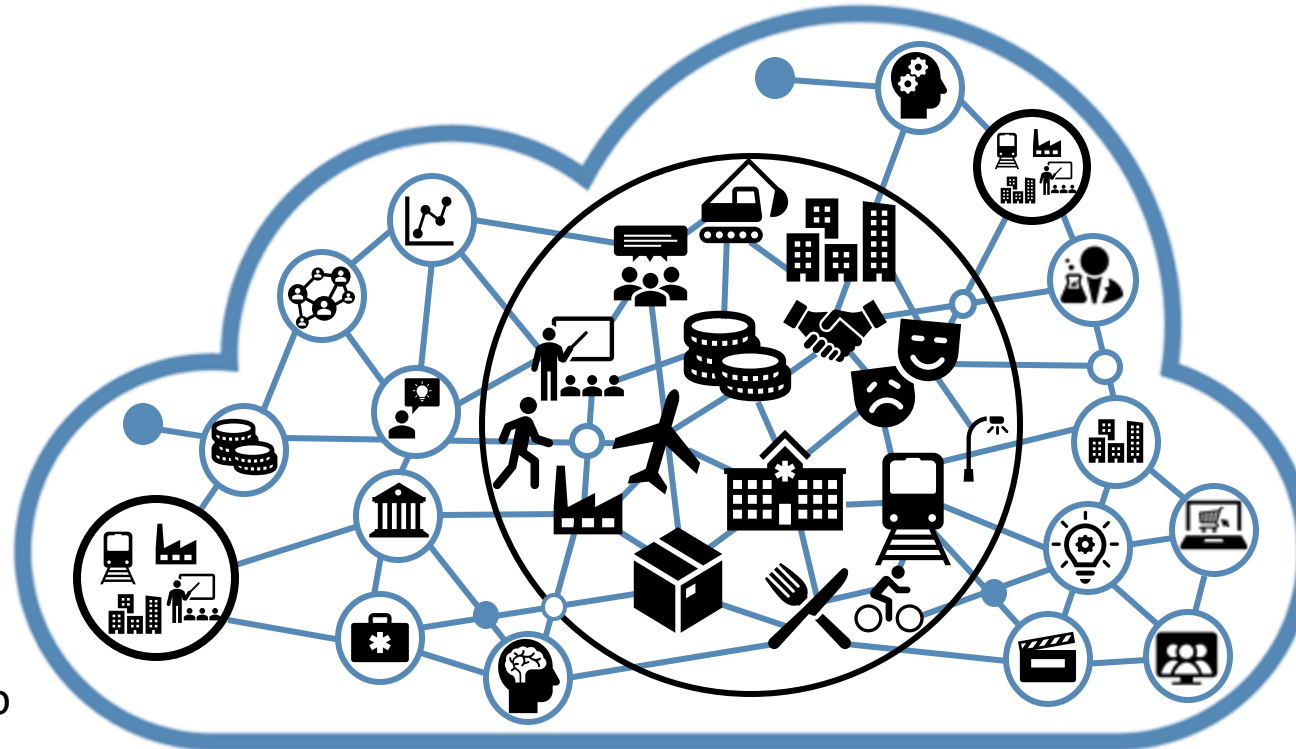
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## The Virtual City



