ROADTEST REPORT

Roadtest for the ACT Step-by-Step methodology in the tourism sector

Version 1.0 - 11/2024

Purpose of this document and summary

Although France is now a major tourist destination, it is strategically important to ensure the sustainability and resilience of companies in the sector in the face of climate change. This is the context in which the ACT Tourisme Roadtest project is being conducted, with the aim of spreading this methodology on a wider scale and facilitating the transformation of businesses.

To achieve this, two parallel projects were set up, an ACT evaluation experiment and an ACT step-by-step experiment. The latter is the focus of this publication.

During this process, 10 companies in the sector were accompanied through ACT Step-by-Step projects by ekodev and BL Evolution. This experiment, piloted by ADEME, ran from March 2023 to October 2024.

The conclusions of the ACT evaluation experiment are not included in this report and are the subject of a separate report. However, the issues encountered by the companies evaluated as part of the ACT evaluation are similar to those raised here.

The purpose of this report is to present the approach of the ACT Step-by-Step experimental study, the overall progress made by the companies supported, the methodological issues raised and the main conclusions.

A more specific document exists to complement this report and detail the recommendations for adapting the ACT methodology for the tourism sector, therefore they are not detailed here.

CONTENTS

1. Introduction: objectives and companies supported by sector of activity

a. Introduction to the tourism sector

In 2018, the tourism sector represented **118 million tonnes of CO2 equivalent**, i.e. 11% of France's carbon footprint. In 2022, after the two years of the COVID pandemic, the sector represented **97 million tonnes of CO2 equivalent**, i.e. 11% of France's carbon footprint.

According to the United Nations (UN), tourism is defined as "***a social, cultural and economic phenomenon involving the movement of people to countries or places outside their usual environment for personal, business or professional reasons. These people are called visitors and may be tourists or day-trippers; residents or non-residents; tourism encompasses their activities, some of which involve tourist expenditure***[1] ".

The tourism sector is made up of several heterogeneous sub-sectors[2] :

- **Mobility** includes travel to and from the place of stay, on-site travel during the stay and all the infrastructure used to make this travel possible. These journeys can be made by road, sea, air or rail over both long and short distances (on the site of the stay, for example). Visitor mobility accounts for 69% of France's carbon impact in 2022.
- **Purchases of tourist goods** such as souvenirs and other consumer goods associated with tourism. This sub-sector will account for 9% of GHG[3] emissions from the tourism sector in France in 2022.
- **Accommodation** for the period of the stay, expressed as a number of nights (hotels, rentals, etc.). GHG emissions associated with accommodation account for 8% of the impact of the tourism sector in France.
- **Catering**, which includes food and drink consumption (restaurants, food and drink purchases). This sub-sector accounts for 8% of GHG emissions from the tourism sector in France.
- **Sports, leisure and cultural activities** that require services and infrastructure to operate. These activities account for 3% of the impact of the tourism sector in France.
- **Business events** such as trade fairs, seminars, conferences, etc. (1% of the sector's impact).
- **Tourism operators** (cruise lines, travel agencies, etc.) will account for only 1% of the GHG emissions associated with the tourism sector in France in 2022.

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[1] UN Tourism - Glossary - https://www.unwto.org/fr/glossaire-de-tourisme
[2] All the figures presented in the section below are based on figures from France Tourisme Durable - Chiffres clés - https://www.francetourismedurable.gouv.fr/fr/chiffres-cles
[3] GHG : Greenhouse gas

- **Management of the water and waste generated by the sector** (-1% of the sector's GHG emissions in France in 2022).

Each of these emission sub-sectors have their own issues, which also depend on the geographical location and type of tourism.

