

Environmental *Change* Institute

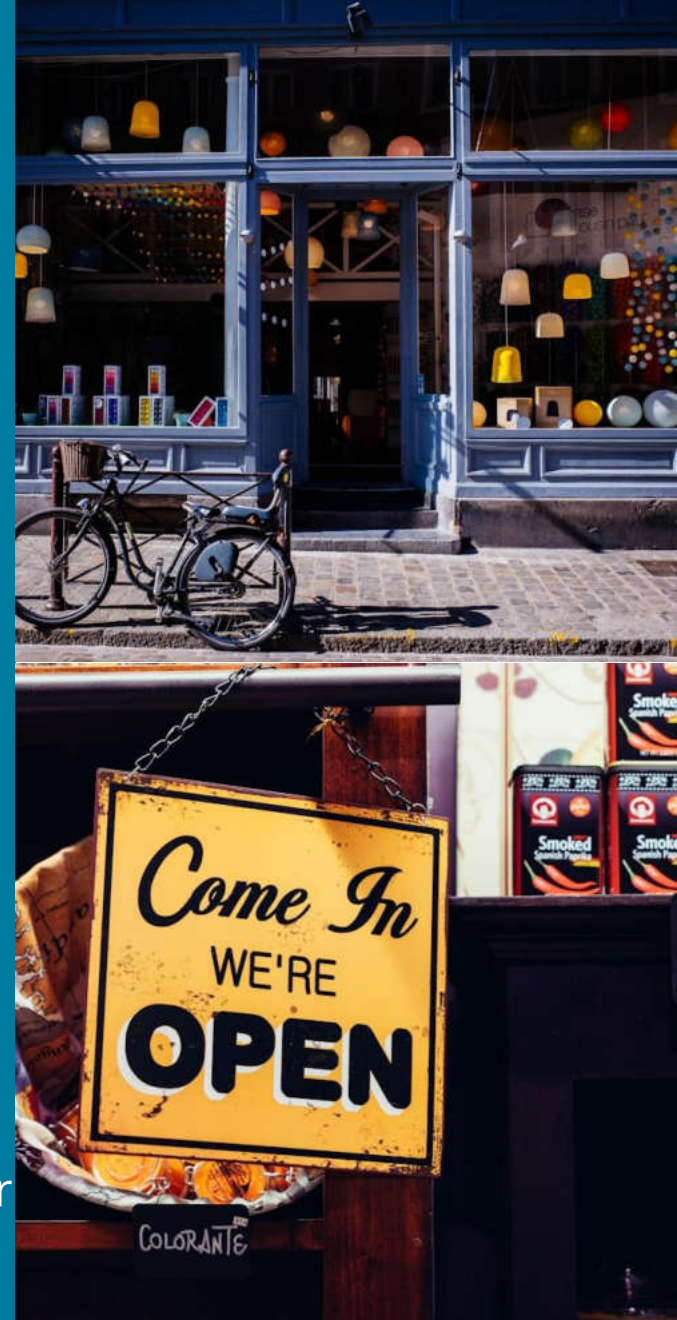


# Where next for SMEs and Net Zero?

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Sam Hampton

With support from Will Eadson, Richard Blundel, Katherine Sugar



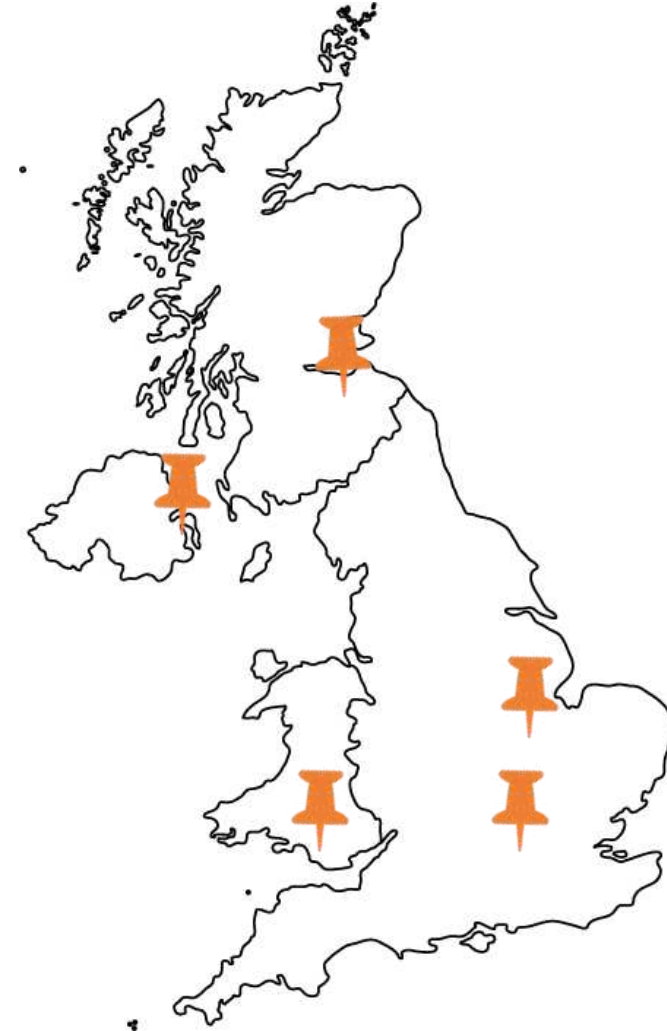