## The Blended City



Leads to

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# Real Estate Impact

## Mantras

- Agility
- Hybridity
- Servicisation

## Reform

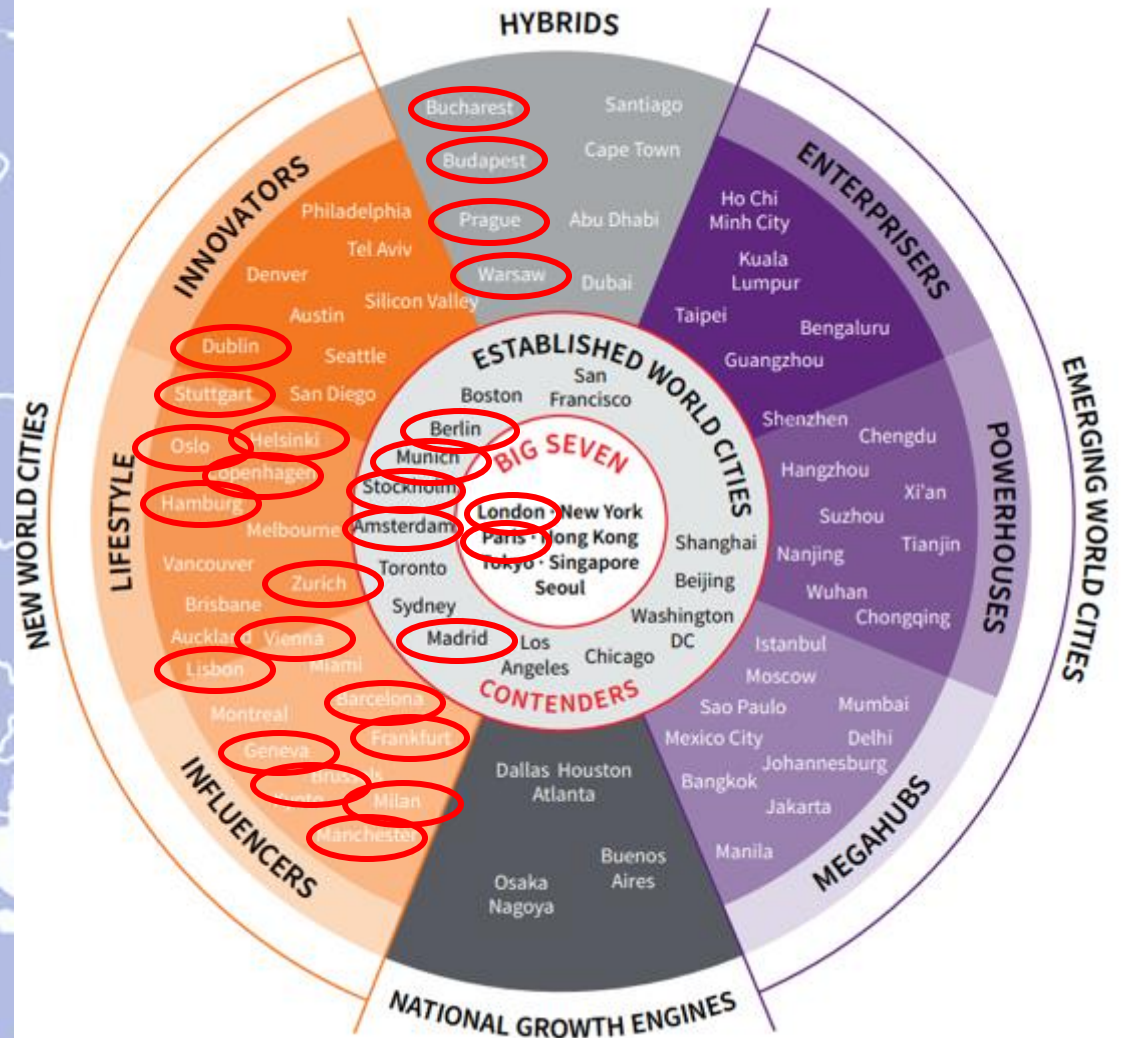
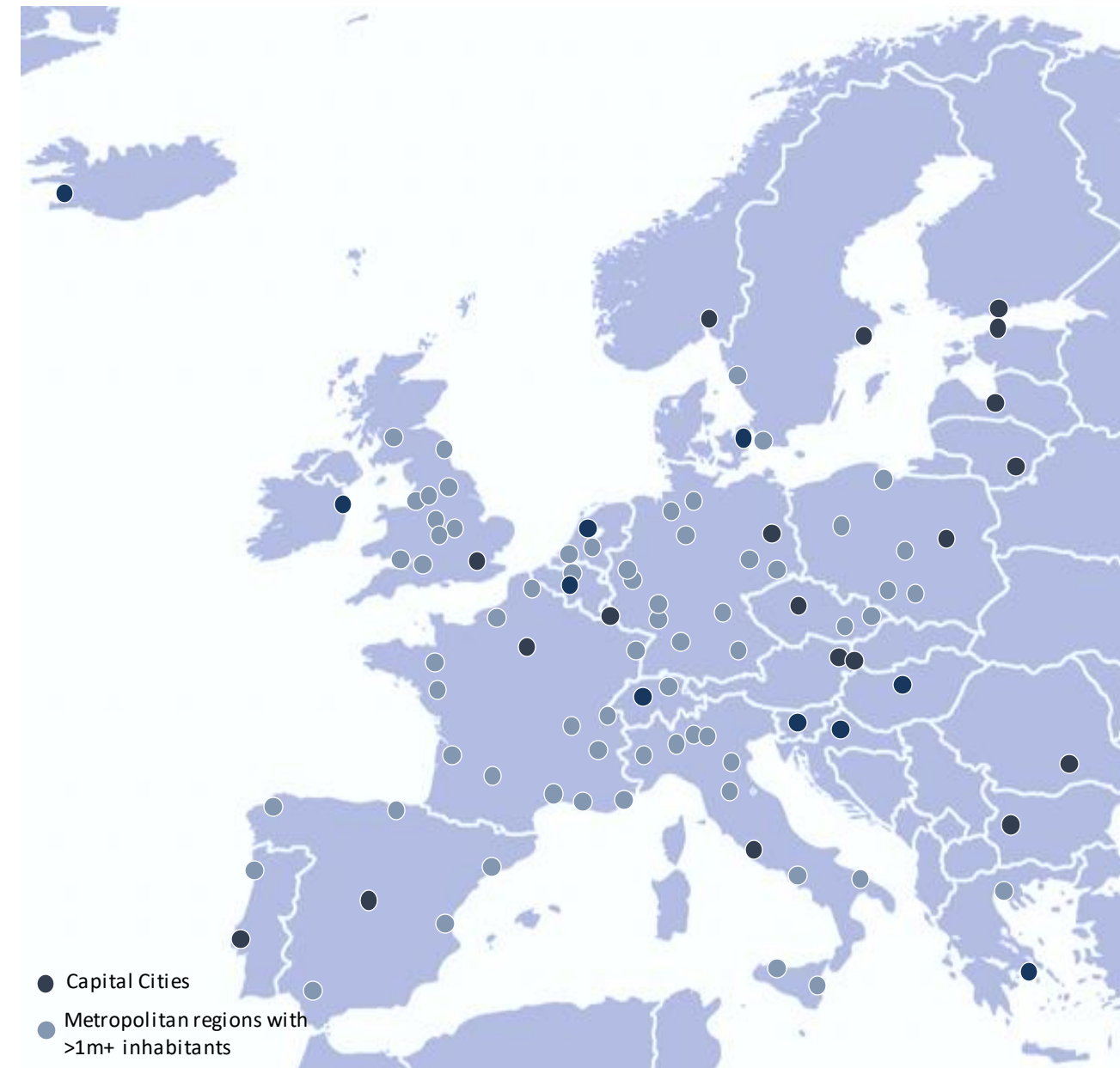
- Office
- Retail
- Hotel

