



2024 ZERO-EMISSION SHIPPING

# PROGRESS REPORT

**NOT MUCH CHANGE**

IKEA is a company that has taken concrete action to decarbonize its maritime shipping logistics operations in recent years. As one of the largest furniture retailers in the world, IKEA has been both ambitious and admirable in making good on the goal of [becoming climate positive by 2030](#). Unfortunately, IKEA has not yet leveraged its influence and those early successes to help motivate industry peers to embark on their own efforts to decarbonize.

IKEA, your 2023 Ship It Zero Report Card grade was:

89	B+
100	

How did Ship It Zero evaluate IKEA's trajectory for maritime shipping since the 2023 report card?

IKEA's decarbonization path. [IKEA earned a B+](#) in our 2023 Decarbonization Report Card. In that report, not only was IKEA the highest scoring among all retailers featured on the report card, but the highest scoring company overall. This news — coupled with the fact that IKEA is a founding member of the Alliance for Clean Air (ACA), as well as Cargo Owners for Zero Emission Vessels (coZEV), reveals that IKEA was invested in a zero-emission future, earning its status as top of the class. ACA and coZEV both focus on developing initiatives alongside their member organizations aimed at addressing the real-world harms of climate change. It has been encouraging to see a company not only make notable strides in the metrics that the Ship It Zero campaign established for the 2023 report card, but to also do so in a way that raises the bar of ambition for other companies. For example, IKEA [readjusted its climate goals](#) to align with the 1.5 degree Celsius science-based targets [established by the Intergovernmental Panel on Climate Change](#) special report. Although IKEA has made headway since the release of the 2023 report card, IKEA needs to do more to show its actions match its proclaimed ambitions.

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**A force in the industry.** IKEA has a powerful reputation that follows every move it makes. Whether it is the social phenomenon aptly named the “[IKEA effect](#)” that impacts customers or its [strategic business deals that advance](#) retailer-carrier partnerships: when IKEA leads, the market



**SHIP IT ZERO**



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listens. In 2023, IKEA was ranked as the [seventh most valuable](#) retailer by brand value worldwide; IKEA must utilize its influence to catalyze industry action toward the pursuit of zero-emission shipping.

**Heading toward false solutions.** When a company like IKEA is highly valued and regarded, it begs the question: What are its plans to be a decarbonization leader? As of this progress report, the answer to that question still remains unclear. Even with its 2030 goals to reduce carbon emissions [by an average of 70%](#), IKEA still seems invested in unsustainable long-term solutions, such as biofuels. For example, IKEA's recent partnership with the carrier company Hapag-Lloyd will only [partially decarbonize its shipping](#) originating from Asia. IKEA's use of biofuels as the cornerstone of that partnership suggests IKEA's approach is more focused on one-off efforts rather than making the critical investments necessary to scale zero-emission technology. IKEA is setting a bad example for the rest of its peers by entering these types of partnerships. Using fuel sources that still generate adverse climate and public health impacts does not fully align with an ambitious vision to advance long-term sustainable solutions. While pursuing partnerships is up to the discretion of each individual company, as a founder of spaces like coZEV and Alliance for Clean Air, as well as a member of Zero Emission Maritime Buyers Alliance (ZEMBA) — where the [aim is to advance zero-emission solutions](#) — it is unclear how IKEA can effectively leverage those initiatives to influence other companies to reach a higher level of ambition while it continues to pursue false solutions like biofuels.

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**The bottom line:** IKEA has made important strides toward positioning itself as a leader on maritime decarbonization. To elevate its leadership, IKEA should focus on leveraging its influence to catalyze industry transformation. Now more than ever, our planet and portside communities need corporate leaders to take significant action to avert climate change. With [more than 39 million people](#) living near ports in the U.S. who are facing the direct impact of shipping pollution, and millions more impacted by the supply chain, it's going to take more than one company making progress to make a dent in the fight against climate change. IKEA could be that leader.

IKEA must work with its industry peers to invest directly in the research and development of zero-emission fuels, as well as negotiating with carriers to ensure goods are transported on shore power-equipped vessels. Doing so would reap tangible [benefits not just for](#) IKEA's financial bottom line but also for [the health of local communities](#). It is time for IKEA to bolster its track record of leadership and “step up to the plate” to be a leader for its peers on the path to zero emissions.