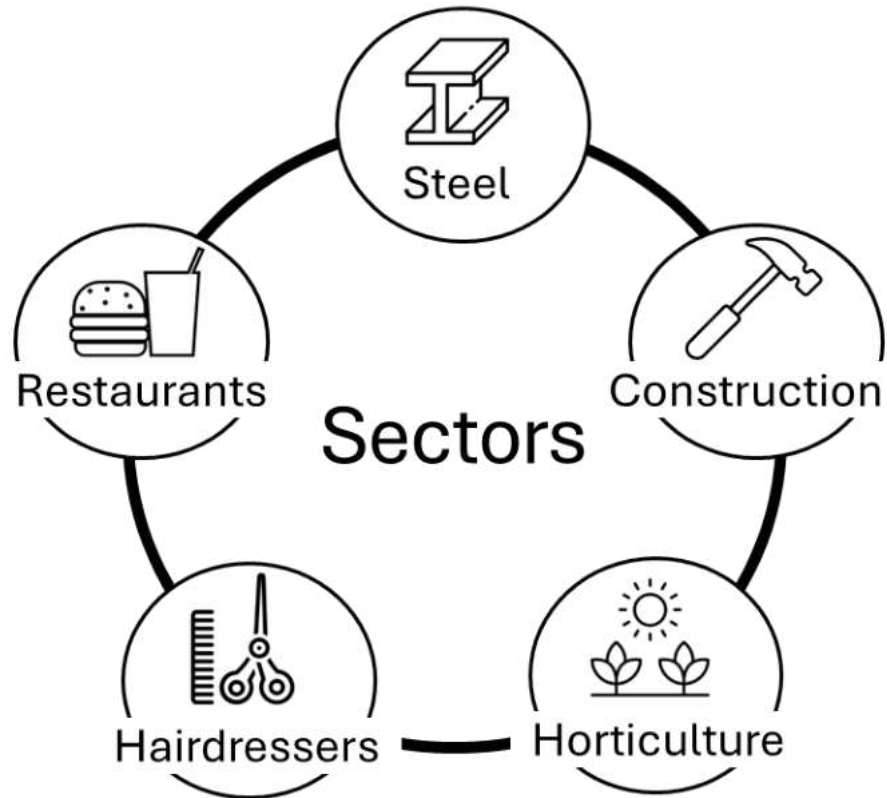
# Overview

1. GoZero project
2. Where are we now?
3. Where next?
  - Role of government in a changing context
  - Principles for Place-Based approaches
  - Entrepreneurship
  - Multiple roles for climate action
  - Just transitions
4. Conclusions

