



Implementing a Carbon Programme

Introduction

The increased focus on climate change and the contributing role of man made carbon emissions has created a consumer and corporate awareness that is stimulating both voluntary and compulsory mitigation activity.

UK business is estimated to be responsible for 45% of all UK emissions, whilst the top 500 publicly quoted companies are estimated to contribute 10% of annual global emissions. Companies, through their operations, employees and staff have an ability to act to reduce and mitigate carbon emissions. This ability provides commercial opportunities and risks. The implementation of any carbon related programme must balance these opportunities and risks.

Engagement

A company must first consider the aims and scope of the proposed deployment of a carbon initiative. This will be principally determined by its motivations for engagement. There are a number of reasons why any company should implement a carbon programme.

1. **Corporate Social Responsibility:** A company may wish to fulfil corporate social responsibility aims in line with its corporate ethos and current best practice.
2. **Environment:** The board or senior management of a company may comprise individuals with a strong environmental commitment and desire to use the company's influence to help the environment.
3. **Brand Value:** A company may wish to use a carbon programme to enhance its brand image and value.
4. **Competitive Advantage:** A company may wish to implement a programme to provide it with a competitive advantage in its market area.
5. **Increase Sales:** A company may see a carbon programme as a value added benefit to its service delivery that will increase sales.
6. **Client Demand:** A company may be responding to the increased demand from both corporate and individual clients for demonstrable carbon saving activity.

Each of these factors will help to determine the approach taken and the advice/support to be supplied by The Carbon Consultancy. However, irrespective of the engagement drivers any programme must be robust, verifiable and reduce carbon emissions.

The motive for any programme will help to determine its scope and content, but irrespective of any commercial benefits, programmes must have a carbon benefit.

No initiative should be launched without an internal audit of emissions from operations and an emissions reduction commitment. This will cover direct corporate responsibility for energy usage. The principal emissions assessed will be from plant/offices/travel.

Post Audit

The audit will reveal the extent of the corporate footprint and enable an assessment of those areas where the company may make an impact on its emissions and those in its products/services.

The key areas where companies may make an impact on carbon emissions are as follows:-

1. Emissions reduction from offices and plant, using best practice in energy use.
2. Emissions reduction through travel policy.
3. Staff Programmes to reduce staff generated emissions.
4. Consumer Education programmes and initiatives.
5. Carbon Offsets usage for unsaved emissions.

Energy Emissions Reduction will save energy and emissions. In most companies there is considerable scope to save energy through energy efficiency measures, which support both emissions reductions and deliver cost savings. This can be achieved without compromising commercial performance or customer experience.

Emissions Reduction through travel policy implementation based upon carbon criteria can deliver emissions reductions. Business travel can form a large percentage of overall corporate emissions, but traditionally has been difficult to audit. The Carbon Consultancy uses its own research-based tools to audit business travel.

Staff Programmes can be used to support corporate energy saving policies, to generate power savings initiatives and through company matching schemes can deliver reductions in the personal emissions of staff members. The Carbon Consultancy will undertake the design of staff programmes.

Consumer Education Programmes may be supported by carbon footprint information on services or products offered by the company. The use of micro emissions reporting helps consumers to take action and factor carbon into purchasing. Supporting behavioural change is a route by which companies can deliver long lasting climate change prevention.

Carbon Offset usage may be considered for those emissions that cannot be saved and to support product/service propositions where energy reduction measures are also present. They may also be used as part of a rewards programme. For full details on what offsets are and how they work please refer to our document Carbon Offsets – An Overview.

Internal Implementation

To operate a successful carbon reduction programme the company will need to first implement internal procedures to ensure a successful outcome. A member of staff will need to be appointed with lead responsibility and sufficient seniority to pilot internal initiatives. The company will also require a staff member who will be able to brief media, suppliers and external agencies on the programme and field detailed questions on the programme. The Carbon Consultancy will support this staff member to fulfil the company's objectives.

Staff engagement with any programme will be key to its success and the use of incentives and matched contribution programmes will support internal implementation. The staff may also be motivated to save energy in their personal lives, a contribution which will not only increase emissions reduction, but may be harnessed to the corporate contribution.

External Communication

Once the programme has been designed for the company it will then be possible to communicate to clients, suppliers and shareholders. This communication needs to take place against the backdrop of internal implementation. The launch of any programme will have its supporters and detractors. The key issues of verification and results will be the defining questions that any programme must answer.

It has become commonplace for companies to use an audit to buy offset and claim carbon neutrality. This type of approach risks brand damage, accusations of “Greenwash” and will not avert climate change.

The use of offset should only be part of an integrated carbon programme, where reduction measures are present. The offsets must be viable and verifiable. The Carbon Consultancy has UK based projects for this reason, but will review third party product for use by clients, to ensure viability and verification.

Business Impact Considerations

The company should assess its relationship to climate change through its products/services and their delivery. This will help to provide focus and shape policy.

The main areas of risk created by climate change are as follows:

Legislative: Increased urgency to act to avert climate change crisis may increase the legislative burden on business to play its role.

Commercial: Products or services provided by companies may be perceived as polluting and thus irresponsible. Sales may be impacted. Companies need to understand market sentiment in their sector with regard to climate change, are they aligned with their customers? Do customers have their own carbon policy they wish to see suppliers support?

Brand: Failure to engage with carbon emissions may be viewed as environmentally irresponsible, causing brand damage.

Conclusion

It is rare to have an opportunity to help the environment, whilst saving a company money and enhancing its brand image. The fact that this is the consequence of an integrated carbon programme has led companies to explore and act upon the carbon emissions they are responsible for. This engagement has come at a price with many companies taking short cuts to the illusory “carbon neutral” status that will impact upon them in the short term. As carbon literacy increases amongst the media and consumers, programmes that lack substance will be exposed at a cost to the companies who have adopted them.

The Carbon Consultancy is committed to working with companies to implement robust programmes that will have a tangible emissions benefit and help to avert climate change.

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