



8 Most Eco Friendly Crypto Coins 2022

By Matt Williams

22 August, 2022

Which crypto is environmentally friendly is a common question both for investors and for those with an academic interest in cryptocurrency – we answer that query from both perspectives in this guide.

In recent years the environmental impact of crypto has been lessened with the development and success of many Bitcoin alternatives – ‘altcoins’ – that use less electricity and are not reliant on mining – and the market cap of crypto has deservedly grown as a result.

Top Eco Friendly Crypto Tokens – Overview

Our list starts with two new ERC-20 and BEP-20 tokens with good potential as an investment before reviewing some of the most eco friendly cryptos in terms of their strategic partnerships and use cases.

- **Tamadoge** (TAMA) – New Ethereum Chain Project
- **Battle Infinity** (IBAT) – New Binance Smart Chain Project
- **Hedera Hashgraph** (HBAR) – UCL Research’s Most Environmentally Friendly Crypto
- **Algorand** (ALGO) – Partnered with ClimateTrade
- **Tezos** (XTZ) – Pioneer of Proof of Stake Blockchains
- **Polkadot** (DOT) – Lowest Carbon Footprint Cryptocurrency
- **Cardano** (ADA) – Partnered with Veritree in Reforestation Campaign
- **Near Protocol** (NEAR) – Awarded Climate Neutral Product Label by South Pole

Full List of Environmentally Friendly Crypto Projects

We take a closer look at which crypto is eco friendly and why in the sections below – half of our top 10 list can be purchased on [eToro](#) which also offers ready-made eco friendly investment products.

1. Tamadoge (TAMA) – New Ethereum Chain Project

Tamadoge is a new [ERC-20 token](#) on the Ethereum blockchain, currently on presale now and on pace to sell out in September 2022.

Also scheduled for September is the Ethereum merge, when ETH will switch from a PoW (proof of work) mechanism like Bitcoin to a PoS (proof of stake) one, a major upgrade that will make Ethereum 2.0 a significantly more eco friendly cryptocurrency.

That would make [Tamadoge](#) (TAMA) one of the newest crypto projects to run on the Ethereum chain after its carbon footprint is reduced.

From an investment standpoint, presales are also often a good buy as they have a low price point and the most upside potential.

There are many environmentally friendly cryptocurrencies that are not necessarily a good investment – for example IOTA (MIOTA), or Nano (XNO) have both had a similar bearish price chart for years.

Tamadoge is the native token of a virtual pets game where players care for and raise an virtual Doge with unique attributes and strengths, and battle with other Doges in a play to earn format, earning TAMA tokens.

Some studies have found that pet ownership is bad for the environment, particularly cats and dogs, and this game – which combines the Tamagotchi toy craze with crypto – moves things into the metaverse.

Tamadoge can be bought with ETH during its presale and when that concludes will be listed on popular decentralized exchange Uniswap, as well as having a confirmed CEX listing on LBank.

2. Battle Infinity (IBAT) – New Binance Smart Chain Project

Another crypto presale like Tamadoge we reviewed and recommended which has now sold out and launched is Battle Infinity (IBAT).

IBAT is a BSC token, meaning it runs on the Binance Smart chain – which is a PoSA (Proof of Staked Authority) network. The PoSA consensus agreement protocol is more eco friendly, consuming less than 1% of the Terawatts per hour per year (TWh/year) of Bitcoin.

Binance is also committed to environmental conservation and protection. Its environmental, social, and governance (ESG) criteria as well as lower gas fees are the reason many tokens such as Battle Infinity choose to build on the Binance chain.

Once again in terms of technical analysis, IBAT also looks like a good investment with its bullish price chart – although at the time of writing it has been trading for less than a week. IBAT is listed on PancakeSwap, a decentralized exchange, with an upcoming CEX listing on LBank.

Similar to Tamadoge, Battle Infinity is a new crypto game and metaverse project – in this case with a fantasy sports theme where players earn IBAT as a rewards token.

Battle Infinity's IDO was promoted by actress Urvashi Rautela, who has been a noted environmental campaigner in India, pledging to plant 100 trees every year on her birthday. She is also a supporter of Whale and Dolphin Conservation (WDC), a global charity, and is often involved with other projects on each World Environment Day.