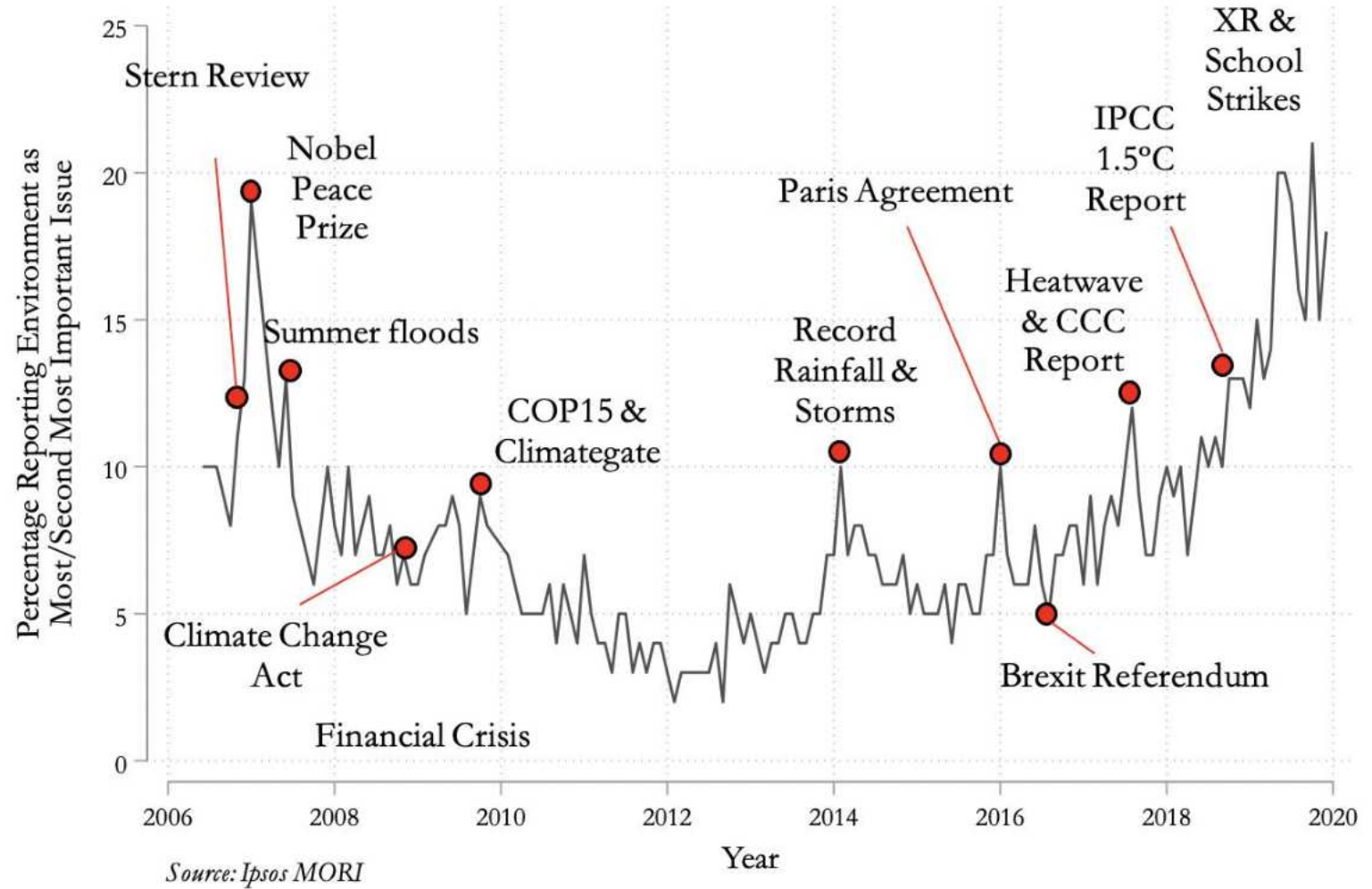
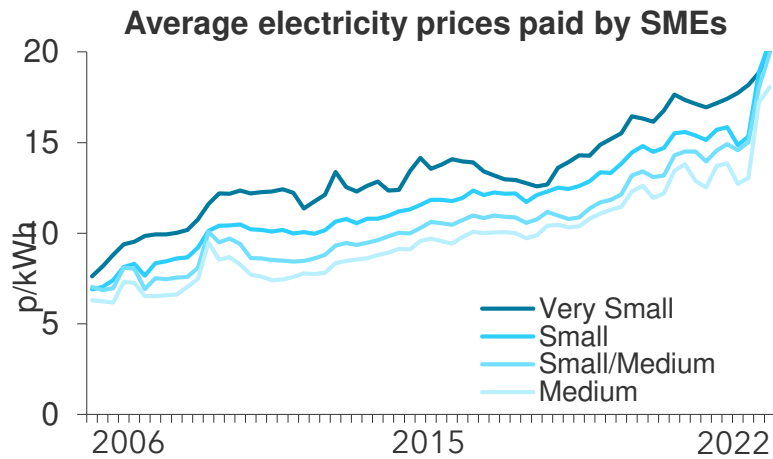
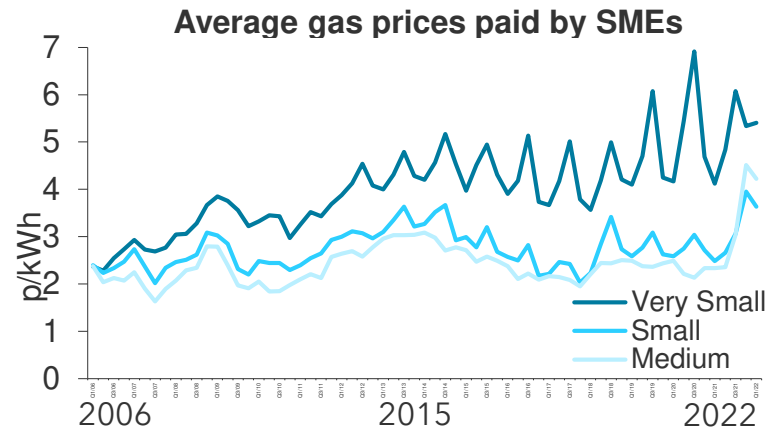




