



GREEN BUILDINGS MARKET INTELLIGENCE

ARGENTINA COUNTRY PROFILE



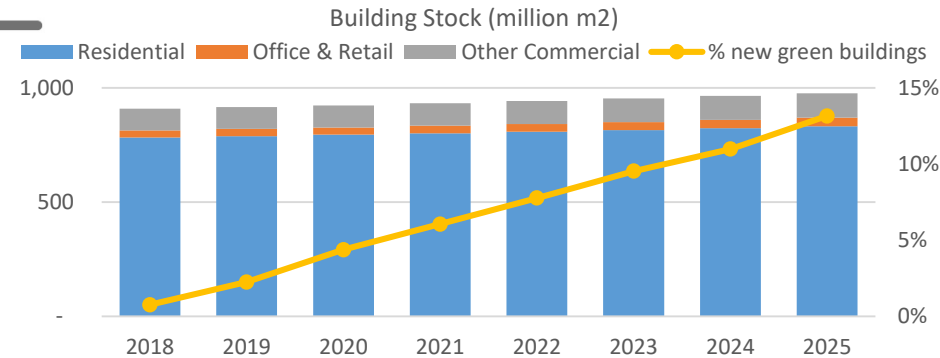
Creating Markets, Creating Opportunities



ARGENTINA: COUNTRY SUMMARY



MARKET GROWTH



Market through 2025

Commercial

Residential

Residential units

Total market

USD 21B

USD 61B

250,000

Green market

USD 2B

USD 5B

60,000



OTHER FACTORS

- Experiencing favorable political dynamics.
- Pro-business outlook has drawn investment back to the country.



GREEN BUILDING PROGRAMS

- Argentina has a Green Building Council that is actively pursuing certifications of buildings in the country.
- Over 300 projects are certified or registered, spread throughout the country.
- Several EDGE trainings and awareness events are planned over the course of the year.
- First EDGE project achieved certification in 2017 with more coming online.



CLIMATE POLICIES (NDCS)

- President Macri has led the country to adopt greener policies since taking over the position.
- These include pushing for renewable energy and pushing for forest protection, signaling green build opportunities.



MARKET STATUS

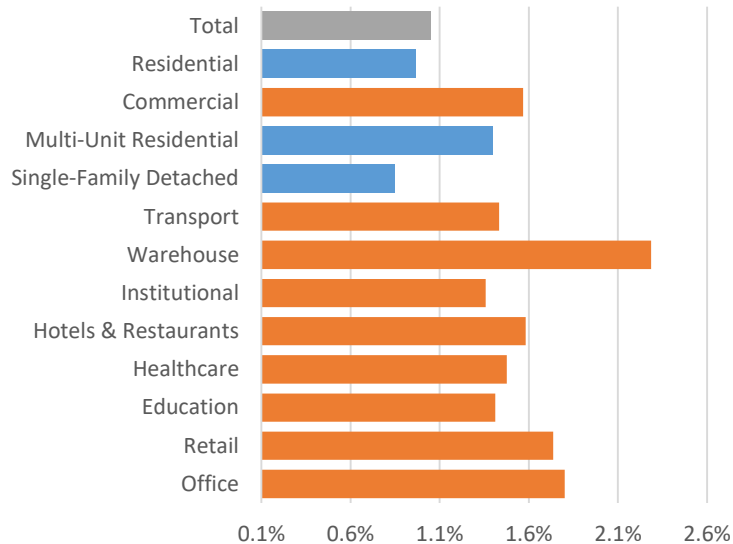
- 2016 saw Financial services company, Grupo Supervielle SA, lend out 6 times the amount of mortgages year over year.
- In addition to \$10B of investment in Real Estate and Housing over the next few years, the country expects \$25B for Roads and Highways and \$2B for Airports and other transportation hubs.
- The World Bank approved \$265M of investment in the country's emerging green economy in 2015.