3. Hedera Hashgraph (HBAR) – UCL Research's Most Environmentally Friendly Crypto

According to the UCL Centre for Blockchain Technologies Hedera Hashgraph is the 'greenest crypto' among proof of stake coins with a 0.020 Watt Hour per transaction (Wh/tx).

Unlike other cryptos, even eco friendly crypto coins, Hedera isn't built on top of a conventional blockchain – it makes use of a distributed ledger technology (DLT) called a Hashgraph.

That novel technology improves upon blockchain based cryptos in areas like scalability, speed, efficiency and transaction costs.

In a blog post the company stated:

‘Hedera has adopted environmental sustainability as a core value and is officially committed to carbon-negative network operations by purchasing carbon offsets quarterly, with amounts determined by the third-party assessment provider Terrapass.’

In order to go carbon negative Hedera frequently purchases green-e climate certified credits measured in metric tons of a quantity that offsets all of their network operations.

As well as being the most environmentally friendly crypto network, its native token HBAR is currently 87% off its all time high so may be a good buy the dip opportunity.

4. Algorand (ALGO) – Partnered with ClimateTrade

In 2021 Algorand partnered with ClimateTrade who assist companies to become carbon neutral or negative through emissions offsetting services, making use of blockchain technology – so far they’ve helped over 500 companies offset over three million metric tons of carbon.

Algorand made use of a sustainability oracle to notarize its carbon footprint on-chain for each epoch (a specific period of time on the blockchain). Then to keep its protocol running carbon-negative, the Algorand Foundation pledged to lock an equal amount of carbon credit as an ASA (Algorand Standard Asset) into a green treasury.

Following that partnership, Algorand announced it was fully carbon neutral. The Algorand Foundation is a non-profit committed to clean energy, addressing climate change and being the greenest blockchain.

Founder Silvio Micali tweeted ‘Algorand was designed to be environmentally friendly’ in response to Elon Musk’s concerns over the environmental effect of Bitcoin.

Musk decided in 2021 to suspend the use of Bitcoin to purchase Tesla vehicles due to the ‘increasing use of fossil fuels’ for Bitcoin mining, including coal which has ‘the worst emissions of any fuel’.

5. Tezos (XTZ) – Pioneer of Proof of Stake Blockchains

Tezos was one of the first proof of stake blockchains, launched in 2018 and its central selling point is being a more environmentally friendly cryptocurrency network that is self-upgradable without the need for hard forks.

Without ever having to fork its blockchain, amendments and upgrades come at a lower cost and energy output. Over the years Tezos has been considered among the most eco friendly cryptos and has increased its energy efficiency during that time.

Tezos’ electricity requirement per transaction was 30% lower in 2021 than in 2020. Its native token XTZ has been affected by the 2022 bear market more than other altcoins however, dropping under the 2021 lows – XTZ has been a volatile cryptocurrency for traders.

In terms of NFTs, Tezos has established itself as a more eco friendly NFT platform than Ethereum. NFT marketplace Rarible announced a partnership with Tezos when it made a push for carbon neutrality.

6. Polkadot – Lowest Carbon Footprint Cryptocurrency

A Crypto Carbon Ratings Institute (CCRI) report concluded that Polkadot is the lowest carbon footprint crypto asset, with even lower carbon emissions than Cardano, Solana, Tezos, Avalanche and Algorand – also among the top eco friendly crypto assets.

Polkadot also had the lowest total electricity consumption when measured in KWh/year.

Solana had the lowest electricity usage per transaction, in Wh/Tx (although Hedera Hashgraph wasn't part of the report – and Solana not part of UCL Research's study).

In 2021 non-profit organization linked to the United Nations – the DigitalArt4Climate initiative – even decided to build an NFT project on Polkadot.

The environmental impact of NFTs has created as much controversy as the effect of crypto on the environment, however Polkadot NFTs 'burn a mere .05 grams of carbon dioxide, equivalent to breathing for four seconds', according to Unique Network, the first NFT chain built on Polkadot and Kusama.

