

# Net Zero Nonsense? A Greenwashing Guide for Association Events

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#### **Communication Brief**

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#### ABSTRACT

This article examines the challenges of assessing environmental claims and avoiding misleading information. The article explores the complexities of net zero and emphasises the significance of frameworks such as the Science Based Targets initiative (SBTi) and the Race to Zero. SBTi ensures adherence to scientific guidelines and specific activities, while Race to Zero mobilises organisations to achieve net zero by 2050. The article highlights the High-Level Expert Group on Net-Zero Emissions Commitments of Non-State Entities, which provides criteria to reduce greenwashing risks. It emphasises the need to transition from voluntary commitments to regulated requirements. The article urges organisations to act, collaborate, and evaluate net zero claims using credible tools. It warns against being climate bystanders and emphasises the importance of participation, ambition, and addressing greenwashing to meet the climate challenge.

#### KEYWORDS

Environmental Claims, Credibility, Accountability, Science-based Targets

### I miss the good old days when spotting greenwashing was easy

'Natural' claims on a catering menu? Sounds like a vague term. Green branding on 'eco-friendly' promotional products? Likely creating a false impression.

While concern about greenwashing is higher than ever, it also seems harder to assess environmental claims. And protect yourself from being misled.

After all, it's one thing to check technical compliance with an eco-label or certification that has a pass/ fail threshold. It's a very different thing to determine if future pledges and pathways to net zero events are credible or merely putting a climate-conscious sheen on business as usual.

# For fun, let's ask Chat GPT what 'net zero' is...

Net zero refers to a state in which the amount of greenhouse gas emissions produced is equal to the amount removed from the atmosphere. In other words, it is a balance between emissions and removals. Achieving net-zero emissions is seen as a critical goal in the fight against climate change, as it is necessary to limit global warming to no more than 1.5 degrees Celsius above pre-industrial levels. To reach net zero, countries and organizations must reduce their emissions as much as possible through measures like increasing energy efficiency, shifting to renewable energy, and adopting sustainable practices. Any remaining emissions must then be offset by removing an equivalent amount of greenhouse gases from the atmosphere, such as through reforestation or carbon capture technologies.

Sounds straightforward, but is it really? What does 'balance' mean? How much are we reducing versus removing? Who has to do the work? When will net zero happen? Will someone tell us when we get there? In truth, net zero claims can be very nuanced and difficult to evaluate. Frameworks such as the Science Based Targets initiative (https://sciencebasedtargets.org/) and The Race to Zero (https:// unfccc.int/climate-action/race-to-zero-campaign) can help by providing criteria to follow and assess.

### **Science-Based Targets initiative**

<u>SBTi</u> provides a path for organisations to reduce greenhouse gas emissions in line with the Paris Agreement, limiting global warming to well below 2°C and ideally 1.5°C. When interpreting net zero claims, it's important to distinguish between 'science-based targets' and the Science Based Targets initiative. Many organisations claim their targets are in line with science, but not all are taking action through SBTi, which provides reassurance that targets cover specific activities and ground rules are being followed.

For example, SBTi limits how carbon offsets and 'avoided emissions' can be used to report progress against interim emission reduction targets. In brief, they can't. So, reporting how emissions from multiple trips may have been hypothetically avoided by attending a single association trade show as a reduction would not meet SBTi criteria. It's the year-over-year direct emissions reductions compared to an actual baseline that counts. As of March 2023, 4,614 companies are participating in SBTi. SBTi maintains an online dashboard of companies and their progress that is updated weekly (https://sciencebasedtargets.org/companies-taking-action#dashboard). It includes searchable filters for hotels, restaurants and tourism services, as well as airlines.

### **Race to Zero**

The Race to Zero is an umbrella, global campaign to mobilise organisations to reach net zero by 2050. As of September 2022, 8,307 companies, 595 financial institutions, 1,136 cities, 52 states and regions, 1,125 educational institutions and 65 healthcare institutions have joined the campaign. The Race to Zero works through Partners (https://unfccc.int/climate-action/race-to-zero-campaign#Race-to-Zero-Partners), which define the criteria for different types of organisations to become Members of the campaign. SBTi is a Race to Zero Partner.

The criteria include a "Starting Line" and "Leadership Practices".

#### The Starting Line stresses five Ps:

### PLEDGE

Pledge at the head-of-organisation level to reach (net) zero GHGs as soon as possible, and by 2050 at the latest, in line with the scientific consensus on the global effort needed to limit warming to 1.5C with no or limited overshoot, recognising that this requires phasing down and out all unabated fossil fuels as part of a global, just transition. Set an interim target to achieve in the next decade, which reflects maximum effort toward or beyond a fair share of the 50% global reduction in CO2 by 2030. Targets must cover all greenhouse gas emissions, including scopes 1, 2 and 3.

### PLAN

Within 12 months of joining, publicly disclose a plan which outlines how all other Race to Zero criteria will be met, including what actions will be taken within the next 12 months, within 2-3 years, and by 2030.

### PROCEED

Take immediate action through all available pathways toward achieving (net) zero, consistent with delivering interim targets. Where relevant, contribute to sectoral breakthroughs.

### PUBLISH

Report publicly progress against both interim and longer-term targets, as well as the actions being taken, at least annually. Report in a standardised, open format and via platforms that feed into the UNFCCC Global Climate Action Portal.

### PERSUADE

Within 12 months of joining, align external policy and engagement, including membership in associations, to the goal of halving emissions by 2030 and reaching global (net) zero by 2050.

