



Kingdom of the Netherlands

IHS
ROMANIA

Smart Interventions for Branding Pipera

Final Report on the 2nd Business Neighborhood Initiative in Pipera Business District

Business Neighborhood Initiative – 2nd edition, Bucharest 12 June 2018



Rapporteur:

IHS
ROMÂNIA



Photo: IHS Romania

1. Introduction

Background

On April 14th 2016, The Netherlands Embassy in Bucharest organized an event on smart mobility linked to the area of the North Business District – Pipera business district, in Bucharest. The theme was chosen because it was considered a topic of growing interest in Bucharest and it was built on the work done by the Embassy over the last years in the area of urban planning and sustainable cities. The event also had the aim to stimulate a public-private consultation between different stakeholders, as a typical ‘Dutch approach’. One of the conclusions was directly related to further support the stakeholders’ involvement in initiatives and projects for the area development. For this reason, the participants recommended a follow-up event to be organized after some time, to discuss the progress and future actions.

The second neighborhood initiative held on 12 June 2018 responds to this recommendation, and brings together the main urban actors from Pipera North Business District in a public event to debate on “what has happened in the past two years in the area?”, “what has to be done?”, and “what could happen in the future?”.

Objective of the event

The event aims at supporting the public and private actors in the Pipera North Business District to improve the quality of the working environment and to develop the area in a SMART way. For this reason the following objectives are envisaged:

- to monitor changes in the users’ demand, by recording their opinions on the recent development stage;
- to raise awareness on SMART development aspects – opportunities and challenges for the involvement of local actors;
- to generate a constructive dialogue on expectations, initiatives and development plans, on opportunities for the area SMART development;
- to support the formulation of SMART local initiatives as a basis for an action plan proposal.

Participation

The event targets urban stakeholders from the public and private sector – representatives from the companies located in the area, local and central public administration institutions, as well as advisers, international agencies, professional associations and NGOs.

In the weeks leading up to the event, a series of interviews addressed representatives of companies located in the area, willing to share their opinions, as Pipera’s users. The results of the interviews are presented in chapter 3.

51 participants attended the event on the 12th of June, representing the municipalities of Bucharest and of District 2, Ministry of Regional Development and Public Administration, companies located in the North Business District, private developers and NGOs. The list of participants can be found in annex 1.

Mrs. Stella Ronner-Grubačić, Ambassador of the Kingdom of the Netherlands in Romania, opened the meeting. In her introductory speech, she emphasized the Dutch priority for SMART urban development and the importance of community dialogue for developing smart and innovative cities.

Mr. Sorin Chirita, Bucharest City Manager, expressed in his intervention, the municipality's commitment to develop Bucharest SMART City and to implement infrastructure projects to support this strategy.

Mr. Cristian Popescu, Deputy Mayor of District 2, underlined some major challenges the Pipera area faces in terms of rapid real estate development and connectivity, pointing out the municipal interest to further support private initiatives.

Mrs. Sorina Racoviceanu, director of IHS Romania, introduced the concepts of "smart city" and "branding", in order to set the scene for the future discussions. She also presented the interviews results, as a starting point for the participants' interventions and development ideas.

Debate

After the presentations, the discussions were moderated by Mr. Nicolae Taralunga, director IHS Romania, and addressed the following questions:

- How to make Pipera SMART?
- What are the priority interventions for SMART Pipera?
- How to brand Pipera as a SMART place for people to work and to live in?

