

Laudes Foundation

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Principle 4



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Thanks to Built by Nature's commitment we have the opportunity to help define what good looks like for timber buildings, providing a scalable method for understanding the carbon and wellbeing benefits of mass timber, and how they can be maximised across national and international development.

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About The Foundation Practice Rating

Laudes Foundation is an independent philanthropic foundation, initially founded by the Brenninkmeijer family of European business owners. It is part of the growing movement to accelerate the transition to a climate-positive and inclusive global economy. Responding to the dual crises of climate breakdown and inequality, Laudes supports brave action that inspires and challenges industry to harness its power for good.

What was the challenge?

As the biggest asset class in the world, the built environment produces almost 40% of global carbon emissions. Yet, funding for transitioning the built environment towards a more sustainable model comprises only a tiny fraction of philanthropic giving. The industry presently lacks the roadmaps, financial incentives, and risk appetite to move fast enough towards net zero at scale.

Building space is expected to double globally before 2050, meaning that the way we build must be reimagined, including transforming the entire building industry from one that is highly carbon-intensive to one that helps remove more carbon from the atmosphere than it adds. Accelerating the shift to timber building and working in unison with nature is critical to address the built environment's carbon footprint.

While biobased construction such as timber offers a sustainable alternative, the field is still nascent, with key actors working on solutions in a scattered manner. The Foundation initially embarked on multi-year partnerships with research organisations, city networks, and innovators to support scaling solutions. However, they realised that this grand challenge cannot be resolved by individual parties alone. Cross-disciplinary collaboration is needed from stakeholders across the building sector value chain, working together to develop and share knowledge around innovative solutions. However, the Laudes Foundation saw a gap in uniting industry frontrunners and setting a collective vision, so they internally decided to support efforts at building momentum for these collaborations.

What was the response?

Motivated to address this gap, the Laudes Foundation launched Built by Nature (BbN) in October 2021, a network and grant-making fund dedicated to accelerating the timber building transformation in Europe. The network brings together like-minded member organisations from the built sector including developers, architects, engineers, asset owners, investors, city leaders, academics, nonprofits and policymakers as a growing collective voice advocating for the use of timber and biobased materials that sequester carbon emissions, instead of producing them.

BbN connects key actors across the built environment and forest communities, pooling resources to spark city-scale projects and amplify stories of ground-breaking timber projects and solutions that demonstrate that buildings can be made of these low-carbon timber and bio-based materials, not carbon-heavy steel and cement. In close collaboration with its major partners and frontrunner companies, it aims to change perceptions around timber construction and reshape the built environment.

The Laudes team began the journey by extensively consulting industry leaders and visionaries, identifying innovators in the space before embarking on co-creating the new network organisation, its strategies, and funding priorities with key partners. As a group, they asked several crucial questions:

- ✓ How can the coalition they were building balance the potentially conflicting priorities of local actors and contexts versus the need for global coordination efforts?
- ✓ To what extent could the BbN network bring together a suitably diverse set of key stakeholders and partners, while ensuring that all voices are heard, respected and involved in a fair and equitable manner?
- ✓ What philanthropic models could the BbN use to best serve the broader mission of the initiative and ensure that it supports long-term, sustainable solutions?

Based on these questions, the BbN partners developed efforts highlighting several key elements:

- ✓ **Bringing together diverse partners** to pioneer critical solutions to the challenges of the timber building transformation. They knew from their work that driving change would require not only engaging innovators, architects and engineers but also demand-side stakeholders like developers, investors, cities, and insurers to adopt biobased alternatives. With this in mind, Laudes started with a ‘big 6’ group of organisations that could drive demand for new materials. They then seed-funded networks in countries like the UK and Spain with nascent yet vibrant biobased construction communities.
- ✓ **Balancing global coordination with adapting to local contexts.** BbN is fundamentally a network of networks centred on a shared, long-term vision of transforming the built environment by increasing demand for sustainable materials. Aligning this vision across networks fosters a strong and cohesive movement, allowing for cross-pollination of ideas, while also enabling adaptation to unique local contexts. In practice, Built by Nature’s core team supports local impact networks and frontrunners by facilitating connections, providing branding and fundraising assistance, and offering effective convening blueprints, while maintaining a semi-autonomous approach for each local network. They found that different networks may require different levels of intervention, ranging from just regular check-ins to more dedicated support.
- ✓ **Grant funding** for groups and organisations with game-changing solutions that further BbN’s vision and mission to scale sustainable timber building and raise the bar on the positive climate impact of building with timber from sustainably sourced forests. Funded projects include the design of new business models and the collection of business case data, innovations and frameworks to increase the climate impact of timber buildings, regulatory innovations, or feasibility tests for large city-scale projects. Its international networks have so far received nearly €1.5 million in innovation funding from the Foundation.
- ✓ **De-risking** by taking longer-term financial risks that commercial investors cannot, and testing and demonstrating so that they can entice others with bigger pots of funding to add their support and thus bring initiatives to scale.

What have they learned?

- ✓ **Public-private-philanthropic partnership (PPPP) models have huge potential.** These multi-stakeholder partnerships can play a key role in addressing complex societal challenges by bringing together diverse stakeholders including local communities, business leaders, policymakers, and NGOs.
- ✓ **Go after the big wins.** When targeting big strategic problems like the climate crisis and inequality, the Foundation had to operate in sectors with outsized impact, like the built environment. This approach gave them an active stake in the sector.
- ✓ **Don’t be afraid to start small.** Scalability, by its very nature, entails starting small and aiming to grow, so build alliances now to move forward and bring change. These actions do not have to be perfect – the important thing is to start and move forward together.

- ✓ **Collaborate with willing partners.** Industry, philanthropy and public sector actors often want to collaborate around sector-specific entities for a just transition – they just need the space, opportunities and seed funding to do it.
- ✓ **Networks need a sense of common purpose.** Partners in a PPPP need to use shared insights to build a foundation and agree on a direction that can become a collective mission. This is a cornerstone of movement building.
- ✓ **Focus on diversity.** The quality of a network is not determined by the size of a group but by the diversity of voices around the table. Diversity helps push boundaries and bring novel ideas, while also ensuring the involvement of different stakeholders needed to drive change.

Key outcomes and impact indicators

2 years

Only 2 years since its inception, BbN counts an active community of 26 frontrunner companies from across 12 countries.

3 national networks

BbN has launched three national networks (in the Netherlands, UK and Spain). The MASS MADERA network in Spain has developed PPPPs between cities, governments, companies, NGOs and architects. Its installation in Barcelona is a nominee for building of the year.

31 instruments

BbN seed funded the CircuLaw project – an online legal knowledge platform for policymakers and civil servants in the Netherlands to navigate the regulatory landscape around timber construction – which has found 31 instruments to benefit timber construction in the Netherlands.