Sources: Navigant Research Global Building Stock Database, World Bank NDC Database,



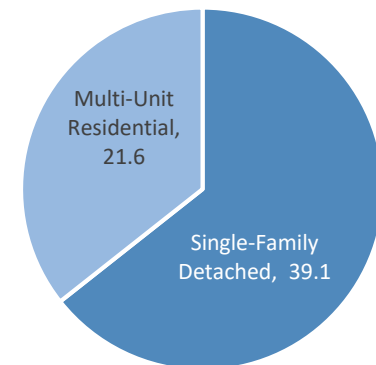
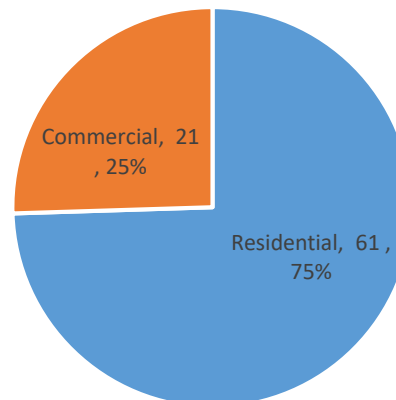
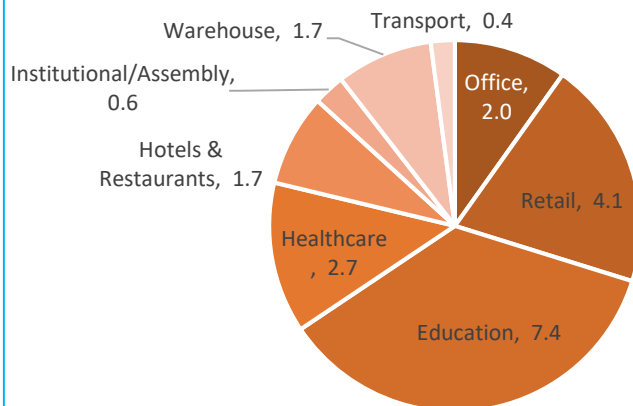
MODERATE GROWTH IS EXPECTED ACROSS ALL SUB-SECTORS

MARKET GROWTH BY SUB-SECTOR (CAGR)



- The overall growth annually in the Argentina is over 1%, driven by Warehouse, Office, and Retail.
- Residential buildings already make up the largest part of the market, contributing to the majority of the market through 2025. This is mostly contributed by initiatives from the current government to build not only new homes, but ones that are energy efficient.
- Unlike in most other developing countries, multi-unit residential is a larger part of the residential market and thus more primed for commercial investment.

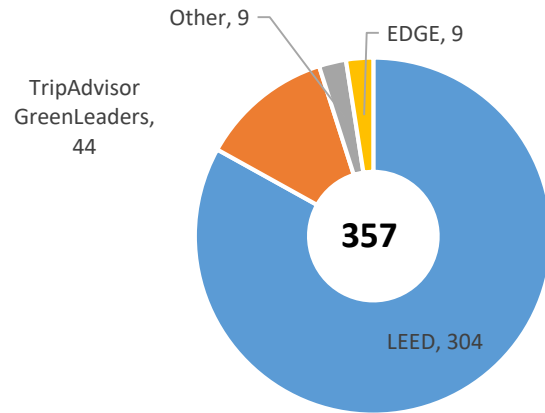
TOTAL MARKET SIZE 2018-25 (USD BILLIONS)





GREEN MARKET IS TAKING OFF

In 2017, Argentina boasted 357 published green building activities, including certifications and registrations.

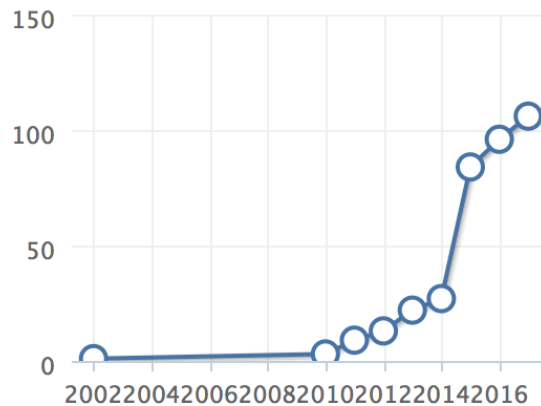


The vast majority of green buildings are in the nation's capital, Buenos Aires.

