

Outages May Boost Green Building

Sweeping power outages across major cities have affected the commercial and industrial property development sector negatively, with many pointing to infrastructure constraints and a negative impact on business confidence as boding ill for the industry in the long-term.

But it's not all doom and gloom, believes SAPOA president Marna van der Walt.

"In a market that is correcting itself, there are always opportunities and it is how we plan to go forward – to face those challenges – that will make the difference," she says.

Van der Walt, who is also CEO of property group JHI, reckons that the power outages might just provide the push needed for SA businesses to accelerate their green initiatives and catalyze more effective energy management to SA.

After all, she says, energy management is certainly not a trend that is unique to South Africa, but a very real part of the drive towards green building world-wide.

"Many businesses are realizing that back-up generators are simply not a sustainable solution in the longer-term. Apart from the capital outlay, they cost double the Eskom rate to run," she explains.

"We need to find viable, alternative sources of renewable energy – as is being done in Europe and North America – such as solar or wind energy."

As president of SAPOA, she urges industry leaders to read the Department of Minerals and Energy's (DME) White Paper on Renewable Energy to understand alternative sources of sustainable energy – and more efficient approaches to energy management.

Another important step, says SAPOA CEO Neil Gopal, is for the commercial and industrial property sector to take the time to engage with government and learn more about the situation, in order to contribute to a positive resolution.

“We’ve already set up meetings with Eskom and the DME, and we’re working on scheduling workshops with the department to pool our knowledge and ideas,” he elaborates. “Developers and architects need to also look abroad and understand that the world has moved to move energy efficient design criteria. We need to capitalise on this and that’s one of the reasons we established the Green Buildings Council of SA last year. We need to start thinking more innovatively.”

There are other upsides, too. As some analysts have pointed out, the tightening supply that could result from a slowdown in development might even provide a welcome boost for SA property returns.

“We may see a correction to more realistic prices,” says Van der Walt.

“And with softer prices and a weakening exchange rate, properties will again start to look very appealing for foreign buyers.”