# Governance for SME Decarbonisation: GoZero



# Where are we now?



# Where are we now?



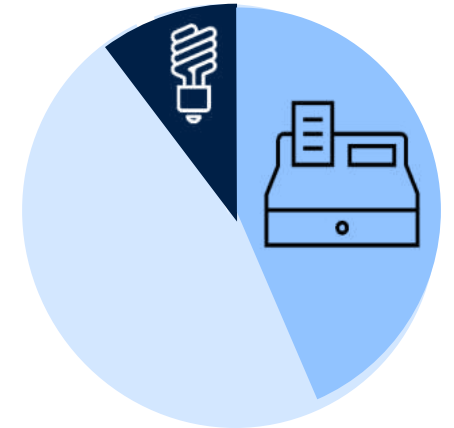
57% of SMEs are aware of government's commitment to reach **net zero by 2050**



47% say carbon reduction is a **high or very high** priority



71% could **not recommend a single web source** for help on decarbonisation.



Only 16% of SMEs responded to the energy price crisis **by improving energy efficiency**. 46% were forced to raise their prices.

# Where are we now?

## Policy paradigm

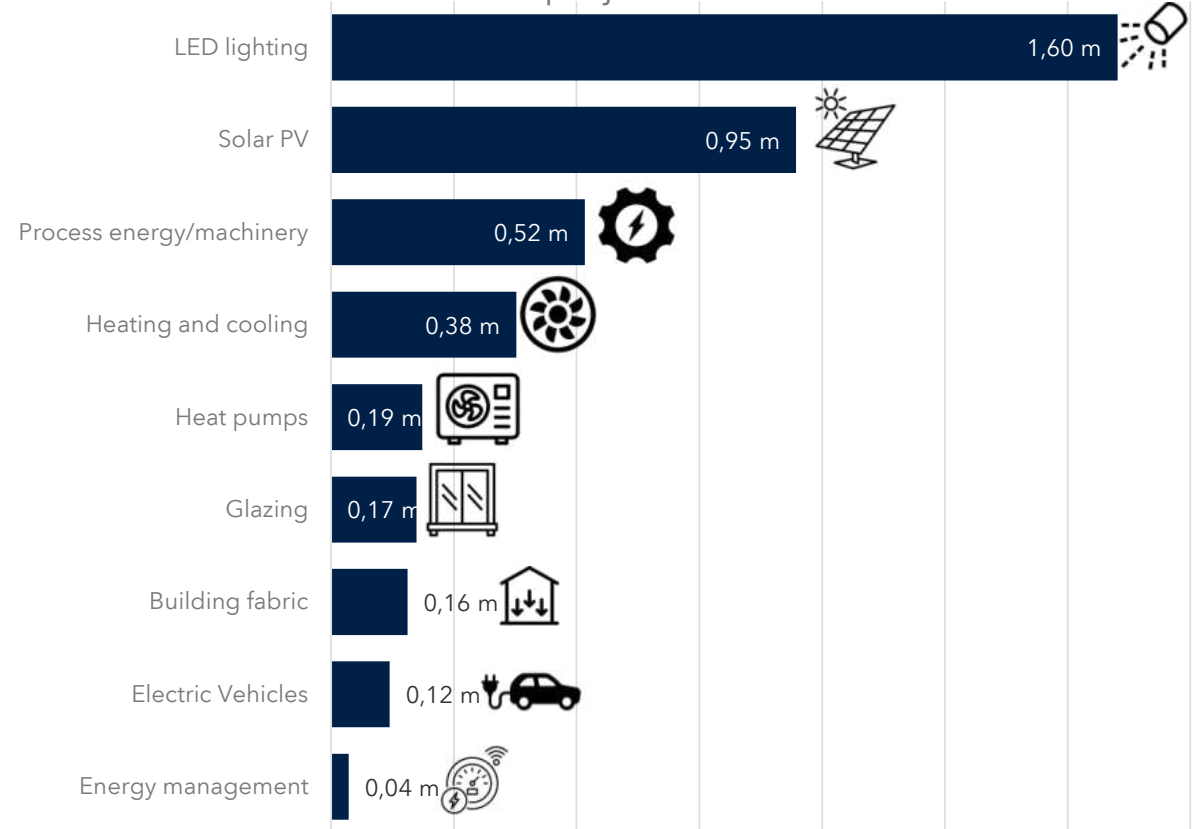
### Market failure:

- Energy efficiency gap
- Information deficit

### Response:

- Incentives: audits, advice, grants
- 'Win-Win' framing
- Growth first
- Place-based

Grant funding awarded by measure, for 6 ERDF projects



# Where are we now?

## Signs of market failure *functioning?*

**80%** IT'S THE RIGHT  
THING TO DO

**73%** ENHANCE THE  
REPUTATION OF MY  
BUSINESS

**65%** DIFFERENTIATE  
MY BUSINESS FROM  
COMPETITORS



94% have taken at least  
one action to reduce their  
emissions





# Where next?

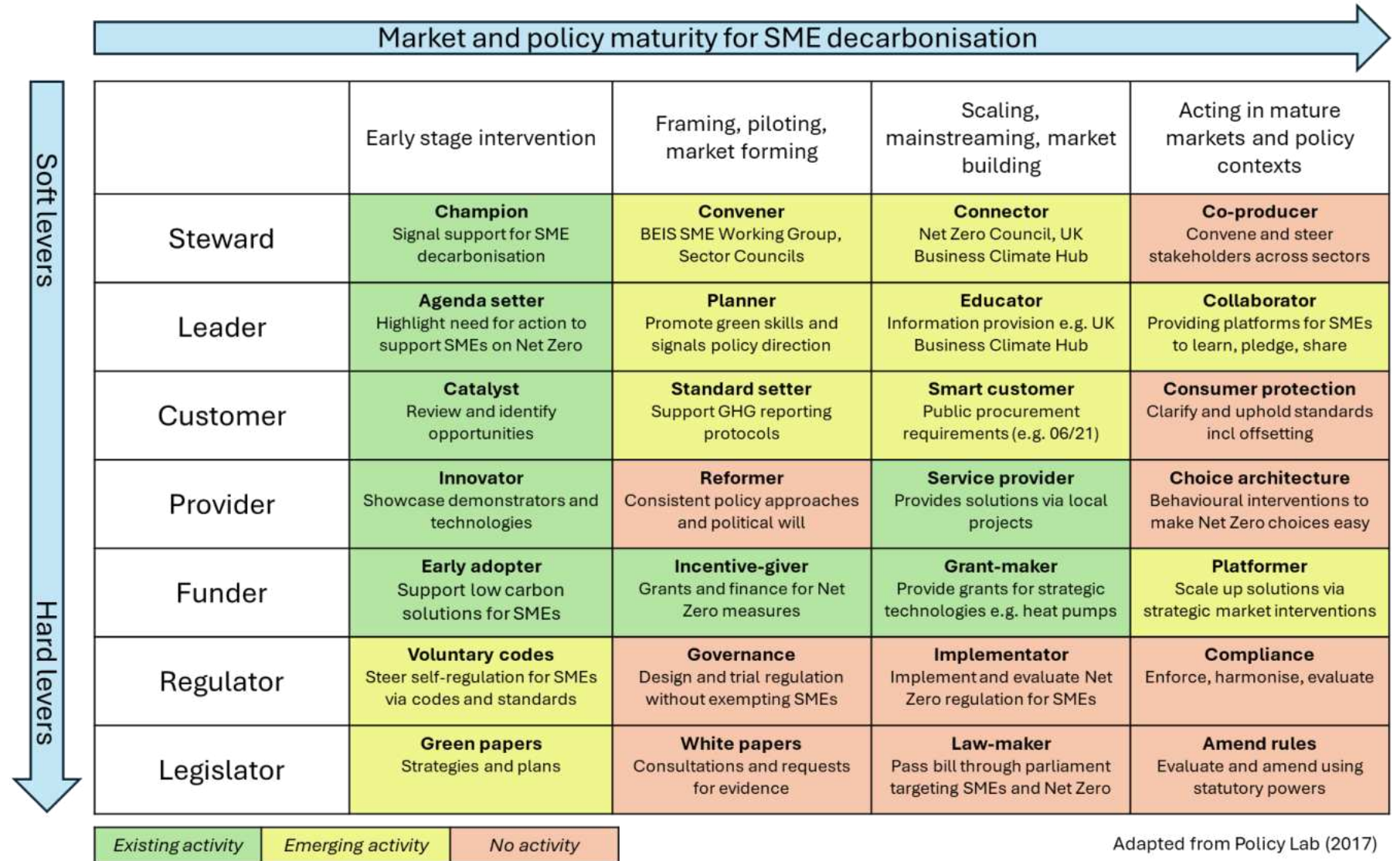
## 1. The Role of Government in a Changing Context





