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# LAYMAN REPORT

# Road test of the ACT Assessment methodology for the tourism sector

Version 1.0 – 11/2024

# 1. CONTEXT OF THE ROAD TEST

### TOURISM SECTOR

The tourism sector plays an important role in France, with tourism consumption expected to reach 180 billion euros in 2022, representing over 7% of GDP. However, tourism in France contributes to climate change up to 97 million tons of $CO_2e$, accounting for 11% of French emissions.

One of the main characteristics of the tourism sector is the wide range of activities carried out by its players. 5 of the 7 sub-sectors identified are represented in the present road test: passenger transport and business tourism and events are not included among the companies assessed.

- PASSENGER TRANSPORT
- CRUISE OPERATORS
- SPORTS, LEISURE, CULTURE
- BUSINESS TOURISM AND EVENTS
- ACCOMODATION
- FOOD & BEVERAGES
- PRESCRIBERS AND TOUR OPERATORS

### ACT TOURISM

The ACT Tourism road test is part of the Destination France plan launched in 2021, which aims to "consolidate France's position as the world's leading tourist destination and make French tourism a sector that generates excellence, growth and jobs, based on a more qualitative, sustainable and resilient model". One of the objectives of this plan is to strengthen the sustainability of the sector and to lead activities to actively reduce greenhouse gas emissions. Unlike other ACT methodologies developed for a specific sector, ACT Tourism road test was carried out to assess the maturity of the sector and the applicability of the existing ACT methodology for tourism companies. Recommendations on improving the ACT methodology to include the tourism sector are set out in a dedicated methodological note.

### GOALS OF THE ROAD TEST

The ACT Tourism road test aims to:

- Assess the robustness of the decarbonization strategies of 10 companies
- Take stock of the sector's low-carbon transition
- Testing the applicability of ACT methodologies to the tourism sector
- Suggest possible improvements.

The road test for the tourism sector has been carried out, on behalf of ACT, by I Care by BearingPoint, Eco2Initiative and Utopies.

### ASSESSED COMPANIES

Groupe Pierre & Vacances CenterParcs

Vedettes de Paris

Disneyland Paris

3 Brasseurs

AccorInvest

Accor Hotels

Best Western

L'Escale Royale

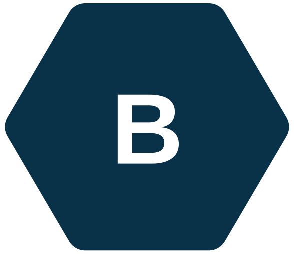
Vie Sauvage

Compagnie des Guides Chamonix

## 2. RESULTS OF THE COMPANIES ASSESSMENTS

### OVERALL RESULTS


The **average performance score was 7/20**, with 13 being the highest and 4 the lowest. Only 2 of the 9 companies achieved a performance score of more than 50%. The highest score is due to precise monitoring of emissions from the company's assets (which constitute its main challenge) and strong governance on carbon issues. The shortcomings identified for the lowest score relate to the absence of reduction targets and actions, as this was the company's first greenhouse gas emissions report.

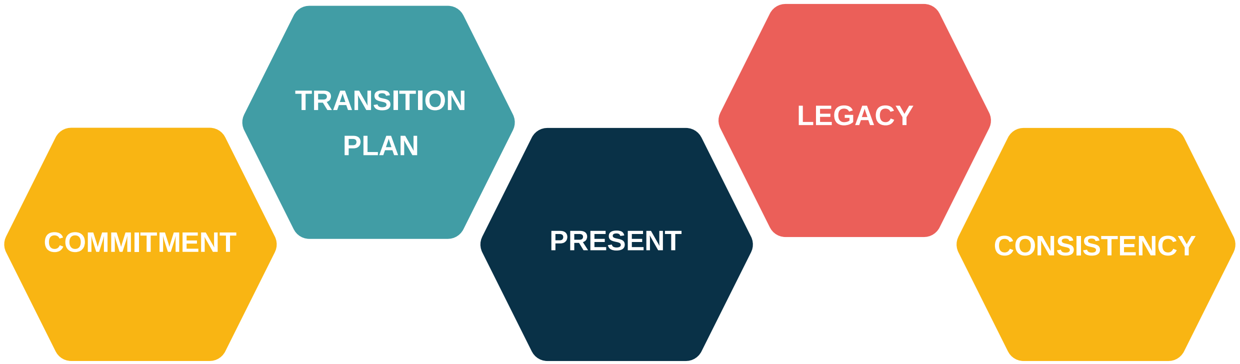



The **average narrative score was B** with a variability of C to B, i.e. a relatively homogeneous sample. 6 out of 9 companies obtained a B. The maximum score was obtained for all the companies for reputation, given the absence of environmental controversies. The lowest scores were obtained on the "business model and strategy" dimension, indicating that the companies are not close to being low carbon aligned. The best score obtained was linked to a coherent strategy and an approach to raising awareness on mobility issues among economic partners and public authorities. Overall, there is little consideration of the carbon implications of customer travel, and limited questioning of the business model.


