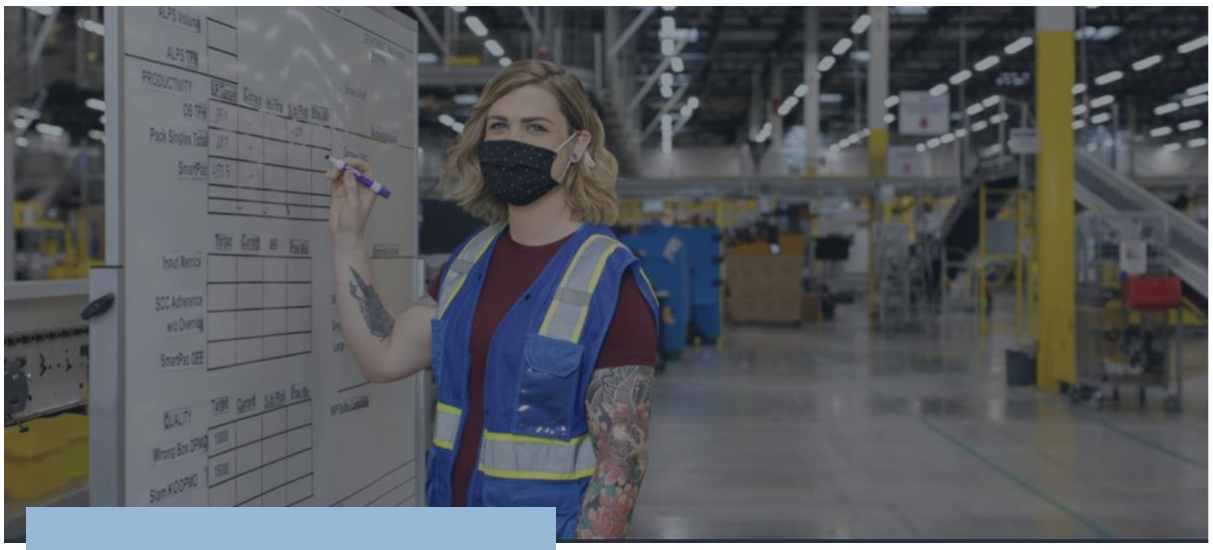
Amazon – Climate Pledge

Case Study



Background

The Climate Pledge was co-founded by Amazon in 2019. It is a commitment to be net-zero carbon across the business by 2040.

Targets

- To convert the operations to carbon neutral.
- Maintain and improve the speed of delivery, network reliability and cost optimization.

Focus of the case study

Strategies to develop environment friendly delivery services and increase awareness among customers for being carbon neutral

Methods to leverage all the existing transportat-ion methods to meet Amazon's Climate Pledge objectives without comp-romising on speed and costs.

Approach to leverage technology to drive, measure and improve towards a net-zero carbon objective across transportation network.

Solution

Since our brain can process visuals faster and better, it would be effective to include information on carbon neutrality over the amazon packages. The more aesthetically pleasing it is, the more the chances of a person to read through it.

Local collect should be encouraged more and may include some offers for this not only for next day delivery but also for usual deliveries. Amazon can collaborate with stores that's available in all local regions and set it up as a collection point. Since most people visit these stores frequently, it would not be an inconvenience for the customers, and it is cost-efficient and environment friendly since it can reduce the travel distance for ATS.

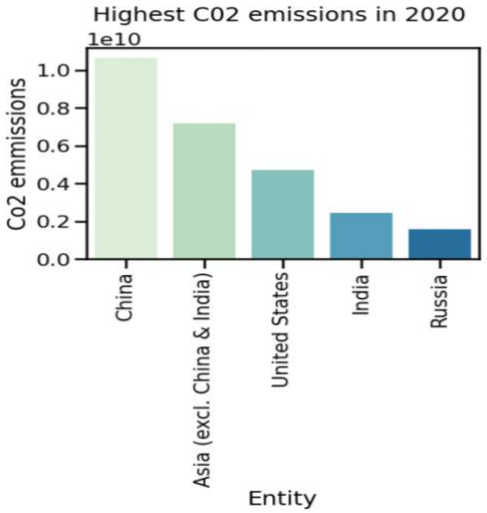
The company can encourage the employees to either opt for public transportation or shared journeys to reduce carbon emissions.

Many truck manufacturers have introduced Electric trucks as an environment friendly alternative. Although it can be expensive to change all the transportation services into electric immediately, it could be done gradually. When leasing the vehicles in the future or buying new trucks or cars for delivery services, electric vehicles can be considered.

The data on transportation and carbon emissions should be diligently collected, recorded, and analysed. Any notable changes and impacts should be discussed to update the current plans or drop the ones that are not effective. This will surely yield the desired results over time

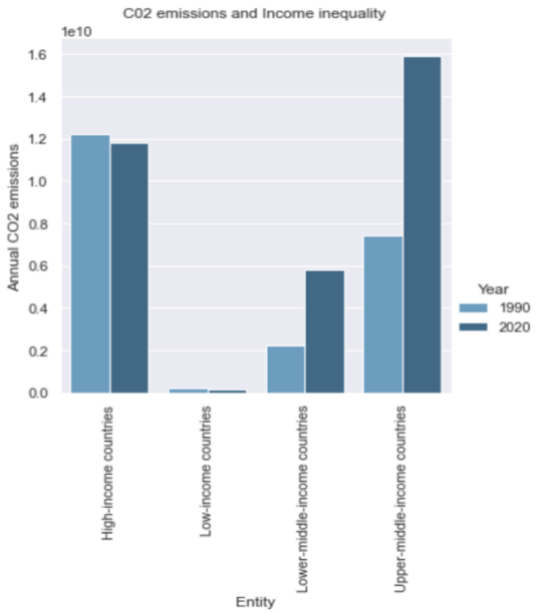
Result

Analysing the data of annual carbon dioxide emissions from ourworldindata, the top 5 regions contributing to the highest CO2 emissions in 2020 was China, Asia(excluding india and China), US, India and Russia. These regions need immediate attention and thus, should be focused on a lot more compared to other regions.



According to Oxfam's report 'Inequality Kills', rich countries are responsible for an estimate of 92% of all excess emissions and the rich countries have fewer consequences to bear in comparison to poorer countries.

The data shows that the highest CO2 emissions in both 1990 and 2020 was contributed by high income countries and upper middle-income countries. However, the highest change noted between the two years is for Upper middle-income country. Lower middle-income country is second in terms of increase in CO2 emissions.



Conclusion

The analysis of data plays a vital role in identifying the regions where new methodologies should be implemented promptly.

Collaborating with local stores and promoting local collect can reduce the transportation cost as well as the impact on environment.

The packaging can be designed to spread carbon neutrality awareness. Shared journeys or use of public transport should be encouraged for employees.

The transportation trucks and cars can be gradually converted to electric, This may be a bit expensive but can be considered over time.

References

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3. https://sustainability.aboutamazon.com