

# Future Shocks

## Roundtable Discussions

### Perspectives on climate resilience and sustainability: Helsinki

In a world of increasing uncertainty and elevated risk, government leaders and officials are striving to make their organizations more resilient to future shocks and disruptions. To this end, IBM launched a multi-year Future Shocks initiative, bringing together representatives and experts from governments, business, academia, and non-governmental organizations (NGOs) to identify and reinforce the capabilities and capacities societies need to thrive.

As part of the Future Shocks program, IBM and the American Chamber of Commerce in Finland convened a roundtable event in Helsinki in November 2023 to discuss and share insights on climate resilience and sustainability. Comprising senior leaders from Finland's public and private sectors, the roundtable explored how governments—in partnership with other organizations—can take concrete steps to scale action on climate change and build foundations that support climate-resilient societies and economies.

In her opening remarks, Cristina Caballe Fuguet, senior partner and global government leader for IBM Consulting said, "I am delighted to experience the great progress that Finland is driving on the digital and green agenda. For the third time in a row, Finland ranked first in the UN Sustainable Development Index in 2023. The Finnish government also set the ambitious target of becoming carbon neutral by 2035—a full 15 years before most other European countries and the EU as an entity.<sup>1</sup> And many Finnish cities have set their goals even higher."

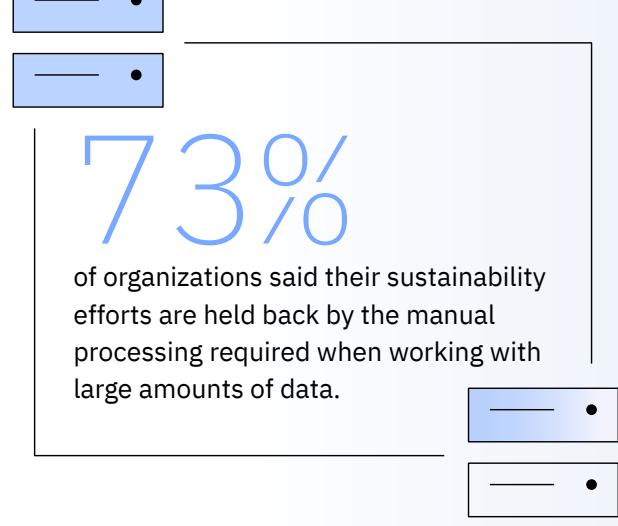
"Helsinki strives to be carbon neutral by 2035. The world is looking to Finland as a leader in climate resilience."

### Prioritizing sustainability at the government level

As climate change related impacts increase, organizational leaders are making sustainability a central focus. Research from the IBM Institute for Business Value showed that in 2022, CEOs ranked sustainability as a top priority 37% more frequently than in the previous year.<sup>2</sup> Urgency of action was a key theme. However, a clear gap exists between addressing sustainability challenges and taking effective action.

For example, while 95% of organizations had an ESG proposition, only 10% had made significant progress executing against ESG propositions. The top barrier to progress continues to be the inability to fully analyze data in support of decision-making. As many as 73% of organizations said their sustainability efforts are held back by the manual processing required when working with large amounts of data.<sup>3</sup>

In addition to better data management, ecosystem partner engagement is another key to success. No organization can achieve sustainability objectives working alone. With these findings as context, here is what the participants had to say.



### Moving from ambition to action

"How many more deaths are we willing to accept as a result of the climate crisis and because we are not acting fast enough?"

While it is easy to be despondent about climate crises, participants pointed to reasons for optimism. It is still possible to achieve ambitious climate goals. "A bounce forward has happened in a very short time. For example, renewable energy is moving forward much faster than the targets set by governments."

However, momentum needs to be accelerated. To complicate matters, in countries such as Finland, "low-hanging fruit" has already been harvested. The key question remains: "Is there the political courage to move forward with the more difficult decisions and political measures required?" In this context, participants agreed that "business and private sectors share a crucial role in pushing decision-makers forward."

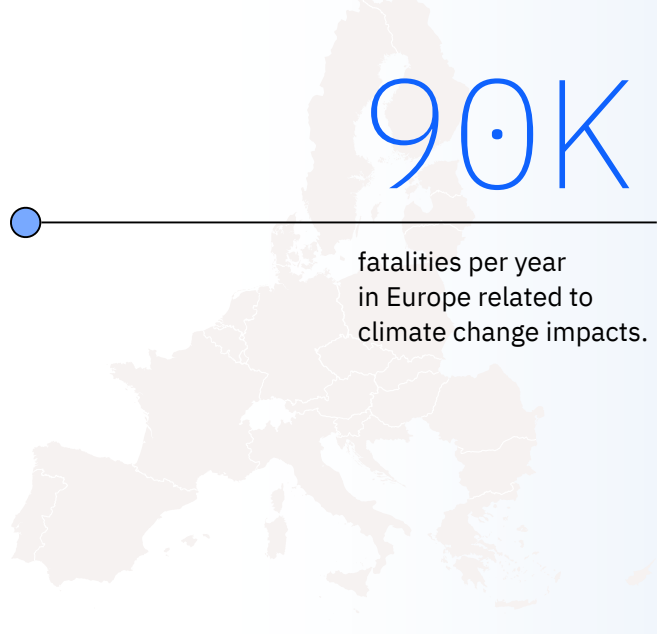
Taking the next steps is a major challenge because sustainability is often crowded out by other priorities. The situation is exacerbated when businesses and governments struggle to make the value case for sustainability investments, given sustainability investments typically take longer to break even than the two-to three-year payback period required for most investment decisions.