Although the density is in the capital, much of the expected growth is throughout the north of the country for tourism and transportation purposes



Cumulative activity count, by year:



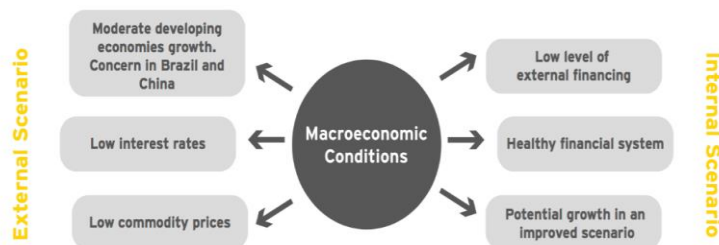
Notable projects include:

- AR-SAT
- Bouchard 710
- Citibank ICG Branches – Multiple
- Boutique Work 1
- Buenos Aires Ciudad - Casa de Gobierno
- Oficinas Dass Argentina S.A.
- HSBC Barrancas de Lezama RECERTIFICATION
- MetLife
- BRIDGESTONE ARGENTINA



ARGENTINA'S BUILDING MARKET IS EXPECTED TO GROW

Argentina has steadily seen increases in mortgages being issued. This is largely due to international investors seeing strength in the country's economy with opportunities plentiful post-recession.



Although the country is planning to build nearly 300,000 homes over the next 10 years, much of the construction is in commercial building, much of which is fueled by tourism efforts in the country.

The country is also a cheaper option when compared to neighboring countries such as Uruguay and Brazil, where the average cost to build is nearly double.

Top sector for expected building projects:
New Commercial Construction

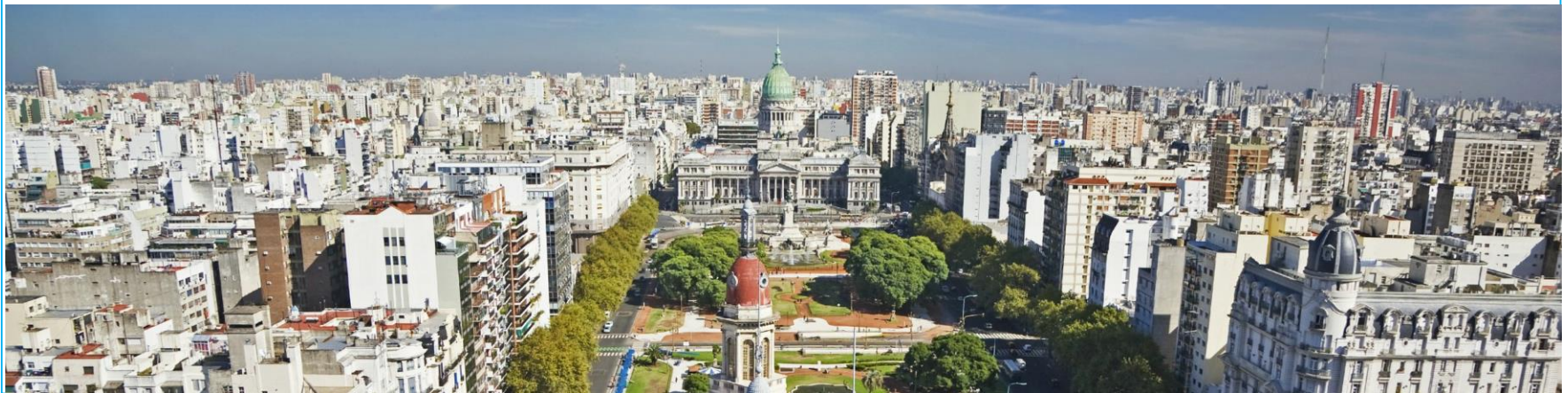
Top sector for green project:
Commercial

There are continued efforts to pursue renewable energies to power new buildings



STEADY GROWTH PROJECTED FOR THE GREEN MARKET

- Argentina is expected to experience steady growth with green buildings over the next few years, based on the fast rise of green certifications and the introduction of the EDGE software in the market.
- Offices and retail – which are initially leading the market in current certifications – will continue leading the green space in a quick rise of green through 2025.
- Tourism sector is likely to grow, leading to green hotels and restaurants, as the business case for going green in this sector is well understood.
- The commercial sector will be quickly followed by the residential market, especially through the introduction of EDGE, which responds to the needs of the residential market.
- Green penetration will reach up to 20% in the commercial sector and multi-unit residential, and somewhat lower in the single-family residential, resulting in overall penetration of 15%.





NEARLY \$100B OF INVESTMENTS EXPECTED

- In addition to overall investment, the country continues to push for greener alternatives in both construction and energy sources.
- President Macri promised more than \$16B to the northern region of the country for the construction of more than 200,000 homes, modernization of regional airports, train stations and other projects.
- Strong relations between the IFC and the nation's government has helped fuel the growth of EDGE applications in the country.





