

How do Urban Planning and Corporate ESG assessments differ?

Urban planning and corporate ESG assessments differ fundamentally in their scope, shifting the focus from an **organisation's internal operations** to the **long-term physical impact** on a community and its environment.

While corporate ESG aims to identify issues significant to a single organisation's business value and risks, urban planning ESG focuses on sustainability issues that impact an entire city, planning area, or development project.

The specific differences across the three pillars include:

1. Environmental (E) Assessment

- **Corporate Focus:** Typically centers on the company's immediate operational footprint, such as **office paper waste** and emissions from **business travel**.
- **Urban Planning Focus:** Concentrates on large-scale, long-term ecological factors, including **flood mitigation**, **biodiversity loss** caused by land clearing, and establishing sustainable **energy grids** for an entire township.

2. Social (S) Assessment

- **Corporate Focus:** Prioritises internal workplace conditions and external reputation, such as **office ergonomics** and **corporate charity** initiatives.
- **Urban Planning Focus:** Prioritises the well-being of residents through **affordable housing mix**, **walkability**, **public safety design**, and the prevention of **local community displacement**.

3. Governance (G) Assessment

- **Corporate Focus:** Concerns internal leadership structures, such as **board diversity** and **shareholder voting** rights.
- **Urban Planning Focus:** Ensures transparency in public-facing processes, focusing on **anti-corruption in land acquisition**, conducting **public town hall approvals**, and maintaining **transparent government tender processes**.

4. Differences in Materiality Assessment (MA)

A **Materiality Assessment** is a strategic process used to prioritise ESG issues. The differences in application are significant:

- **Corporate MA:** Acts as a blueprint for business resilience and value, focusing on what drives an organisation's success.
- **Urban Planning MA:** Looks beyond the organisation to determine which issues have the greatest impact on **urban sustainability outcomes**. It helps planners decide which issues to prioritise in planning policies, investments, and development decisions to build better cities for future generations.

5. Implementation Cycles

The implementation frameworks also differ in their "how":

- **Corporate Cycle:** Focuses on integrating ESG into **business operations** and day-to-day activities across a value chain.
- **Urban Planning Cycle:** Includes unique phases such as **Spatial Planning & Policy Formulation** (integrating ESG into masterplans and zoning) and **Development Implementation** (implementing green infrastructure on the ground).