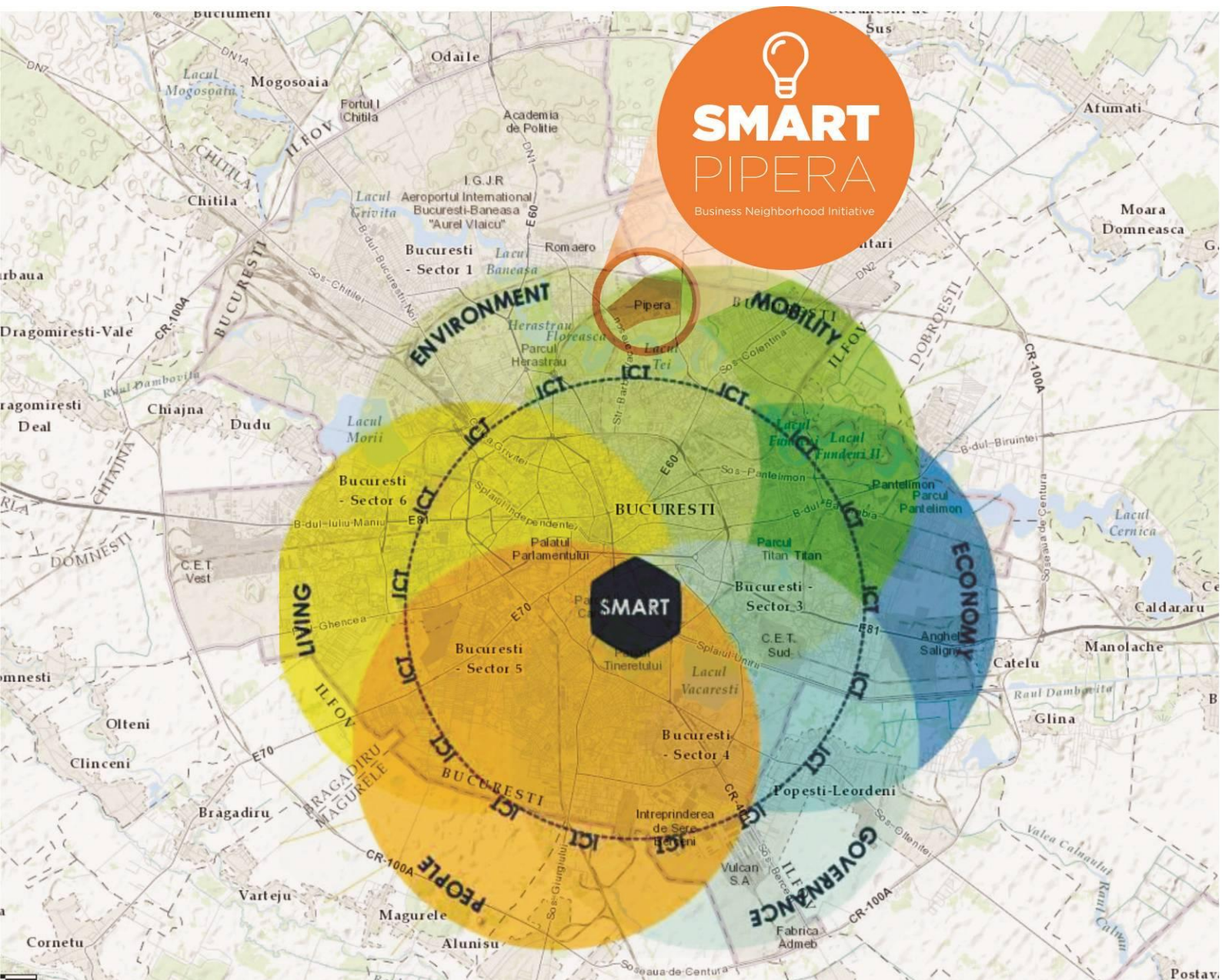


Photo: IHS Romania based on EIB/ASCIMER smart city diagram

2. Conceptual framework

Bucharest – SMART city

Based on Giffinger & all. (2007)¹, a Smart city is a city well performing in a forward-looking way in terms of six characteristics: Smart economy, Smart people, Smart governance, Smart mobility, Smart environment and Smart living. Smart City is furthermore used to discuss the use of modern technology in everyday urban life.

Bucharest's economic performance (GDP/capita) has significantly increased in the last years, the city managing to overcome some Western European capitals like: Madrid, Rome and Berlin. Bucharest aims at becoming a Smart city, and a strategy in this respect is in progress.

