

Is there integrity in profiteering from net zero?

In a free market economy we expect to see profiteering in the green industry. But when competitive advantage is the primary motivator to net zero, integrity of actions will become less transparent.

Since 2018 a tidal wave of climate emergency and net zero declarations emerged from the public and private sector. This phenomenon saw increasingly interesting and variable language being used as organisations began to learn what they were signing up to.

Two years on from the peak of declarations, evidence shows that still 70% of global businesses appear not to have a strategy for net zero.

So why were so many organisations making declarations when there was no immediate intention to act on them?

Many, no doubt, perceived there to be a competitive advantage in being part of the 'gang' or feared just being left behind in their ever increasingly competitive market.

This presents a problem for many of these organisations. Their starting point lacked any form of integrity, leaving them posthumously to be cited for greenwashing as a minimum, and a risk of legal challenge for mis-representing stakeholders.

The variations in Forbes 2000 companies commitments to net zero (stocktake-2022)



● Corporations with no target ● Corporations with a target but no plan

● Corporations with a target and plan but no accountability ● Corporations with a target, plan and accountability

If it's that good, give it away for free?

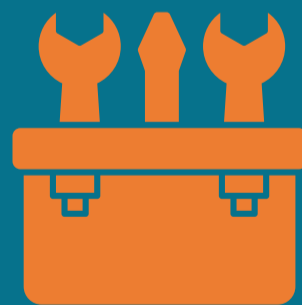
The challenge for integrity also needs to be considered in the actions of business. Over the last few years we have seen a rush to establish market positions in 'green' services and green start-ups springing up everywhere.

For example, in the super-fast fashion brands we see many of them now operating spin off apps to sell second hand clothing, whilst the fashion industry continues to churn out 100 billion garments every year^[1], which some may argue to be disposable by design. The second hand app selling market is already crowded, so the environmental benefit added by such apps is arguably negligible. However, that is not the objective. Ultimately, these second hand apps have produced some good PR for the fast-fashion brands that run them, so is the primary motivation competitive advantage, and if so how long will this last when that competitive advantage is lost?

In the professional services sector, a week does not go by without another website or toolkit being promoted to solve businesses carbon accounting needs. Many of these toolkits and services are being offered by large well-funded businesses with their own climate emergency declarations.

This raises an interesting question for all of these industry green offers. If these apps and toolkits are so good, why would these organisations not want to give them away for free, if saving the planet is their core value?

After all, we're collectively in a crisis due to selfish actions of previous generations, it will take unselfish actions to unpick it.



Build capacity not toolkits

The Conference of the Parties under the UNFCCC aims to establish a route to developed nations reimbursing emerging economies for the previous decades of emissions.

Whilst the COPs target nations, businesses in developed nations have a perfect opportunity to act in a stewardship role to support capacity building for similar businesses in emerging economies.

Would it be better for the planet if organisations looked to develop business partnerships in emerging economies to share resource in climate education and skills (and toolkits) to build capacity, instead of competing in isolation for the green economy?

To reach net zero, integrity of action on climate change needs to be bigger than just trying to win the green pound.

[1] <https://cleanclothes.org/fashions-problems/waste-and-pollution>