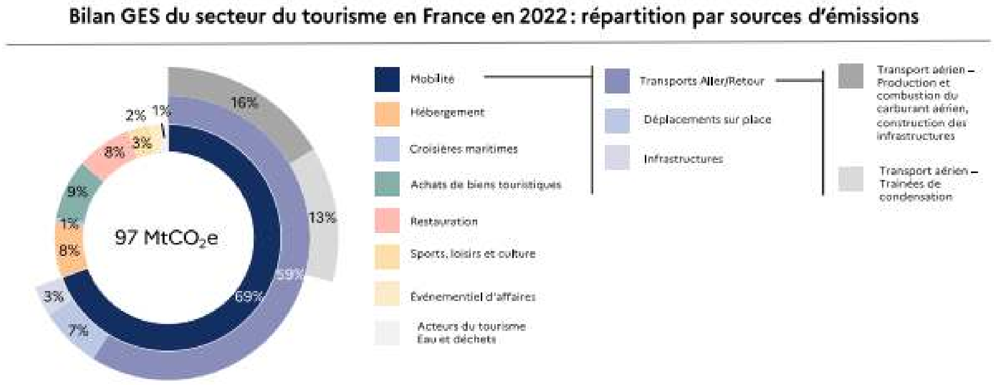

Figure 1: Key figures - Tourism sector GHG balance sheet[4]

In France, unsurprisingly, the majority of GHG emissions comes from visitor travel, including the journey to the destination (by plane, train, car, soft modes of transport, etc.) or journeys made during the stay. The tourism industry faces direct challenges (scope 1,2), indirect challenges (scope 3 excluding visitor travel) and very indirect challenges (visitor travel) linked to the decarbonisation of their sector of activity.

In order to decarbonise the sector, companies need to adjust their strategies by putting the environment at the heart of their thinking. The ACT Step-by-Step approach is precisely the answer to this objective of building a sustainable climate strategy. This methodology has already been applied to several other economic sectors to consider their own specificities, challenges and characteristics. The purpose of this report is to propose an approach for adapting the methodology to the tourism sector.

The aim of the assignment was to experiment with and adapt the ACT Step-by-Step methodology, starting with a standard version and applying it to 10 companies in the tourism sector (see next section), in order to draw lessons on the specific features to be taken into account, and the improvements to be made to the methodology and tools for this sector.

[4] France Tourisme Durable - Key figures - https://www.francetourismedurable.gouv.fr/fr/chiffres-cles

b. The 10 companies on the panel

i. Company overview

The ACT Pas-à-Pas experiment involved 10 companies of the tourism sector with heterogeneous core businesses in order to cover as many links in the tourism value chain as possible. The value chain can be simplified as follows:

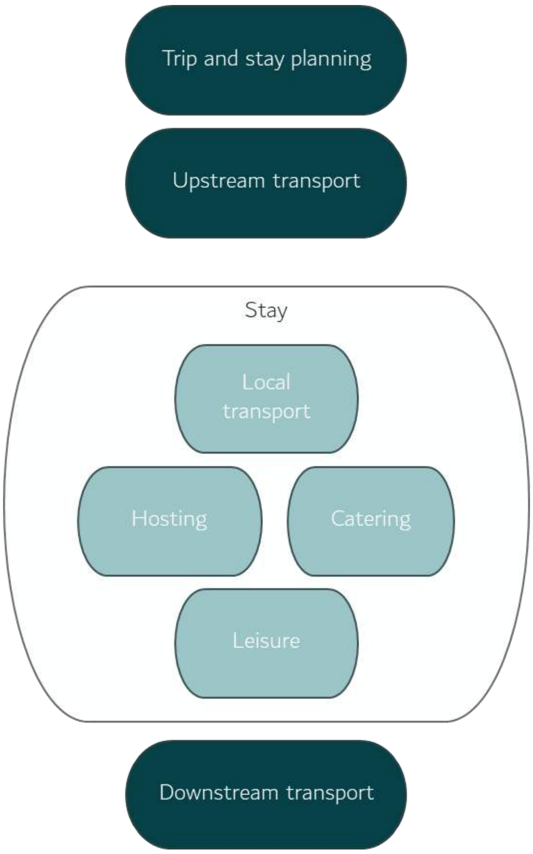

Figure 2. Simplified diagram of the tourism sector value chain

Among the companies monitored as part of the project, some have well-defined activities in the value chain, such as:

- Travel and holiday planning companies represented by the Marietton Group.
- Upstream and downstream transport companies represented by Blablacar.
- Accommodation companies represented by Camping de l'Espiguette (campsite) and Victoria Garden (hotels)
- Leisure/sports/cultural companies represented by Société du Futuroscope, the Rock en Seine festival and Compagnie des Pyrénées

On the other hand, some companies have more varied activities along the value chain, such as:

- Leisure/sports/cultural businesses with a local transport service such as Petit Cyclo
- Companies offering leisure/sports/cultural activities alongside accommodation and restaurants, such as Groupe Partouche.
- Companies that operate across the entire value chain, offering holiday planning, transport, accommodation, catering and activity services, such as Club Med.