ARGENTINA'S GREEN BUILDING COUNCIL PROVIDES AWARENESS



- The Green Building council hosts many events and coordinates trainings.
- AGBC has over 70 corporate members.
- To learn more about upcoming events and to reach one of the many members visit their site at <http://www.argentinagbc.org.ar>





EDGE EXPERTS CAN HELP PROJECTS NAVIGATE THE EDGE CERTIFICATION PROCESS

ARGENTINA

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Full list available from:
<https://www.edgebuildings.com/edge-experts/edge-experts-around-the-world>



LEARN MORE ABOUT EDGE CERTIFIED BUILDINGS IN LATIN AMERICA



CeDEL

Buenos Aires, Argentina

Building Category: Offices

Predicted Savings of EDGE Certification:



38% Energy Savings



23% Water Savings



63% Less Embodied Energy in Materials



EDIFICIO EDWARDS

Quito, Ecuador

Building Category: Residential

Predicted Savings of EDGE Certification:



38% Energy Savings



30% Water Savings



39% Less Embodied Energy in Materials

To access these case studies and others, visit <https://www.edgebuildings.com/projects/>



PROJECTS CAN CHOOSE BETWEEN TWO EDGE CERTIFIERS FOR FAST, EASY, AND AFFORDABLE CERTIFICATION



CERTIFICATION	PRICE (PER M ² , EXCLUDING PARKING)	MINIMUM
0-25,000 FLOOR AREA (SQM)	\$0.27	\$2,250
25,000-50,000 FLOOR AREA (SQM)	\$0.22	\$6,750
50,000-75,000 FLOOR AREA (SQM)	\$0.17	\$11,000

*Price per m²; Project appoints an auditor



PROJECT TYPE	CERTIFICATION	DESIGN AUDIT	FINAL AUDIT	TOTAL
Residential (one unit type)	\$1,500	\$3,650	\$4,320	\$9,470
<i>Residential (per additional unit type)</i>	<i>\$490</i>	<i>\$890</i>	<i>\$460</i>	
Commercial (single end use)	\$1,550	\$4,005	\$4,710	\$10,265
<i>Mixed-Use Buildings (per additional end use)</i>	<i>\$990</i>	<i>\$2,670</i>	<i>\$1,560</i>	

*Price per type of project; Auditor fee is included

Details and registration forms can be found on the EDGE program website:
<https://www.edgebuildings.com/certify/other-countries/>



RESEARCH METHODOLOGY

COUNTRY LIST

- IFC chose countries that correspond to the [Climate Investment Opportunity Report](#) (CIO Report) as well as countries of strategic interest for IFC.
- IFC plans to release additional country analysis, pending resources.

TOTAL MARKET OVERVIEW

- Building stock was sourced from the [Global Building Stock Database](#) and confirmed by country experts, if possible.
- The research team found local prices for capital construction expenses, or used global proxies otherwise.
- Market sizing was executed for new construction and did not focus on retrofits.

SNAPSHOT OF THE CURRENT GREEN MARKET

- Main source of information was the [Green Building Information Gateway](#), confirmed by local green building council reports, if such existed.
- The research team focused on properties certified as green.

GOVERNMENT POLICIES

- Main information was sourced from the [World Bank NDC Database](#).
- Additional information was found using various searches as well as government websites.

PROJECTIONS FOR GREEN PENETRATION

- Based on the total market growth, snapshot of the current green market, and the enabling environment of government policies, the research team projected green penetration per each of the sub-sectors.
- Weighted average of combined sector data produced the final penetration number.
- The analysis focused only on new construction, and focused only on certified properties.
- As tools for retrofits take off in the market (including IFC's EDGE product), analysis may be amended to include the retrofit market.
- Market potential may be different from numbers reported in the CIO Report, as a more conservative estimate was used for business planning purposes.

OTHER

- Information for green building councils was sourced from [World GBC website](#).
- Case studies were presented only for IFC's EDGE green building software and certification system.
- However, lists of all green certified projects in a given country can be found through the [Green Building Information Gateway](#).
- Finally, pricing for EDGE certification was included to illustrate that green certification is affordable and achievable in emerging markets.



ACKNOWLEDGEMENTS

DONOR ACKNOWLEDGEMENT

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