## Deepen

- Residential
- Innovation
- Experience



# Europe Cities in the Global System





# EU system of cities in a global perspective?

- ✓ **Highly urbanised.** 80% urbanised with a mature and settled urban system.
- ✓ **Advanced pan-European integration.** distinctive and authentic independent nation states + the EU platforms that provide shared planning and consistent investment.
- ✓ **Historic global ties mean it is highly interconnected** in terms of its economy, population and trade links
- ✓ **Advanced knowledge and services**, and serving global demand for education, tourism, healthcare, diplomacy and expertise.
- ✓ **A distributed urban system that fosters specialisation.** Fewer large cities and more medium-sized well-connected cities
- ✓ **Successful experience of urban restructuring** and intensification
- ✓ **Multiple and continuous cycles of high urban infrastructure investment**, especially in public transport
- ✓ **Closely neighbouring cities that 'borrow scale' from one another.** (Milan-Turin, Amsterdam-Rotterdam, Copenhagen-Malmö),
- ✓ **Medium density / high amenity cities** that have the ingredients for smart compact urban living
- ✓ **Very strong city and national brands** with the capacity to attract and inspire.



# Play to Strengths: Leverage The DNA of European Cities

## Perceived Threats

Relatively small cities compared to America and Asia	Far away from main centres of economic growth and demand
Adverse demographic outlook in many cities	Erratic appetite for cities to grow, densify and attract newcomers
Modest track record of innovation and venturing	Slow integration of exponential technologies
Externalities related to over tourism	Social and political polarisation on the rise

## Play to strengths

Highly diverse and specialised, distinctive and globally recognisable cities	Track record of commitment to sustainable city futures and social contracting
Deep urban culture sustains desirability, identity & investment	Quality urban systems, compact cities, and inter-gov model underpins quality of life and climate action
Leverage knowhow to serve and host the world	Long-term planning and continuously high rates of infrastructure investment



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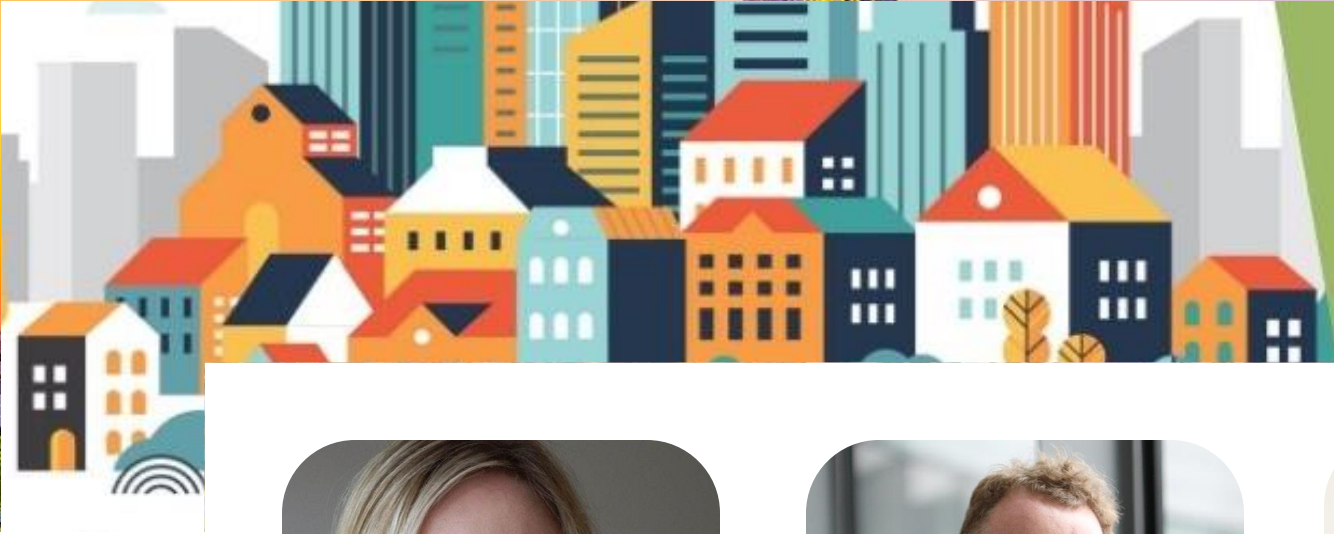
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# ULI & HSBC Webinar

## Reactivating Europe - The Role Of Cities



**Andrea Carpenter**

Director  
Women Talk Real Estate



**Greg Clark**

Global Head of Future  
Cities & New Industries  
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Senior Fellow  
Urban Land Institute



**Nikki Grady-Smith**

Senior Vice President of  
City & Corporate  
Integrated Solutions  
BP



**Guido Verhoef**

Head of Private  
Real Estate  
PGGM Investments B.V.





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Thursday 10 December at 08:00am GMT / 09:00am CET

**Reuse and Recycle – Positive Change Through Circularity**

Wednesday 16 December at 12:30pm GMT / 1:30pm CET

**The 2021 ULI Europe Digital Programme will be launched soon, details to follow by email**





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