ii. Detailed presentation of companies

1. The tour agency

Marietton (Greenup)

Marietton is a holding company which groups together travel agencies: Havas voyage (the best known), Selectour, Auchan voyages, Ailleurs voyages, and tour operators: Austral Lagon, Héliades, Voyamar and Naya club. Marietton is one of the biggest players in the travel agency sector, with 1,400 employees and sales of €1.4 billion. The Group operates in a pivotal sector between end customers (whose choice of destinations and activities can have a high environmental impact), airlines and receptives (local agencies that organise activities at the destination). The Marietton Group is a major player in holiday planning and an essential pivot in the decarbonisation of tourism.

2. The transport company

Blablacar (Commuto)

BlaBlaCar is a digital mobility marketplace. BlaBlaCar grew out of car-sharing, and has developed bus services that it operates in France through service providers, as well as an international digital ticketing service for bus transport. The company's main markets include Ukraine, Poland, Brazil and Russia. The company has made it possible to include a transport player in the experiment, and thus to have a more diverse panel. In addition, the company's commitment to more sustainable transport over the last 20 years makes it an ideal partner for this experiment, and one that can capitalise on this extraordinary entrepreneurial experience.

3. Accommodation companies

Camping de l'Espiguette (SPL Grau du Roi)

Located in the south of France, Camping de l'Espiguette covers 42 hectares, making it one of the largest in Europe. It offers both a tranquil location for residents with annual access to their accommodation and a destination for summer tourists. The campsite attracts mainly a French clientele, but also welcomes customers from all over the world. Campsites, particularly those by the sea, are particularly vulnerable to the effects of climate change (physical and transitional risks). Their adaptation is therefore essential in the transition to a low-carbon world. Finally, the Camping de l'Espiguette embodies the involvement of a "small player" in the hotel tourism sector and presents the particularities of a campsite in the testing of the ACT Step-by-Step methodology in the tourism sector.

Victoria Garden

Victoria Garden is a hotel operator with 2 establishments: one in Bordeaux and one in Pau. The rooms offered are mainly of the "apartment-hotel" type. The business model is unique in that the accommodation is owned by private individuals as a rental investment (the owners receive rent from Victoria Garden). The company is strongly motivated to act for the environmental transition and also to influence other players in the sector through its involvement in several networks (notably the Fédération Nationale des Résidences de Tourisme). Its SME status also means that the methodology can be tested on small businesses.

4. Companies offering cultural, leisure or sporting activities

Compagnie des Pyrénées

The Compagnie des Pyrénées is an organisation whose aim is to provide services and facilitate collaboration between the ski area operators that make it up. What sets it apart is the way it operates, straddling the line between a public body (the President of the Occitanie region is also the President of the Compagnie des Pyrénées) and a collective, with all the resorts taking part in the ACT process. The Compagnie des Pyrénées is a key tourism player in the appeal and image of the Pyrenean mountain range, and faces significant challenges in relation to climate change: issues of impact mitigation, reputational risks (skibashing) and attractiveness, and issues of adaptation (the model is being called into question as a result of climate change).

Société du Parc du Futuroscope

The Futuroscope company manages the park of the same name. It is an theme park located in Poitiers. Conceived from the outset as a tool for regional development by the department's elected representatives, Futuroscope is a driving force for the Vienne's economy, employment and tourism. Futuroscope was the first major theme park to be opened in France, before Parc Astérix (1989) and Disneyland (1992). Since its creation in 1987, the park has welcomed 60 million visitors. It is included in the approach as a player in cultural and leisure activities.

Rock en Seine (Plus de son)

Rock en Seine is a festival put on by partner teams from Garaka and Plus de Son. The festival takes place at the end of summer, in the Parc de Saint Cloud on the banks of the Seine. It attracts 40,000 festivalgoers every day over the 3 or 4 days of programming. The festival prides itself on including the best of the international pop-rock scene in its line-up, as well as some of today's most exciting new discoveries and iconic headliners like Billie Eilish in 2023 and Stromae in 2022. While the festival's audience is mainly from the Paris region, the artistic line-up also attracts festivalgoers from all over France and abroad. As a cultural venue, Rock en Seine contributes to the tourist appeal of the Paris Basin.