# Changing role of government

Adapt, don't retreat!



# Where next?

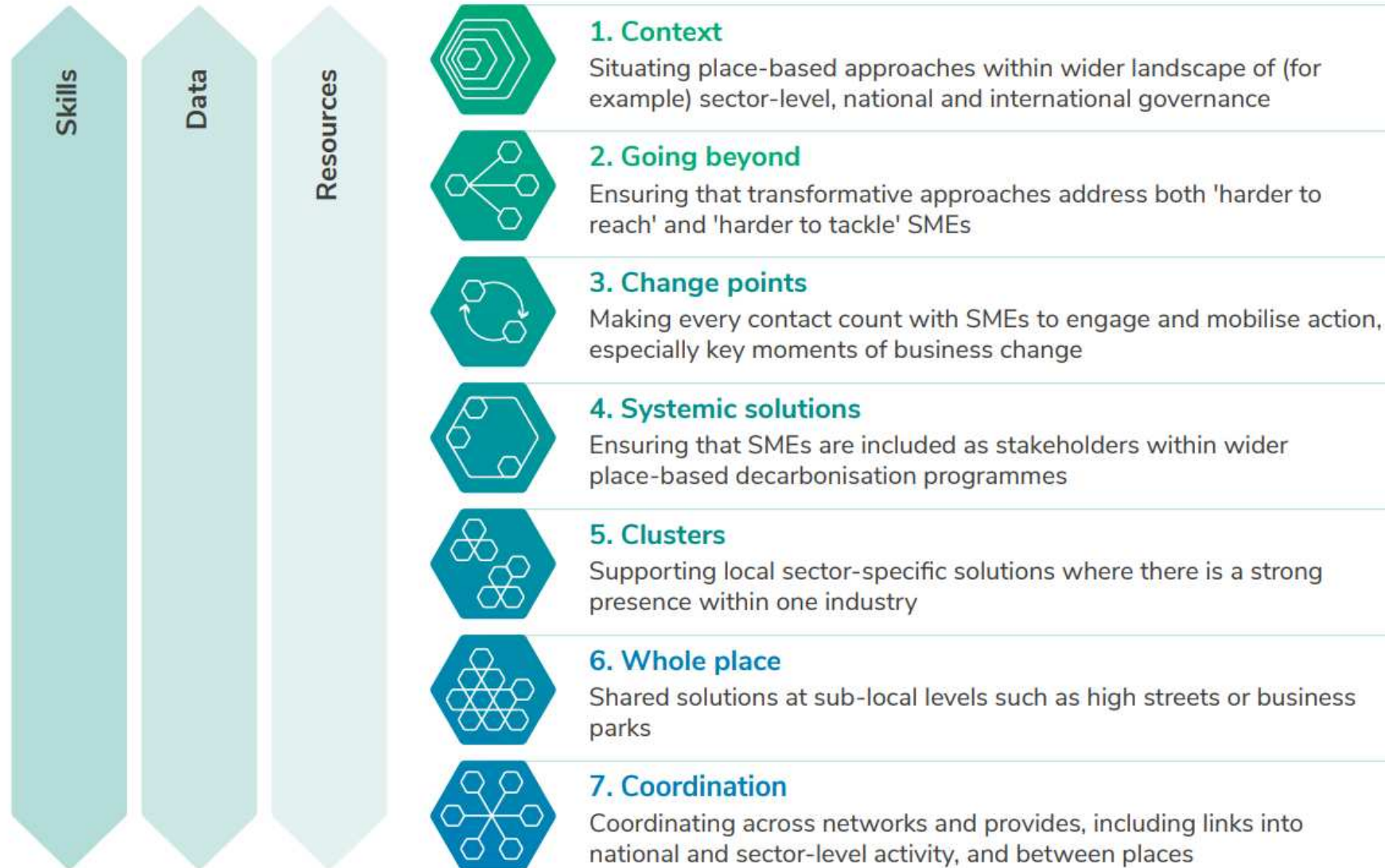
## 2.