### Addressing climate change and climate adaptation

Participants saw a greater focus on addressing climate change but not as much emphasis on adapting to changing climate conditions. For example, people often think of global warming in terms of its impact on other species, such as polar bears struggling with the loss of sea ice.

"We don't yet associate climate change with human survival issues. The alarm bells are not yet ringing for us individually." This distinction is particularly striking as some estimates predict that, in coming decades, Europe will experience 90,000 fatalities per year related to climate-change impacts.

Some of the toughest questions are coming from the younger generation as they ask for more research into innovations that can help people adapt to climate change. "If we can't reduce emissions fast enough, maybe we need to think about what else we can do."



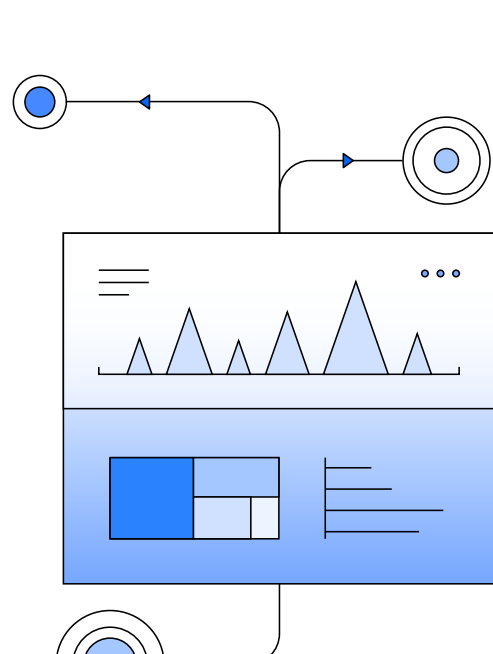
### Cooperating in new ways

Government has a key role to play in building and maintaining momentum on sustainability and climate resilience. But to fulfill this role, its leaders must shift their thinking in how governments operate. They need to break down the silos between departments to achieve integrated action for a sustainable transition. This step needs to cover both the environmental and social aspects of sustainability.

"There aren't really any best practices in the world because practices are not easily exported. Practices are tied to the culture and values of each society."

Governments can provide platforms for cooperation among public, private, and non-profit sectors, and they can launch campaigns that engage citizens and stakeholders in making a difference, such as the One Degree program in Finland. Nevertheless, participants agreed that every country is different and needs to find specific solutions.

### Using data and transparency as key enablers



Data can power collaboration and new ways of operating sustainably in public and private sectors by fueling new knowledge and perspectives. "You get what you measure, so how can we measure?"

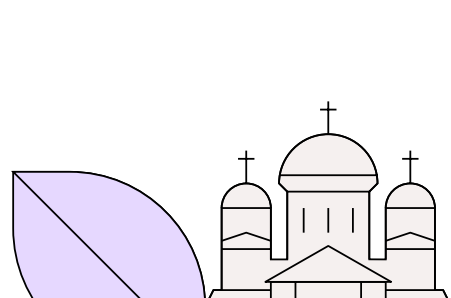
Many jurisdictions, especially cities, already collect vast amounts of data. The challenge is converting that wealth of data into actionable insights. "We need to start using that data."

As a first step, governments can integrate data that already exists. This integration will create opportunities to apply AI and other technologies to develop more nuanced and timely insights and pinpoint options for improvement. Governments can enable these efforts by applying essential data governance, unified standards, and frameworks. In fact, government entities could curate sustainability data and use it to drive collaborative innovation and action.

### Making sustainability a unique selling proposition

Sustainability can be framed as a win-win for society and business. For example, Finland is viewed as a sustainability leader and could serve as a recommended example for other countries. Moreover, Finland brands itself as a green, modern, innovative, and digitally advanced country. This trait could be used to rally the nation for action on sustainability and then use that consensus as a selling point to attract investments and export Finnish innovations and solutions. In other words, Finland turns sustainability into a unique selling proposition for Finland, based on differentiation. "We have all the ingredients. It's a matter of getting organized."

Sustainability is already a branding differentiator for Finland. According to the 2023 World Happiness Report, Finland ranks as the happiest country in the world for the sixth year in a row.<sup>4</sup> The study outlines how happiness is intimately related to Finnish values and respect for nature and biodiversity.



## Related IBV reports and resources

- In their own words: [How CEOs are forging paths to sustainability](#)
- [The Power of AI: Sustainability](#)
- [Preparing governments for future shocks: Roadmap to resilience](#)

## Notes and sources

- Carbon Neutral Finland 2035 <https://www.treasuryfinland.fi/investor-relations/sustainability-and-finnish-government-bonds/carbon-neutral-finland-2035/>
- In their own words: How CEOs are forging paths to sustainability <https://www.ibm.com/thought-leadership/institute-business-value/en-us/report/ceo-sustainability>
- The ESG data conundrum <https://www.ibm.com/thought-leadership/institute-business-value/en-us/report/esg-data-conundrum>
- 2023 World Happiness Report <https://worldhappiness.report/ed/2023/>