Leadership Practices are more ambitious and based on the 'current frontier of best practices'. Organisations must satisfy both the Starting Line and Leadership Practices to join the Race to Zero. Accelerators (https://climatechampions.unfccc.int/join-the-race/#:~:text=Accelerators%20 enhance%20the%20credibility%20of,us%20faster%20on%20the%20Race.) meet Race to Zero criteria and help the campaign by enabling others to join Partner initiatives. The Race to Zero identifies twenty Accelerators across different sectors who have demonstrated they are taking significant steps to help communities act. Positive Impact (https://www.positiveimpactevents.com/unfccc-race-to-zero#:~:text=Race%20to%20Zero%20is%20the,zero%2Dcarbon%20world%20in%20time.) is the Race to Zero Accelerator for event organisations, providing free tools for small and medium-sized enterprises under 500 employees to join the SME Climate Hub (https://smeclimatehub.org/), a Race to Zero Partner.

Similar to SBTi, the Race to Zero requires participants to follow guidance (https://unfccc.int/climateaction/race-to-zero-campaign#Minimum-criteria-required-for-participation-in-the-Race-to-Zerocampaign). Among their ground rules at present is an important point for association event organisers: "In alignment with the SBTi's approach, offsets should not be used to meet 2030 and other interim emission reduction goals." Further, for small and medium-sized organisations to join Race to Zero, "Scope 1 and Scope 2 emissions, and emissions from business travel, must be cut in half by 2030 at the latest." So, are net zero event claims relying substantially on offsets? Or omitting business travel emissions? Careful: it might be greenwashing.

# **High Level Expert Group on Net-Zero**

The High-Level Expert Group on the Net-Zero Emissions Commitments of Non-State Entities (https:// www.un.org/en/climatechange/high-level-expert-group) also has advice for organisations making claims. Building on the Race to Zero and the Science Based Targets initiative, the Group was tasked by the United Nations Secretary-General with delivering recommendations for credible, accountable net-zero pledges.

Event sector businesses should keep the Expert Group's criteria in mind to reduce greenwashing risks:

- 1. The focus must be reducing absolute emissions, not emissions intensity. This means reducing total event emissions, not just emissions per event participant.
- 2. Targets must consider the full supply chain, from venue and food impacts to materials and travel.
- 3. Cheap credits that lack integrity are not a substitute for immediately cutting emissions. Event offsets should only account for a small portion of claims and must be high quality.
- 4. Climate leadership means not enabling fossil fuel growth and expansion, making now a good time to reconsider involvement with events, clients and sponsors who do.
- 5. No lobbying to undermine climate, energy, and environmental policies, either directly or through business associations. Associations will want to reflect on whether they and the organisations they are part of are working to maintain the high-emitting status quo or helping members meaningfully transition to cleaner ways of working.

The High-Level Expert Group also stressed that net zero pledges need to move from voluntary commitments to regulated requirements. Otherwise, they risk greenwashing and creating an uneven playing field. This sends a signal to regulators: policy reform is needed and could further impact event sector activities.

# Where do Event Sector Net Zero Initiatives Fit?

Approximately 500 organisations have joined the Net Zero Carbon Events Initiative (https://www. netzerocarbonevents.org/), which encourages companies to set targets which meet the goals of the Paris Agreement. By 2023, NZCE Pledge signatories are required to create and publish their individual pathways to achieve net zero by 2050 at the latest. There is no expectation that participants will join the Race to Zero, meet its criteria for a transition plan, adopt leadership practices or report annually (reports every two years are expected). Participants are also not required to formally adhere to the SBTi. That said, the Pledge does not limit the ability of signatories to increase ambition and join additional initiatives.

### How Do I Evaluate A Net Zero Claim?

Signing a commitment can indicate that an organisation is starting the journey to net zero and collaborating with peers. However, action is what provides proof. So, what should you look for to assess a net zero claim, especially if the company is not participating in an initiative that requires reporting?

The NewClimate Institute (https://www.cleanenergywire.org/experts/newclimate-institute) and Clean Energy Wire have created seven questions (https://www.cleanenergywire.org/factsheets/how-unpick-company-net-zero-target-7-steps) to help investigate how credible and ambitious net zero claims are. Their guide includes helpful principles, tips and examples to follow, including diagrams that can help buyers visualise and evaluate the nuance and scope of different intentions and actions.

### It seems complicated. Maybe it's best to not do anything?

If that's what you're thinking, you're not alone. In fact, 'greenhushing' is a term that describes the tendency of organisations to keep quiet about their environmental efforts for fear of being called out. This may become increasingly common as complaints (https://www.theguardian.com/australia-news/2023/mar/23/etihad-accused-of-misleading-customers-with-greenwashing-in-net-zero-ads) to consumer watchdogs about misleading net zero claims increase, and jurisdictions like the EU (https:// www.reuters.com/business/sustainable-business/eu-proposes-clampdown-companies-using-fake-green-claims-2023-03-22/) propose that accredited verifiers would need to check environmental claims before companies can publicly make them.

That said, the risks of being a climate bystander–failing to act at all–are arguably worse, and not just in terms of public relations, but by failing to adapt to new ways of thinking and doing that impact business resilience. And regulation that is sure to come. As you contemplate a position that might seem stretched thin between darned if you do and darned if you do not, the metaphor of race can be helpful to keep in mind. Both when it comes to making and critiquing net zero claims.

First, saving the planet is not a spectator sport. Respect is owed to those who are lacing up their shoes, joining the starting line and making a move. More bodies in the race build more momentum toward the finish line. Everyone is needed. However, let's not allow comfort with business as usual to let the slowest set the pace of the race. Or represent themselves as the winner. Fitness matters and ambition drives progress. We need to support both and call out greenwashing when we see it if we're to meet the climate challenge (https://amimagazine.global/Meetings/Sustainability/Facing-up-to-the-climate-challenge).

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