

CUTTING THE CARBON JARGON

More UK businesses than ever are focusing on sustainability. From individual firms setting net zero targets to wider plans for a green Covid-19 recovery, organisations are focusing on how they can reduce their carbon footprint now and in the future. Businesses will have a vital role to play in helping the UK to reach net zero by 2050, but the discussion around decarbonisation is filled with a myriad of phrases that could be making net zero more complex than it needs to be.

We commissioned independent research to investigate the impact of this ‘carbon jargon’ on businesses. Energy professionals from a range of sectors agreed that the different ways of describing emissions reduction targets, strategies and measurement could all be seriously hampering progress towards net zero. Two thirds said they were confused by the amount of ‘carbon jargon’ and almost 9 in 10 (86%) of energy professionals claimed that ‘net zero’ is in danger of becoming meaningless unless there’s consistency in approach and measurement among businesses.

A lack of clarity

The relatively new concept of ‘net zero’ is causing confusion amongst many firms. In simple terms, net zero means achieving an overall balance between emissions produced and emissions taken out of the atmosphere. However, only half of respondents said they ‘fully understand’ the term net zero and, when asked to define it, energy professionals mentioned a mixture of terms including carbon offsetting (42%), carbon or emission elimination (36%) and carbon emission reduction (17%) which relate more to the means by which net zero can be achieved. It appears that the lack of single definition around what net zero means for an organisation – and the new vocabulary that has sprung up around the topic – is muddying the waters.

Despite a lack of clarity around net zero, an encouraging nine in ten organisations are working towards carbon reduction strategies, with ambitious targets most likely to be set by senior management amongst those we polled. However, almost two thirds of respondents were concerned that their organisation’s carbon reduction targets could be seen as ‘greenwashing’ or ‘jumping on the net zero bandwagon’ – an indicator that the vast array of vocab and lack of guidance threaten to undermine confidence in the market.

Whilst it’s encouraging that so many businesses are striving to realise the financial and environmental benefits of emissions and energy reduction, it’s important that targets are ambitious yet achievable. The lack of clarity around what constitutes action towards net zero, what targets are robust enough and how those targets are tracked could mean firms are taking vastly different approaches to planning and measuring their progress towards decarbonisation.

Working towards net zero

The lack of clear guidance for businesses and an absence of an agreed definition of net zero for businesses could be creating this room for interpretation and differing approaches to target setting and measurement. The Government is due to shed more light on its net zero plans in the coming weeks and months, from the imminent 10 point plan to the much-anticipated Net Zero Strategy and energy white paper. Businesses need clarity, consistent definitions and a framework to work within to make sure organisations of all sizes are well placed to benefit from decarbonisation and avoid any company being left behind.

In the meantime, businesses can still take meaningful action towards decarbonisation. In the Cutting the Carbon Jargon report, we’ve created a jargon-busting glossary to explain some of the key terms

involved in net zero discussions – you can download a copy here
<http://inspiredenergy.co.uk/landing/carbonjargon/>.

Inspired Energy is already working with businesses to support them in their net zero ambitions, working through a structured framework to set Science Based Targets, explore and implement carbon reduction strategies and technologies, and put in place robust measurement and reporting tools to monitor progress.

For more information about Inspired Energy's net zero services, email partnerships@inspiredenergy.co.uk.