7. Cardano (ADA)- Partnered with Veritree in Reforestation Campaign

Alongside Tezos, Cardano is also one of the oldest pure proof of stake blockchains launched in late 2017 and is reportedly 37,500 times more energy efficient than Bitcoin.

Today Cardano is one of the largest cryptos by market capitalization – with an over \$15 billion market cap placing it in the top 10 coins on CoinMarketCap. Alongside Binance Coin, ADA is one of the most eco friendly cryptos in that top ten.

As well as simply being an eco friendly crypto, the Cardano Foundation's business practices and aims centre around very progressive policies – covering climate change, digital IDs, and assisting underbanked populations in developing countries.

In partnership with Veritree, Cardano helped to plant one million trees in a reforestation drive. They've also made it their goal to make Africa a leader in Web3 adoption.

8. Near Protocol (NEAR) – Awarded Climate Neutral Product Label by South Pole

NEAR is certified climate neutral by South Pole, a leading digital climate solutions consultancy firm that turns 'climate action into long-term business opportunities for companies, governments and organizations around the world.'

According to near.org, South Pole assessed the direct and indirect emissions of the crypto project and its validators following the Greenhouse Gas Protocol Standard, encompassing 'electricity use, heating, cooling, purchased goods and services such as hardware and cloud services, generated waste as well as travel, commuting and teleworking activities.'

Similar to Cardano, Near Protocol then planted trees to offset their carbon emissions.

Near also developed their own NFT platform Mintbase.io on which part of the transaction fees and other proceeds are put towards CO2 offsetting projects in developing countries.

Near is considered a potential 'Ethereum killer' as it can process over 100,000 transactions per second (tps) without the high energy requirements of Ethereum.

How To Know Which Crypto is Eco Friendly

There are many ways to ascertain which cryptocurrencies are ecologically friendly from a technical standpoint, including:

- The electricity consumption of each blockchain node per year – on which Cardano performs well
- The total annual electricity usage across all nodes – on which Polkadot leads
- A Watt hour per transaction calculation – of which Hedera Hashgraph and Solana have the lowest

- Whether the crypto token runs on a PoS blockchain – such as IBAT, TAMA and XTZ
- Their partnerships in industry – such as Algorand’s work with ClimateTrade

Alongside those more academic points many crypto projects and their foundations have been involved in fighting climate change and deforestation – including Cardano and Near Protocol. Others projects choose to donate to charities such as the Red Cross.

Is Crypto Mining Eco Friendly?

In addition to our top eco friendly cryptos list above, it’s worth noting that whether or not Bitcoin mining is bad for the environment is in itself not settled science.

Coinbase has contested in their own fact check blog post that calling Bitcoin mining environmentally unfriendly is not a fair label, stating:

‘While Bitcoin’s energy consumption is significant, that doesn’t automatically equate to it being a meaningful driver of climate change. Half of global crypto mining takes place in Sichuan, China, where excess hydroelectric power allows mining to be fueled by 95% renewable energy. 75% of miners already use renewable energy.’

Coinbase also cite the Cambridge Bitcoin Electricity Consumption Index, which found that Bitcoin’s environmental footprint is ‘marginal at best’.

Cato.org wrote a report ‘Why Bitcoin is Not an Environmental Disaster’ concluding that ecological criticisms of crypto are ‘much ado about nothing’.

Conclusion

There are many eco friendly cryptos worth considering – some other environmentally friendly crypto projects didn’t make it onto our top 10 list include Avalanche (AVAX) Solana (SOL), Flow (FLOW), Harmony (ONE), and Powerledger (POWR).

Some however may not be a good investment right now as their charts are currently in a bearish downtrend (e.g. Hedera Hashgraph, IOTA, Tezos, Nano) – eco friendly cryptos don’t tend to generate a large amount of hype and buzz from retail investors. It can take years for the market to reflect their utility, use cases and applications in industry.

For that reason we also covered two upcoming cryptos, one ERC-20 token at the presale stage and one BSC token recently launched – Tamadoge and Battle Infinity. Their current low price points offer the highest upside potential for buyers.

It’s also debatable whether any cryptocurrency, even Bitcoin, is detrimental to the planet’s climate, especially in comparison to other industries and payments systems.