



south pole
group

Fact Sheet Sustainability Action

The case for Insetting: boost sustainability in your supply chain

Context

In a changing world, supply chain sustainability is key to strengthening your brand towards clients and stakeholders. It helps ensure future revenue generation. By effectively tackling supply chain sustainability you demonstrate leadership and improve transparency and cooperation. Insetting is a unique solution that helps businesses achieve these objectives by integrating supply chain sustainability with carbon compensation.

Challenge

Natural and social resources along the supply chain are of utmost importance for global business models. Now, these resources are under threat, as supply chains are often located in developing countries vulnerable to climate change. Ignoring climate-related challenges may lead to inefficiencies and, in the worst case, disruptions in the supply chain.



Solution

Insetting combines carbon compensation with effective management of environmental and social resources along the supply chain, while sending a strong signal to your stakeholders. It allows companies to create managerial and financial synergies, while unlocking additional opportunities from the global carbon markets.

How does it work?

Our work on insetting projects is made up of three phases:

1. Develop project concept and evaluate feasibility

2. Implement and operate project

3. Monitor, report and verify project results

1. Develop project concept and evaluate feasibility

When we develop a new insetting project, all project parameters are defined according to the client's needs. These include location, technology, scale, reporting and certification scheme. In the following steps, we assess technical feasibility and identify as well as evaluate the best local partners. Subsequently, we develop a financing plan. This may include milestone or performance-based payments, co-funding from other private or public players, third-party investments or other financial tools.

2. Implement and operate project

Our services range from contracting and managing local partners to operation and maintenance. The level of technical involvement for our clients can be adjusted according to their preferences. We offer an array of services, from developing turnkey solutions and providing advisory to supporting in-house project management and capacity building.

3. Monitor, report and verify project results

"What gets measured gets done."

Peter Drucker

Insetting projects are designed to generate and maintain a positive local impact. Therefore, our focus is on quantifying a project's effects across all relevant dimensions. These dimensions include effects on local communities, employees, natural resources, as well as the climate. We also provide quantified results on the project's effects on business performance, such as relationship with suppliers and efficiency gains.

Depending on our client's requirements, we select the most appropriate monitoring, reporting and verification/auditing standard, including Gold Standard, Verified Carbon Standard, Plan Vivo, GHG Protocol, CCB Standards, etc. If required, we can also adjust reporting schemes or design new ones to suit your needs.

Pioneers

South Pole Group pioneered the concept of inseting in 2011. For nearly five years, we have supported clients in developing, implementing and financing inseting projects. Building on our extensive experience of developing over 270 emission reduction projects worldwide, we are ideally positioned to implement your inseting project. Leveraging our global presence and our remarkable track record, we manage the entire project realisation, from concept and feasibility, financing and implementation to monitoring and evaluation.

Client benefits

1 Carbon compensation that makes a real difference for your company

Certified carbon emissions reductions improve the overall environmental performance of a company. They can offset the carbon footprint of products or companies as a whole. Beyond the emission reduction, Inseting projects generate a multitude of other sustainability benefits for communities and ecosystems. These benefits include natural resource conservation and restoration, biodiversity, improved standard of living for local communities, enhanced infrastructure and capacity building.

2 Convincing stakeholder engagement

Showcasing a forward-looking approach to corporate sustainability, Inseting enables you to generate positive environmental and social impacts with a direct link to your business. The tangible impacts generated by the project provide an exceptional opportunity to enhance your brand by communicating your achievements through inspiring storytelling.

3 Creating shared value for communities and businesses

The customised approach of Inseting allows you to design projects that are directly linked to your supply chain sustainability targets. These targets could include improving community health and education, empowering women, reducing deforestation and flood resilience or biodiversity conservation. With a careful alignment of incentives, these projects can turn business risks into opportunities, thereby creating shared value.

4 Identify risks and seize opportunities

Risks linked to ecosystems and communities increasingly affect companies' core businesses. Livelihoods of local farmers threatened by climate change, degrading soils and inefficient supplier operations are risks that could potentially endanger or even disrupt companies' supply chains. Decreasing water resources may lead to business interruptions. A lack of community engagement and mounting local opposition to a company's operations on the ground can threaten its social license and legitimacy to operate. At the same time, the rapid economic growth in developing countries opens up a wide array of new business opportunities waiting to be unlocked.



In a nutshell

Inseting is a groundbreaking solution that helps you to compensate your carbon emissions, while mitigating environmental and social risks within your supply chain.

Why work with us

Global team

We are a truly global provider of sustainability solutions and services. Our team is made up of over 130 skilled and enthusiastic professionals from over 20 different countries, based in offices spanning 6 continents.

Proven impact

Since 2006, we have measured the climate impact of countless companies and products worldwide. We have screened USD 200 bn+ of investments for their climate impact and we have developed 270+ projects in renewables, forestry, agriculture, industry and households. Through our efforts, 50 million tonnes of CO₂ have been saved, almost as much as the annual CO₂ emissions of the country of Portugal. We have enabled the production of 35,000 GWh of renewable energy (more than the annual electricity consumption of the country of Denmark), and mobilised over USD 6 bn for clean energy investments in emerging markets. In total, our projects have helped create almost 20,000 jobs in developing countries; this roughly corresponds to the number of employees of the British Broadcasting Corporation (BBC). We have also saved 17,000+ hectares of forest from deforestation, about the size of 24,000 soccer pitches.

Added value

We help you grow with groundbreaking solutions that benefit your business, the environment and society.