The **average trend score is (+).** In total, 5 companies scored (+) and 4 scored (=). None scored (-). The result reflects a sample that is on track to improve its carbon performance and strategy on average. According to the assessments, if these companies were to be assessed again in a few years' time, the performance score would be higher than 7. This can be explained by strong actions that have been put in place (fleet electrification, energy renovation, eco-design of meals, etc.) or are currently being implemented, which should bear fruit in the short term. However, given the lack of a long-term vision and, in some cases, an incomplete transition plan (objectives, monitoring indicators, human and financial resources in particular), it is difficult to attest to any long-term improvement.

## OVERALL PROFILE OF THE 5 ACT DIMENSIONS

Like all ACT road tests, the ACT Tourism road test provides an overview of the sector's performance and answers the 5 cross-cutting ACT questions. The following paragraphs summarize the trends and challenges for the sector in these 5 areas. This information does not apply uniformly to all participating companies and should not be interpreted as an indication of individual company performance. It is a high-level analysis of common trends identified throughout the road test. Company-specific information is provided in individual company reports, which are not publicly available.




**1**

Most companies have set targets for reducing GHG emissions. These targets are generally short or medium term. Overall, the commitments lack a long-term vision and intermediate objectives. There is also partial coverage of Scope 3 emissions, with little or no commitment to customer mobility.

**2**

To make the transition to a low-carbon world, companies have strategies that need to be consolidated. Despite some major planned investments in low-carbon assets (electrification of fleets, renovation of buildings), low-carbon activities still account for a very small proportion of business and revenues, with little concrete monitoring and associated financial plans. Dependence on high-carbon travel by customers is still poorly addressed in companies' transition plans.

**3**

Most companies have taken charge of the low-carbon transition at a high managerial level, with a few cases of incentives linked to compliance with GHG reduction targets. Some of the companies in the sample are already implementing strong measures to reduce their impact (vehicle fleets, meals, low-carbon offerings) and engaging their stakeholders (suppliers and customers) on climate issues. However, levers for action still need to be put in place to achieve individual objectives, particularly in the most important areas such as customer travel, product purchases and fixed assets.

**4**

Few companies have made commitments in the past. Some companies are only just beginning to monitor their carbon performance and define their climate strategy (emissions assessments being completed, no quantified reduction targets) but are already taking steps to reduce their emissions. For companies that have data for recent years, the rate of emissions reduction is not yet sufficient to achieve the intermediary and current targets. Additional efforts are required. It is therefore difficult to attest to the reliability of the commitments made by companies in the sector.

**5**

Overall, the assessments showed that the climate strategies were relatively consistent for each company and incorporated the main issues for each sub-sector of activity. However, shortcomings were identified in terms of the scope of the actions, with little questioning of a business model partly based on travel by customers who come to the site, and few levers used to reduce these emissions. This issue represents a major challenge for the tourism sector, and companies currently do not know how to address it.

# 3. CONCLUSIONS AND OUTLOOK

### SUCCESS OF THE ROAD TEST

- 9 assessments were carried out, which enabled to identify methodological improvements to better reflect the challenges facing the tourism sector, with a good representation of the sector in terms of both company size and sub-sectors.
- Many of the companies involved in the road test showed good commitment, including, in a few cases, full feedback on the data collection process and methodology.
- The current assessment methodology clearly shows companies where the main gaps and areas for improvement are. It encourages greater monitoring of performance, and formalization of strategies and climate transition plans, which will help to raise standards across the sector.
- The companies assessed were generally satisfied with the road test. For example, some of them stressed that the assessment was a fruitful exercise, which helped them to finalize their decarbonization strategy, or that the holistic nature of the analysis gave them a better idea of what they could do to improve their climate performance.

### LIMITS OF THE ROADTEST

- To carry out an ACT assessment, certain prerequisites must be validated beforehand, otherwise the assessment may be delayed or impossible to carry out. This has been the case for companies with incomplete greenhouse gas emission balances for Scopes 1, 2 and 3.
- The aim of the harmonization phase was to reduce subjective bias linked to the analyst's perception. In addition, the road test was conducted based on existing methodologies that had not been adapted, and although some areas for adaptation were identified, these were not implemented in the final version of the assessments. This may therefore have had an impact on the individual scores, for example in the case of whether emission items such as customer travel and accommodation were included in the assessments. Uncertainties therefore exist and should be borne in mind when comparing individual results.
- Unfortunately, the size of the sample and the differences in sectoral methodologies meant that comparative studies by sub-sector were not possible, which would have enabled specific features to be identified.