Green ICT: Summary

- The IT/ICT sector is heavily, and increasingly, exposed to broader resource efficiency themes (climate change, resource constraints, energy costs …)
- Most large enterprises spend ~5% of their ICT budget on energy and ICT-related GHG emissions account for 2% of the global total
- While "green" has implications across the entire ICT value chain, the greatest relevance is in 'usage' (vs. design, production, disposal)
- The longstanding emphasis on power consumption reduction in the ICT sector is migrating from pure heat (performance, reliability) considerations to also encompass energy efficiency and emissions reduction
- The migration from distributed to cloud computing and the associated explosion in energy-intensive datacenters is driving energy efficiency up the priority list for CIOs
- A growing number of ICT majors are making a major commitment to 'greening' their business practices, with the focus being on renewable energy adoption (co-located or PPAs) and energy efficiency (e.g. server virtualisation, efficient cooling …)

- While larger enterprises are heavily motivated by sustainability concerns, SMEs tend to focus more on the potential cost savings from green ICT
- Investment interest in the Green ICT sector has cooled somewhat in recent years, as corporate users have focused principally on low-hanging fruit, especially renewable energy; given long-term trends and the massive scope for further improvements, the theme remains highly relevant for investors and corporates

Note: does not include the positive role that IT/ICT ("smart") adoption can play in improving resource efficiency in other industries/sectors