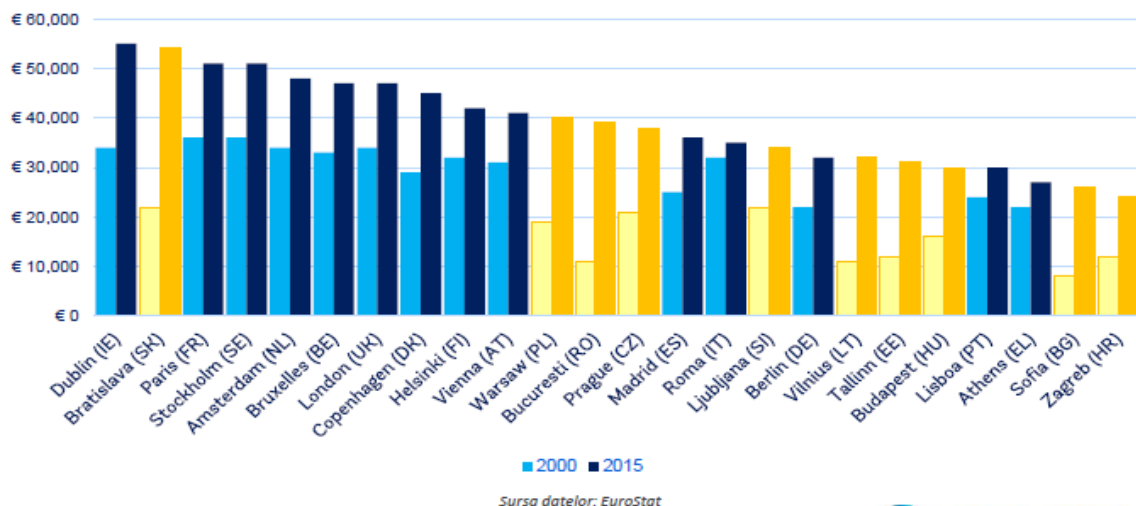
As a consequence of companies' interest to locate, the office market has developed in the city, the number of employees expected to work in A&B class office buildings by the end of 2018 being estimated at 280,000 (Ziarul Financiar, April 2018).

In this context, Pipera office district is the most dense office development, with an estimated number of 65,000 employees, working in companies whose annual turnover represents around 2% of the national GDP

(according to:

<https://www.paginademedia.ro/2018/03/libertatea-salvati-pipera>)

**Bucharest: economic performance among UE capitals
GDP per capita (in Euro, PPS)**



Source: (2017) *Magnet cities: migration and commuting in Romania (English)*. World Bank Group. Washington, D.C.

¹ Giffinger, R., Fertner, C., Kramar, H., Kalasek, R., Pichler-Milanović, N., Meijers, & all. (2007) "Smart Cities Ranking of European Medium-Sized Cities." Centre of Regional Science, Vienna UT, http://www.smart-cities.eu/download/smart_cities_final_report.pdf

Pipera brand

A brand is a name, term, design, symbol, or other feature that distinguishes an organization or product from its rivals in the eyes of the customer. According to this definition, Pipera office district is a brand that needs a dedicated strategy to be considered as such, promoted and further developed.

Place branding is the practice of developing a strategy that defines the value the place offers to its consumers (e.g. residents, workers, employers, investors, etc.). For branding Pipera, actual and future users should identify the value of this area, and the balance between their demand and the existing supply of goods and services they would like to benefit from.

In Pipera there is an obvious gap between the demand of companies and of their employees, and the area's supply in terms of mobility infrastructure and public space. There is also a gap between the area's production (its contribution to local budget) and the public investment.

However, through its leading position in the Bucharest office market, through its density of economic activities and Smart people, this place represents a branding opportunity for a Smart city. If Bucharest wants to become a Smart city, Pipera will be one of the first areas promoting this idea, based on its Smart economy and the Smart people located there.

The concept behind the event is that within the Bucharest – Smart city objective, Smart Pipera is a supportive component, and a condition for success. Therefore, there is a need for a cumulative effort from both public and private sector to identify and implement Smart interventions for branding Pipera, as a place offering best quality location factors to its customers.

