

Pharmaceutical companies collaborate against climate change

The Energize programme, a collaboration between 10 global pharmaceutical companies to engage hundreds of suppliers in climate action and decarbonisation of the pharmaceutical value chain, has been announced today - on Energy Day of the 2021 United Nations Conference of Parties (COP26) on climate change.



Source: ©Stepan Popov [123rf](#)

The first of its kind, the programme will leverage off the scale of a single industry's global supply chain in a pre-competitive fashion to drive system level change.

Designed and delivered by Schneider Electric and convened by Carnstone; the pharmaceutical companies will promote the programme collectively, and individually invite their suppliers to participate.

Corporate programme members include:

- AstraZeneca
- Biogen
- GSK
- Johnson & Johnson
- MSD
- Novartis
- Novo Nordisk
- Pfizer
- Sanofi
- Takeda

Creating renewable energy opportunities

Creating life-saving medicines and services requires a lot of energy, much of it being used by the value chain.

By proactively engaging with their suppliers to create renewable energy opportunities, the 10 convening companies are taking meaningful action to collectively address their energy usage and inspire other industry sectors to follow suit.

The programme will help pharmaceutical and healthcare suppliers to address their own operational Scope 2 greenhouse gas emissions through green power procurement, which in turn will reduce the participating companies' Scope 3 emissions.

The Energize programme will enable pharmaceutical suppliers to learn more about renewable energy adoption and contracting.

In practice, this will mean giving suppliers – who may not otherwise have the internal resources or expertise available – the opportunity to participate in the market for power purchase agreements (PPAs).

“We believe Energize will be a really effective collaboration of pharmaceutical companies looking to take bold climate action. Every business should be moving aggressively towards using 100% renewable electricity, and supporting their supply chains to do the same,” says Sam Kimmins, Head of RE100, Climate Group.

Overcoming barriers

Renewable energy procurement can be challenging for companies of all sizes for a variety of reasons.

“This is not something that companies can achieve on their own. We are strong believers in the power of collaboration,” says Glynn Roberts, senior partner, Carnstone.

The Energize programme is designed to overcome typical market barriers such as inadequate knowledge about renewable energy transactions, load size, lack of credit, and the need for guidance throughout a complex and protracted contracting process.

Participating suppliers will learn about the renewable energy market, receive guidance on PPAs, and have the opportunity to access and contract for renewable energy on their own or as part of a collaborative buyers' cohort.

Expanding globally

The programme will initially focus on suppliers with energy load in Europe and North America, with the intention to expand globally where interest and renewable energy market opportunity align.

Schneider's team of renewable energy experts will engage with participating pharmaceutical suppliers and facilitate an education and project selection process to advance supplier progress towards the execution of individual and aggregated renewable energy purchases.

Schneider Electric is a global consultant on corporate renewable purchasing, having advised companies on over 150 utility-scale PPA purchases across North America, Europe, India, Australia and Latin America for a total of more than 11,000

megawatts of wind and solar power.

The Energize programme will be powered by Schneider's NEO Network, a global collaboration platform and community designed to accelerate renewable energy decision-making and decarbonisation.

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