

# Green Entrepreneurship

Successful business cases of Green Entrepreneurs in the Mediterranean



Regional Activity Centre for Cleaner Production



## Habitech: An Energy and Environment Cluster in Trentino

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<b>Name:</b>	<b>Habitech</b>
<b>City, country:</b>	<b>Rovereto, Italy</b>
<b>Name of entrepreneur/founder:</b>	Habitech is a consortium of 171 partners representing over 300 enterprises in the region (8,000 employees, EUR 1bn turnover), alongside 15 research organisations and public sector bodies. The consortium was an idea of Gianluca Salvatori, who in 2006 was the regional Minister of research and innovation. Sergio Bortolotti is President, Gianni Lazzari is CEO, Thomas Miorin is Managing Director.
<b>Description</b>	Habitech is: a network of 300 companies focusing on exploiting sustainability to develop business, opportunities and community improvements; a national excellence hub for green building, energy and sustainable mobility; the technological District for energy and environment recognized by the Italian Ministry for University and Research; and a catalyst for green-business development. Habitech promoted the creation and incubated the Green Building Council Italy, a national association of leaders in sustainable building.
<b>Investment</b>	In spite of the role of public sector in triggering Habitech creation, Habitech was created as a private consortium. During the first 5 years, the public sector funded the consortium with 360 k€/year for its role in providing governance and market infrastructure to regional companies in the cleantech sector. Today the consortium is self-funded through services provided to the market with an annual turnover of EUR 1,5 million and is still working as a regional point of reference.
<b>Stakeholders</b>	The network is comprised of 300 enterprises working in sustainable construction, mobility, and energy, with clients in Italy, Europe, North Africa and the Middle East. Another major stakeholder is the national association GBC Italia, with almost 600 members.
<b>Employment generation</b>	Habitech has 25 employees. The cluster generated employment in GBC Italia, with 15 employees and Manifattura Domani, with 5 employees. It is difficult to estimate overall job generation because Habitech intervenes on market infrastructure. They estimated 300 new and “replacement” jobs in the Autonomous Province of Trento alone. Across Italy around 150 professionals are accredited to work on LEED®, the rating system for sustainable building promoted by Habitech. In 2011, the estimated market value of the buildings under LEED® Certification in Italy was about EUR 2 billion with un-estimated job impact.

<b>Timeline</b>	<p>Habitech was born in 2006 in Trentino, the Alpine region renowned for its attention towards sustainable development. It was created as an Energy and Environment Cluster by a consortium of 170 entrepreneurs representing 300 enterprises that wanted to pool together resources and capabilities. Soon enough, Habitech was developing projects, offering services for innovation, technical and commercial support for its enterprises and institutions, as well as for a broader network of clients. Habitech immediately developed the expertise and experience to organize and work within enterprise networks, stimulating cooperation among different businesses and the development of innovative projects. The first benchmark for Habitech in the field of sustainable construction was promoting the birth of the Green Building Council Italy. The GBC Italy, born in early 2008 in Trentino, is the association that, like the USGBC, is transforming the building market at a national level through the introduction of the LEED® standard. More than 550 companies, government agencies, research centers and businesses throughout Italy joined the non-profit association, based on voluntary participation of members. To date, more than 70 LEED® projects have been registered for certification from Italy and Habitech has already started offering designers and companies with new services to support LEED® certification, maintaining 50% of this market.</p>
<b>Feasibility study</b>	<p>A feasibility study commissioned by the Autonomous Province of Trento, was performed in 2005.</p>
<b>Geo-social-economic setting</b>	<p>Not available.</p>
<b>Key features</b>	<p>Sustainable construction; sustainable mobility; renewable energy; R&amp;D; industrial district; sustainable innovation; market transformation.</p>
<b>Overall rational and motivation</b>	<p>Habitech is one of those very Italian industrial districts that have become famous worldwide for their capacity to transcend the capitalist logic of competition and turn the market logic on its head. It is not only the point of reference for all its members when it comes to R&amp;D, innovation and sustainable practices, but it has also become a beacon for many other industries in Italy and abroad. Cooperation, research, sustainability and innovation lie at the core of Habitech's value system, one which has proven to be able to generate resources and growth for its members and for the regional economy as a whole.</p>
<b>Strenghts</b>	<p>Habitech's strengths are: not-for-profit organization providing services oriented to changing the market; systemic approach; young and motivated staff; leadership acknowledged for being the first mover in green building in Italy. Local environment –one of the greenest in Italy– is used as an innovation lab.</p>
<b>Challenges and constraints</b>	<p>Organisation self-sustained by the innovative services provided to the market. Services always have to be renewed and the identity of first mover is always under check.</p>

## Direct activities and Impacts

Essentially, Habitech operates in 3 areas: Green Building, Energy and Sustainable Mobility. Within these areas, it runs projects, offers services and supports innovation and technological development its firms and for outside clients.