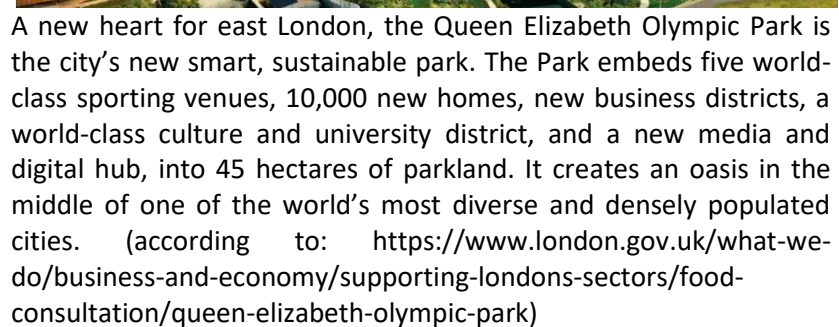
Smart case studies

Three case studies were briefly introduced, in order to show some relevant smart ideas from EU cities' experiences with similar developments. All three examples argue for a long term strategic planning process and a multi actor approach.

Kop van Zuid, Rotterdam



**Queen Elizabeth
Olympic Park /
Icity, London**

[illegible]

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Photo: IHS Romania

3. Users' demand: Results of interviews

To have an overall picture on the users' demand, two years later after the first business neighborhood initiative in April 2016, a series of guided interviews were organized with companies located in the area, and who responded to this invitation. These interviews aimed: (1) to evaluate the satisfaction of the companies from Pipera business district in relation to their location, (2) to monitor changes in the users' demand, and (3) to identify new ideas for supporting the formulation of local initiatives as a basis for an action plan proposal.

List of interviews

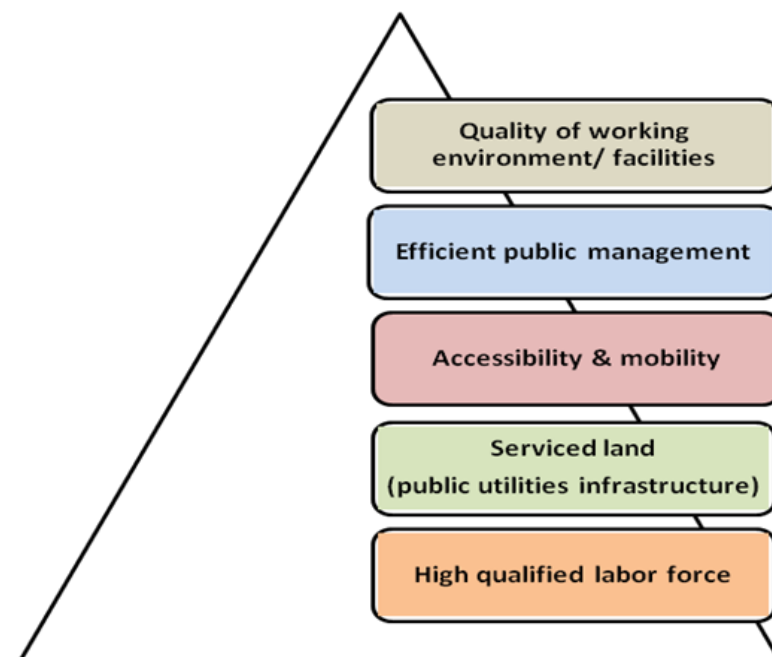
The following persons participated in the interviews:

1. Florin Furdui, Country Manager, Portland Trust
2. Tom Leene, Director, Fokker Engineering Romania
3. Ion Sturza, President, Fribourg Capital
4. Robert Sebastian Tatarus, Chief editor, Ringier Romania
5. Catalin Doscas, Reporter, Ringier Romania
6. Anneliese Bauer, AVP Genpact
7. Alexandru Aur, Project Manager Genpact
8. Vasile Andrian, Partner, Mazars
9. Claudiu Popa, Site Administrator, Hewlett Packard Enterprise
10. Tiberiu Georgescu, Software Developer, Luxoft

Guiding questions

Based on 4 main questions, the opinions of the respondents are structured below:

Q1. Looking at the private sector's pyramid of needs, how you would evaluate your level of satisfaction related to area's supply?