# Principles for Place-Based Approaches to SMEs and Net Zero





# Place-based approaches



# Where next?

## 3. Emerging Entrepreneurship to Deliver Decarbonisation at Scale





# Four types of entrepreneurial activity

## One-to-many business support platforms



## Systemic, technology-enabled innovators



## Place-based capacity builders



## Place-based eco-innovation catalysts

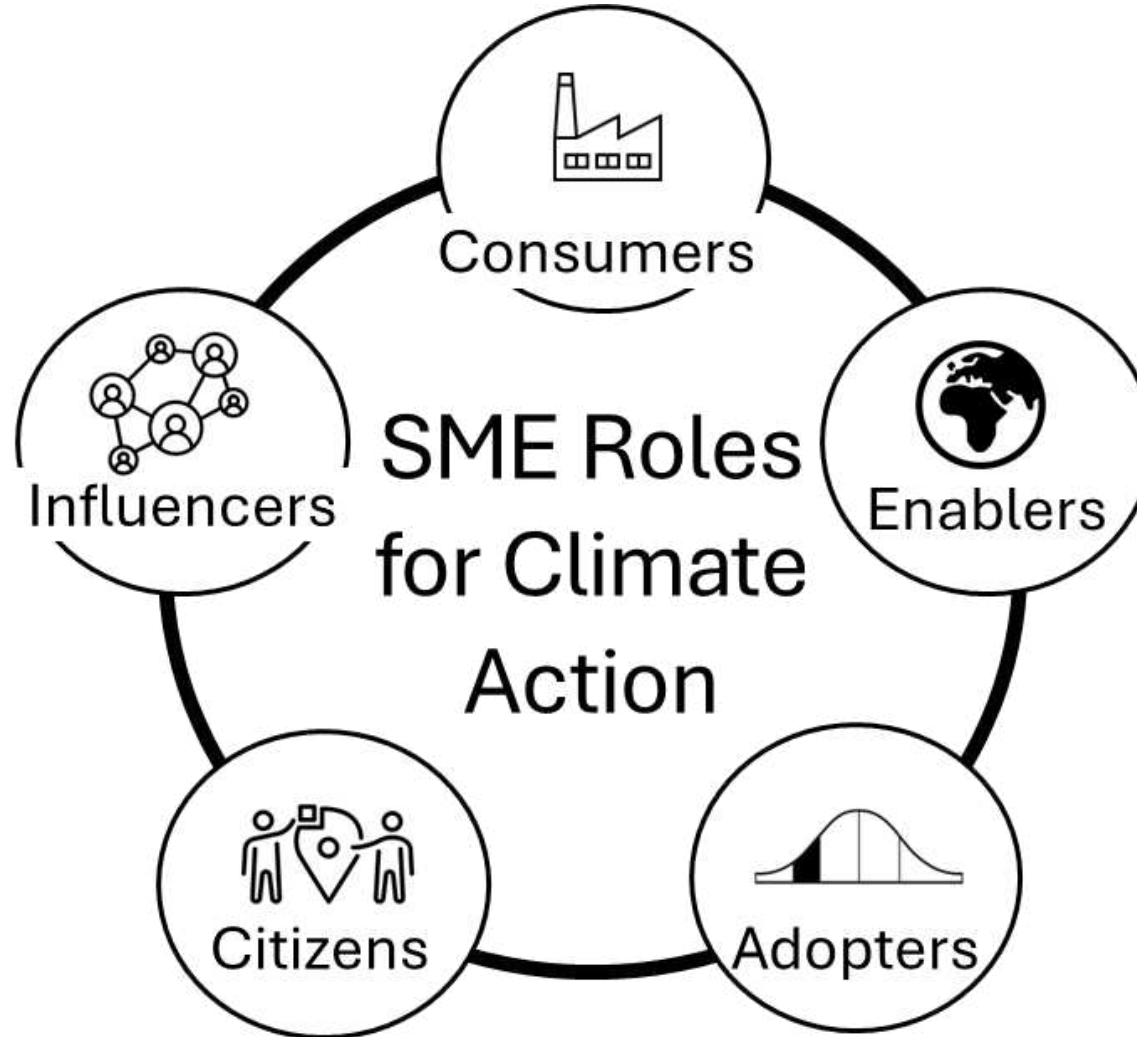