5. Multi-sector companies

Partouche Group

Groupe Partouche operates casinos, hotels, spas and golf courses throughout France, as well as several sites abroad (Switzerland, Tunisia, Belgium). The company operates under a public service delegation agreement for the venues it operates, which belong to the various local authorities. Groupe Partouche has a key role to play in the experiment, given its diversity in terms of business and geography. Over the last few years, awareness of environmental issues have grown considerably, and the various business and site managers are now very willing to move forward on these issues.

Le Petit Cyclo

Le Petit Cyclo is a Toulouse-based company that combines the activities of a bicycle travel agency with those of a boutique, workshop and bicycle hire company. What sets it apart is the personalised nature of the trips it offers, with dedicated support, high-quality equipment, the option of a one-way trip (the company takes care of transporting the bike on arrival) and luggage-carrying throughout the journey. It is a recognised player in the Toulouse tourism scene, particularly on the Canal du Midi cycle route, with close links to local players in sustainable tourism and cycle tourism.

Club Med SAS

Club Med is a major player in international tourism, with holiday villages in many parts of the world (more than 65 sites on every continent - excluding Antarctica). Club Med offers an all-inclusive experience, from the moment of departure, covering all needs during the stay (local transport, accommodation, local activities, etc.). Its activities cover a wide range of tourist profiles: sport and mountains, discovery and culture, cruises, etc.

c. Blablacar excluded from the scope of the experiment

Once Blablacar had been fully supported in its ACT Pas-à-Pas project, the methodological issues observed were not integrated in the same way as the other companies on the panel for several reasons. Although Blablacar may be perceived as a player in the tourism sector, its business model differs from the traditional tourism companies present in the ACT Step-by-Step experiment.

Blablacar is first and foremost a digital platform that connects drivers making a journey with passengers wishing to make the same journey. In this way, Blablacar makes it easier for people to travel, without dedicating its activity specifically to travel associated with tourism. In fact, the majority of users are not "visitors", but people who use the platform for a variety of reasons, such as work-related travel or regular everyday journeys. Blablacar may therefore be dedicated to transporting "visitors", but this is not its main activity, unlike other companies in the same sector.

Furthermore, the concept of visitor travel is not relevant in the case of Blablacar. As its primary purpose is not to promote tourism, including it in the analysis would have introduced bias. The atypical nature of its business model and its specific role in the mobility sector therefore justify its exclusion from the report.

2. Feedback from ACT Step-by-Step projects in the Tourism sector

a. General takeaway and difficulties encountered

The generic method was used to support the 10 structures. In the context of each project, the inherent limitations of the method were first resolved individually, based on the expertise of the consultant, to provide the best possible support to the company. In the "General takeaway and difficulties encountered" section, we focus on the overall elements of the projects. More specific work on the method is provided in the following section.

In order to assess the impact of an ACT Step-by-Step project on the organisations supported, it is recommended to compare the initial scores and the progress made by all the organisations.