Source: World Bank, 2015 (adapted from Maslow pyramid)

Although, in general terms, the respondents were not happy with the accessibility/mobility infrastructure, and with public sector interventions in the area, they have identified some strengths and weaknesses for each supply category, as follows:

| | Strengths | Weaknesses |
|--|--|--|
| High qualified labor force | Access to highly qualified labor force, due to the Bucharest labor market, which is large and includes a variety of specialists | Higher labor costs of labor force to compensate for transport and parking costs |
| Serviced land (public utilities infrastructure) | Serviced land, with infrastructure utilities which requires lower development costs | High pressure of ongoing development, which could lead to lack of capacities of existing utilities |
| Accessibility & mobility | Good accessibility due to location near the airport and A3, as well to the metro line and metro station | Poor quality of transport infrastructure and public transport, traffic congestion, lack of alternative transport means, lack of parking facilities, and enforcement of parking regulations |
| Efficient public management | Existence of local area physical plans (PUZ) and mobility plan | Lack of public investment in infrastructure and public space, lack of building regulations and/or enforcement of regulations (building and parking) |
| Quality of working environment/facilities | Attractive business environment, generated by many companies located in the area, emerging recreation facilities (coffee shops, food courts, etc.) | Poor quality of public space, of green space, insufficient recreation facilities, air pollution (due to traffic and construction sites) |

Q2. Have you noticed any changes in the area in the past two years (since our previous event) in the provision of any of these supplies?

No relevant changes have been identified in the past two years. Even worse, the general impression was that traffic congestion has increased, and additional traffic is expected, generated by the ongoing development and A3 motor way.

The public investment in infrastructure has been minimal – organization of a roundabout at Petricani crossroad, rehabilitation of sidewalks on Petricani street, traffic light at Fabrica de Glucoza crossroad, George Constantinescu Street effectively re-opened for two-way traffic, and some enforcement of parking fines.

The private investment in food/recreation facilities was considered a meaningful development.

Q3. How do you think these changes (or lack of changes) will influence your business?

Although most of the respondents could not identify a direct influence on their business, there is a risk that some of them might consider alternative locations for future development. If no public interventions take place in infrastructure, transport costs will become higher and will lead to companies' relocation to other sites.

The residential ongoing development will increase the demand for public space and green areas, and a positive reaction from public authorities will benefit the office users as well.

Q4. What would you propose for future development as priority interventions for both private and public institutions?

The respondents have identified the following priorities for immediate interventions in the area:

- Street enlargement or using one-way systems for Dimitrie Pompeiu and Fabrica de Glucoza;
- Setting up alternative road connection between Dimitrie Pompeiu Street and Pipera Road;
- Roundabout connecting Dimitrie Pompeiu Street with Barbu Vacarescu Bvd;
- Keeping one tram line on Dimitrie Pompeiu Street (instead of 2, on actual location) and enlarging the street to 4 lanes (2 lanes/sense);
- Public parking facilities arranged at the boundaries of the area and secure pedestrian-walks to support access to Pipera without cars (especially considering the opening of connection with A3);
- Provision of more metro trains over the peak hours;
- Monitoring & fighting illegal parking in the entire area;
- Rehabilitation of sidewalks and creation of bicycle lanes;
- Enforcement of building regulations and waste management rules;
- Smart traffic management for public transport, smart lighting, lighting system for pedestrian crossroads;
- Institutional development – association of private companies – to ensure the dialogue with local public administration for future development projects.



Photo: IHS Romania

4. Outcomes of the debate

The debate focused on issues that are encountered by area's customers and by planning professionals dealing with Pipera development, as well as on preliminary proposals for Smart interventions in the area.