The Green building sector was Habitech's first target market. Through the creation of the Green Building Council Habitech supported LEED® in becoming a rating system that helps Italian companies to compete in a global context and have consolidated a system of expertise that enables them to offer global support services. Nowadays Habitech is providing services to the 50% of the Italian LEED® market. Moreover Habitech launched ARCA, a new standard of quality for wood houses in order to support the local timber cluster: it is a certification scheme for architecture, comfort and environment designed to demonstrate the quality of wood buildings.

In the Energy field, Habitech divides its focus between energy efficiency and renewable sources. In the former, it is working to develop ESCos (Energy Service Companies), which provide a wide range of energy solutions that include design and implementation of energy savings projects, energy conservation, energy infrastructure, power generation and also energy supply. They work with ESCos supporting them in performing analysis of properties, designing energy efficient solutions, installing required elements, and maintaining the final system to ensure energy savings during the payback period. In the renewable sources sector, Habitech tried to reduce the dependency of society on fossil fuels, transforming the small Trentino region into a competitive position, leveraging new and innovative approaches to energy production and distribution. As a network, Habitech is involved within the energy market in a variety of sectors: photovoltaic, hydroelectric, biomass, hydrogen and DHC (district heating and cooling).

Finally, in the Mobility sector, Habitech uses first class technology and worldwide best practices to approach the sustainable mobility issue in order to achieve system interventions to increase economic, social and environmental sustainability. Its main projects are:

- The Green Valley project, which operates to transform Primiero valley in the Dolomites into an Oil Free Zone where mobility will also be based on renewable energy sources produced locally: bio-methane, hydrogen and hydroelectric.
- MOTUS (Mobility and Tourism in Urban Scenarios) is an "Industria 2015" project that aims to build a platform of info-mobility services supporting sustainable and ecomobility. Info-mobility delivers an innovative and alternative system of transportation, able to offer an integrated service for both tourists and citizens.

## Use of innovative Technologies

Not technology but methodologies:

- Local development approach.
- Market transformation approach through standard and systemic actions.
- The Natural Step framework.
- Defining sustainability in operational and measurable terms.

## Evidence of a holistic approach/world view

Even if in the external communication Habitech is speaking of green and sustainability, internally the organization is working on the perspective to create the first European network of regenerative companies, able not only to sustain and maintain the status quo but also to improve it.

## Scale of benefits

Personal, enterprise, local, regional and national.

## Policies, incentives and regulations needed

From a national perspective Habitech is working on market transformation towards a sustainability model that is economically convenient, sustainable for the market itself and a guide for innovation and that therefore has no need of policies, incentives or regulations. In order to accelerate transformation at the regional level, the Autonomous Province of Trento supported the green sector in the following ways:

- Green public procurement: all the new building of the Province will be LEED® certified (more than EUR 300 million).
- Funds for research and innovation in green tech: about EUR 50 million (25 mio followed directly by Habitech).

In 2009 to support the aims of Habitech the autonomous Province of Trento created Progetto Manifattura: a hub for clean technology created in a historic factory closed in 2008. The project has several objectives:

- Stimulate growth by providing infrastructure and services to startups and existing SMEs in green building and clean technologies.
- Create a stimulating working environment where small companies and professionals find partners and clients and work together to develop new products and services.

The project will provide over 40,000 square meters of office space and light production modules. 3,000 square meters are available now and 2,000 more will be available in 2012.

## Lessons and recommendations

- Avoid the “opportunistic pact” that transform consortiums and aggregations of enterprises in coalitions sharing out possibilities to companies.
- Take the challenge to start a constituting process aimed to create a new productive territory.
- Use a framework to define sustainability at a strategic level and at the operational level.

## References

[www.habitech.it](http://www.habitech.it)