# Where next?

## 4. Multiple Roles for Climate Action



# Multiple Roles





# Where next?

## 5. SMEs and Just Transitions





# Just transitions

Exposure

Capability and Connection

Recognising characteristics

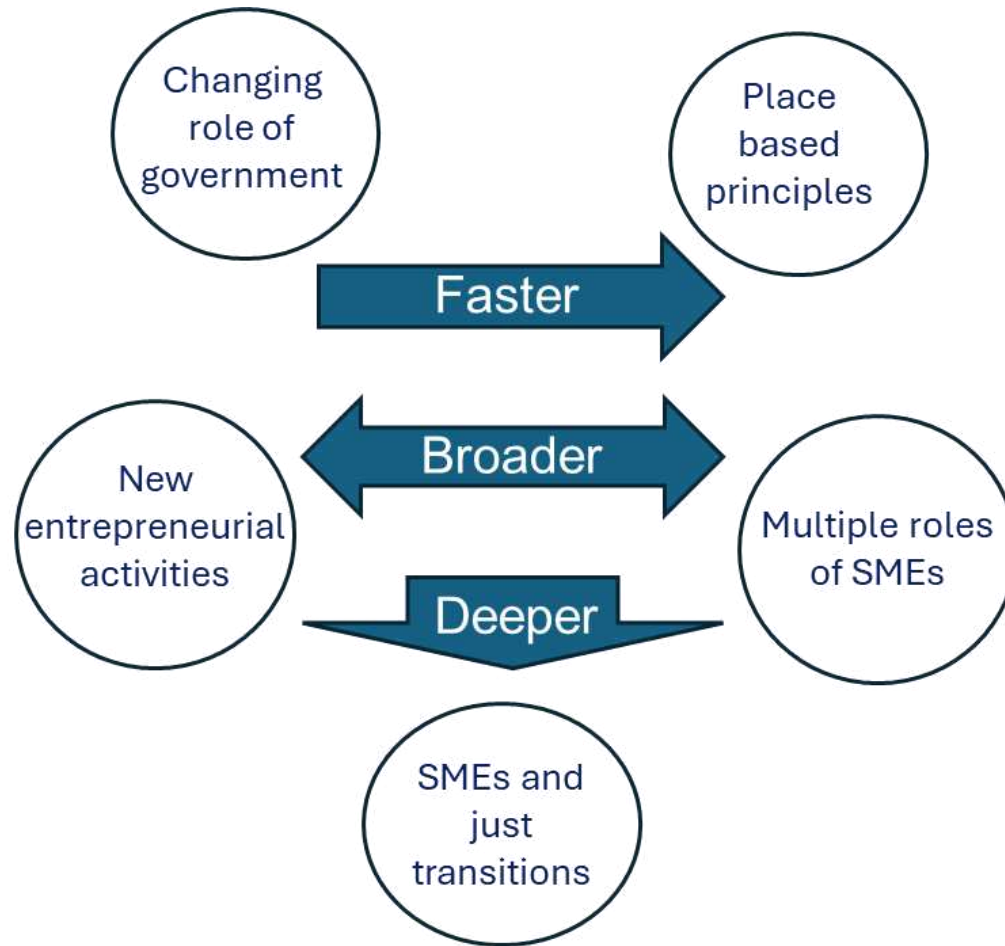
Context

Differential roles





# Conclusions



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# Thank you

Sam Hampton

