

How African organisations can use AI to accelerate sustainability in 2023

 By [Ria Pinto](#)

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Companies in Africa can no longer view sustainability goals as an option - it is a business imperative. In today's interconnected world, business leaders on the continent face growing pressures for greater transparency around sustainability from boards, investors, customers, and employees. [Recent data](#) shows that sustainability is rising high on corporate agendas - almost half (48%) of global CEOs say increasing sustainability is one of their highest priorities - up 37% since 2021. Last year's COP27 emphasised the importance of moving from commitments to action when addressing climate change.



Source: [Unsplash](#)

In 2023, the expectation is to not only establish ambitious sustainability goals but to turn sustainability ambition into action. Yet only 23% of CEOs report they are fully implementing sustainability strategies across their organisation today, and these leaders indicate that a lack of reliable data insights is hindering their ability to take action.

Tackling sustainability challenges may require companies to make substantial investments in green IT, new processes, and technologies, like AI, to bridge the gap from strategy to impact, and there are a few ways AI will accelerate its sustainability efforts in 2023.

Establishing an ESG data foundation

Data is a critical ingredient to deliver results against sustainability goals, and many business leaders recognise that to move the needle towards sustainability goals they need to possess meaningful environmental, social and governance (ESG) data that will help assess their progress. The good news is that there is a plethora of environmental data available across an organisation's operations that can be pulled from facility operations, energy consumption, asset maintenance, IT infrastructure and more.

At the same time, it's a daunting task to collect and make sense of volumes of data that sit in different silos across a company. Organisations have to be equipped to report data to a variety of stakeholders and against a complex landscape of ESG frameworks.



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In the year ahead, stakeholders will hold leaders more accountable for their company's sustainability efforts. Businesses will turn to automation technologies for the collection and consolidation of hundreds of data types to consistently deliver transparent, verifiable, financial-grade information and report on progress.

AI technology can help manage, analyse and operationalise data, equipping businesses to report against their goals. Companies will be able to measure ESG data where it is stored and transform it into predictive insights that can be used to assess progress towards sustainability benchmarks, and, in turn, help reduce the environmental impact of daily business operations.

Building more responsible supply chains

Companies need deep visibility into the supply chain to reach their sustainability goals and meet emerging ESG-related regulatory requirements. The ability to trace products back to their source is essential to certify they were produced in an ethical and sustainable manner, and consumers increasingly expect full transparency from the first kilometre to the last mile of the supply chain. Understanding the carbon footprint is also key, as scope three emissions can account for up to 90% of overall greenhouse gas emissions.

Transparency and visibility require trusted, secure data, and most chief supply chain officers (CSCOs) expect enhanced levels of transparency and visibility to be key differentiators in the next three years. Using data, analytics and AI allow organisations to optimise workflows and provide this visibility, and CSCOs will leverage AI and a data-driven approach to meet supply chain challenges.

By applying AI technology, companies can establish more transparent, traceable, and decarbonised supply chains. AI and automation can help CSCOs and their teams to collect data, identify risk, validate documentation and provide audit trails, even in high inflationary periods, while also managing their carbon, waste, energy, water, consumption, and material utility. This can right-size inventory to help companies reduce waste and reduce the time needed to trace product provenance from days to seconds.

Managing the impact of changing weather

Business leaders cannot ignore the growing risks of climate change. Extreme weather, climate action failure and human-led environmental damage are the top three most likely risks for businesses over the next ten years, according to the 2021 [World Economic Forum global risk report](#).

This year, companies will be increasingly looking to harness weather and climate data to address climate risk – and AI will be the key.

There is a rich supply of valuable climate-related data available, including real-time and ongoing observations about the weather as well as business operations. But companies are not yet taking full advantage of this information.

AI technology can play a critical role in helping companies combat the effects of climate change. By combining AI, weather, climate, and operational data, it becomes easier to manage climate risks affecting business operations, and companies are better positioned to advance ESG goals.

For example, consistent weather and climate data analysed by AI allows companies to drill down into specific issues, as well as ladder up into broader reporting structures like identifying which regions, buildings, or assets may be contributing a disproportionate amount of carbon emissions to prioritise improvement efforts.

The impact and urgency of climate change and ESG pervades the business world with an intensified focus on accountability and action. In 2023, AI can be a driver of sustainability, helping businesses act in addressing some of the most pressing issues and build a more sustainable future.

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