List of speakers

The following people have expressed their points of view, during the debate:

1. Liviu Ianasi, University of Architecture and Planning
2. Adrian Ilie, Synergetics
3. Philip Aarsman, Business Lease
4. Mihaela Ivan, Primetelecom
5. Florin Furdui, Portland Trust Romania
6. Cristian Gligore, Primetelecom
7. Sorin Gabrea, Western Outdoor srl
8. Maria Visan, Intergraph Computer
9. Cornel Barbut, Vegacomp
10. Anneliese Bauer, Genpact Romania
11. Aura Manolache, Tetra Pak
12. Antoanela Comsa, AREI / Granvia Romania
13. Dan Cristian Popescu, vicemayor District 2

Besides direct interventions in the debate, a number of 12 questionnaires were filled in, answering questions 1 and 4 from the interview guide. The conclusions of the debate (including ideas from the questionnaires) are structured on three main categories.

SMART mobility

Mobility has been identified as the main problem in the area. Therefore this is the field where most Smart ideas have focused on, covering aspects of infrastructure, public transport, and parking. Some of these ideas have been raised during the interviews too, and include the following:

- integrate the traffic system and public transport in the city and metropolitan context, improving public transport connections, and the area accessibility from the main directions;
- improve roads infrastructure, sidewalks, create bicycle lanes;
- organize roundabouts, pedestrian crossroads with traffic lights;
- restructure and modernize the tram line;
- dedicate a specific public transport lane to electric shuttles to ensure mobility within the area;
- increase metro frequency and develop Pipera metro station (additional exit);
- organize parking places with incremental parking fees, supported by smart phone applications;
- implement Smart traffic management measures for both public and private transport, etc.

SMART environment

This category includes both aspects of public space quality, as well as business environment issues:

- The public space is unattractive, and a special attention must be given in the future to the quality of sidewalks, to green areas, to the public lighting.
- Smart measures could apply to public lighting, to display information related to the location of companies in the area, of parking places, recreation facilities, public transport, etc.
- Smart measure could be used to monitor the waste management system and to air pollution control.
- Illegal commercial activities in the area should be replaced by high standards facilities (coffee shops, restaurants), as well as kinder gardens, and after school facilities for the children of the area's employees.

SMART governance

Smart governance ideas build on stakeholders' cooperation for development planning and projects implementation:

- There is a need for an integrated planning approach – which also connects development interventions with the city and metropolitan area development trends. “Small planning” ideas could not solve existing problems, unless they are part of an overall city planning process. The integrated approach should simultaneously address issues of transport infrastructure, public space improvement, urban environment, based on consultations with the business community.
- Building design standards and land-use regulations should be enforced for future development, as ignoring them will have a long term negative effect on safety and occupancy rate. Both public and private planning capacities require specialized expertise and cooperation, in order to combine administrative procedures with a business oriented approach.
- The business community should organize itself, as a “participation committee”, or “special economic zone”, in order to become a powerful partner in the public-private dialogue, having its own master plan, and its own action plan, with clear responsibilities assigned to private actors.
- A digital platform for the area could be an instrument for development planning, and for monitoring projects implementation.
- The dialogue between public and private sector should be improved by facilitating the procedures, and the public-private partnership. Private developers are interested in taking over investment responsibilities related to public areas, if public sector is willing to cooperate in this respect.
- The local plans should be able to enforce building standards, and obligations for all partners to implement the provisions of these blueprints. Zoning regulations as

well as infrastructure projects which are part of the local plans (PUZ) should not be ignored. Besides the existing urban planning documents, a strategic plan for the area (with a vision and strategic objectives) should guide its further development.

- It is important to keep the momentum, and the debate process should be resumed more often, building on the initial conclusions and recommendations.

