



Corporate Net-Zero: Why it's a problem

Net-zero pledges from corporations are increasingly common—and a disaster for the planet. Proponents of ‘net zero’ commitments point to the language in the Paris Agreement about ‘balance between emissions and removals’ and the IPCC’s increasing use of net-zero language in its publications to justify net-zero targets. But this ignores the reality that net-zero was never meant to delay emission reductions—but that’s exactly what many corporations putting forward net-zero pledges are planning to do.

Overwhelmingly, net-zero pledges and plans rely on a huge volume of emissions with land offsets or (increasingly) geoengineered removals, putting both climate goals and people at risk. This approach to net-zero is a perversion of the concept, which was originally meant to express the reality that some emissions, from even the most responsible forms of agriculture, for example, are unavoidable, and that there would also be carbon sequestration in healthy ecosystems to balance out those emissions, in order to reach net-zero.

Individual corporate pledges take this perversion to a new level. While a country may need to account for a vast land sector, where both emissions from agriculture and sequestration from sinks such as forests occur, companies do not need to indicate the amount of land they’re proposing to use to meet their commitments. Individual companies are only looking at their own emissions—emissions directly associated with the company’s activity, and/or resulting from emissions in its production supply chains (called indirect emissions). Of course, some activities are harder to decarbonize than

others; but for the vast majority of companies, there are no impossible technical barriers to reaching ‘real zero’ emissions.

But net-zero provides an ‘escape valve’ for companies seeking to avoid doing the hard work of decarbonizing production processes. Even if plans to reach the net are solid, that doesn’t justify continued emissions from a company. And if the offsets are more tree plantations than ecosystem restoration efforts, the projects for ‘net’ are both *not* delivering towards their stated climate goals, and are likely harming communities dealing with the negative impact of massive tree plantations.

Net-zero pledges also complicate the Paris Agreement’s compliance mechanisms. Under the Paris Agreement, countries are expected to submit Nationally Determined Contributions (NDCs)—their climate plans and mitigation targets. The NDCs will be compiled in a Global Stocktake that happens every five years, to judge if the world is on track to meet its Paris goals. But how do net-zero pledges from companies fit into these NDCs? How to avoid ‘double-counting’ of action?

Corporations are using the concept of net-zero to avoid taking on the climate challenge at the speed and intensity indicated by the science as necessary. Net zero commitments become not a road map for business transformation, but rather a crutch and public-relations vehicle for continuing ‘business as usual’. Some are actually restructuring their businesses in order to be better positioned to profit off of greenwashing.

We cannot afford to let corporations get away with this. All emissions that can be reduced to zero need to be as quickly as possible.

ILLUSTRATION BY ETHAN CORNELL