Follow-up

A series of immediate actions were identified to ensure the sustainability of the approach:

- The conclusions of the debated will be shared with lead actors. These are primarily the Municipality of Bucharest and Sector 2 local government representatives, but also the participants in the event and other companies that could not join but have expressed their interest.
- Private companies in the area will look at the possibility to join efforts in order to set up a Local Action Group. This collaborative initiative will explore opportunities for specific measure they could implement, and will continue the dialogue with the public sector.
- A local area action plan should be initiated by the Local Action Group and supported by the public sector. This plan should identify the short term actions, the related responsible parties, as well as the necessary resources for their implementation.
- A digital platform, hosted by the Local Action Group, should support the action plan, providing an interactive base for consultation, and for monitoring projects implementation.
- It is important to take up one (or more) ideas formulated in the debate and to bring it (them) to a project design phase (i.e. the private shuttle ensuring people mobility within the area, organized smart parking systems, etc.)
- Periodical meetings will be organized by the Local Action Group to discuss with different public and private actors, and to monitor progress.

5. Annex 1: list of participants in the 12th June event

| | | |
|---|-----|------------------------------------|
| Netherlands Embassy | 1. | Stella Ronner-Grubačić, Ambassador |
| | 2. | Wijnand Marchal |
| | 3. | Stefan Urioc |
| | 4. | Kees Stiggelbout |
| | 5. | Luiza Chiva |
| | 6. | Gabriela Manea |
| IHS Romania | 7. | Sorina Racoviceanu |
| | 8. | Nic Taralunga |
| | 9. | Andreea China |
| | 10. | Tudor Racoviceanu |
| | 11. | Mihaela Uta |
| CityHall Bucharest | 12. | Sorin Chirita, city manager |
| CityHall Sector 2 | 13. | Vice primar Dan Cristian Popescu |
| | 14. | Alina Bratu, Chef Architect |
| Ministry of Regional Development and Public Administration | 15. | Balan Cristina Andreea |
| World Bank | 16. | Marcel Ionescu Heroiu |
| The Union of Architects in Romania | 17. | Ana Flutur |
| Western Outdoor | 18. | Sorin Gabrea |
| Raiffeisen - Real Estate Department | 19. | Bogdan Morariu |
| Deutsche Bank Romania | 20. | Razvan Calin |
| Business Lease | 21. | Philip Aarsman |
| HP | 22. | Claudiu Popa |
| Stefanini | 23. | Corina Croitoru |
| Portland Trust Romania | 24. | Florin Furdui |
| | 25. | Istudora Marius |
| AREI / Granvia Romania | 26. | Antoanela Comsa |
| Via Proiect | 27. | Silviu Brateanu |
| Genpact Romania | 28. | Anneliese Bauer |
| | 29. | Alexandru Aur |
| Ringier Romania | 30. | Catalin Doscas |
| V&A Jobs UK Ltd. | 31. | Stefan Mitica |
| Primetelecom | 32. | Mihaela Ivan |
| | 33. | Cristian Gligore |
| | 34. | Marius Spataru |
| Aspen Institute | 35. | Vlad Nicolae |
| Vegacomp | 36. | Cornel Barbut |

| | | |
|--|-----|----------------------|
| Politehnica University of Bucharest - Transport Faculty | 37. | Florin Nemteanu |
| Connections Romania | 38. | Bogdan Florea |
| Intergraph computer | 39. | Maria Visan |
| Image Sensing Systems | 40. | Valentin Magliano |
| Deloitte | 41. | Dinu-Mihail Bumbacea |
| Tetra Pak | 42. | Aura Manolache |
| Synergetics | 43. | Adrian Ilie |
| Digital City Lab | 44. | Claudiu Bajenaru |
| DB Schenker | 45. | Oana Stamatina |
| University of Architecture and Urban Planning | 46. | Liviu Ianasi |
| AV Transport Planning SRL | 47. | Adrian Vilcan |
| Royal Regent | 48. | Diana Stefan |
| Amakron | 49. | Andrei Ionescu |
| USR Voluntari | 50. | Ioana Alboiu |
| | 51. | Bogdan Barbu |

Note: The list of names is based on the registration of participants at the event.
The eventual inconsistencies are due to the registration procedure.