i. Initial grades and observations

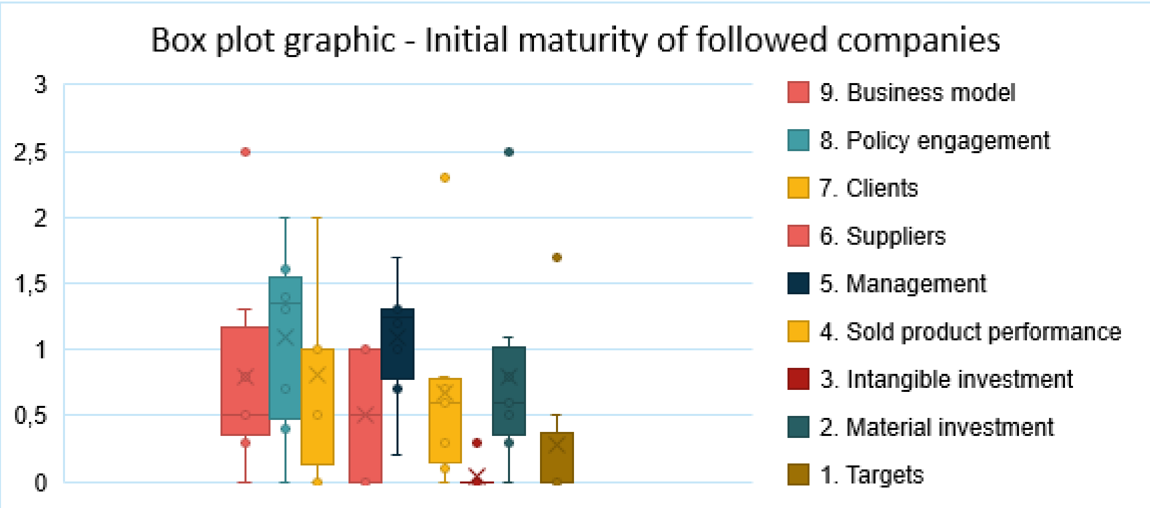

Figure 3. Dispersion of initial scores obtained by the 9 companies retained in the Tourism experiment panel at the end of the initial diagnostic stage

The scores observed are scattered, reflecting the different sizes and initial climate strategies of the companies supported. However, there are three modules that stand out as key elements of the companies' initial strategies:

- **Policy engagement**, sometimes with a motivation to discuss advanced issues with local authorities (here we potentially find a territorial anchoring specific to tourism companies).
- **Management**, with teams that demonstrate a certain expertise and are highly placed to deal with climate issues (a subject that cannot be explained by a "tourism" prism).
- **Client engagement**, in some cases with initiatives to raise awareness and motivate customers to choose more responsible products/services (this

awareness can also come from the sector, as tourism companies can be quite close to their customers).

On the contrary, two axes stand out with relatively low scores:

- **Intangible investments**, as these are not considered tangible by the companies supported (as is the case for most tourism companies).
- **Targets**, which are often seen as the first area of progress for companies starting an ACT Step-by-Step approach (not directly linked to the sector).

ii. Progress made during the project and key takeaway

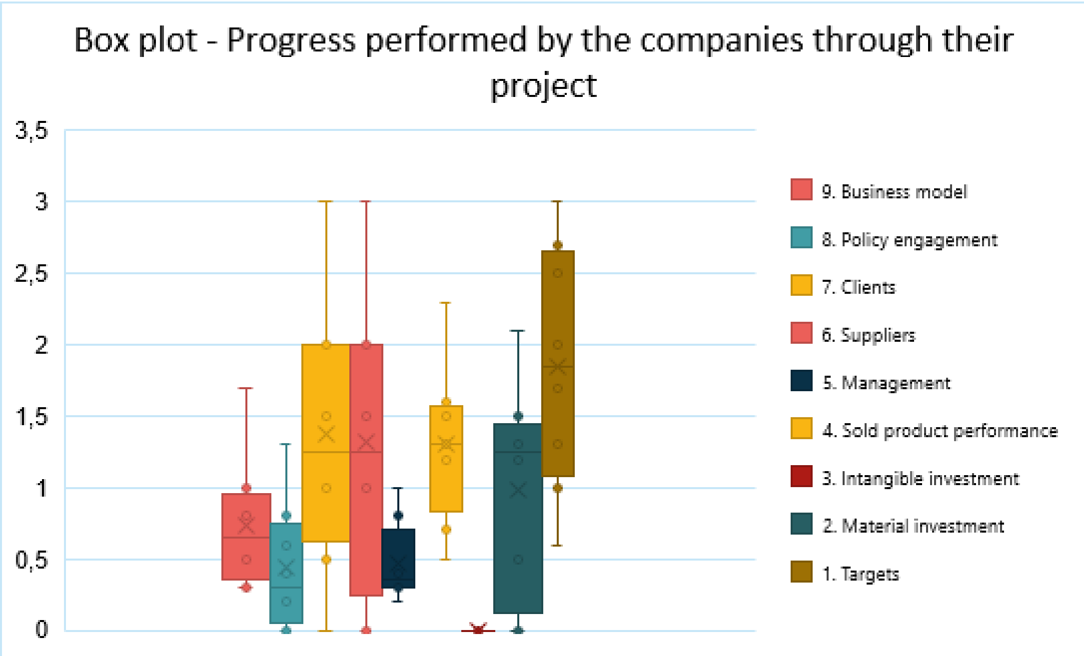

Figure 4. Dispersion of progress made by the 9 companies retained in the Tourism experiment panel (difference between the score from the action plan launch stage and the score from the initial diagnosis)

As for the progress made, it is also very scattered because the priorities for progress differ from company to company.

Nevertheless, the main areas for improvement are:

- **Targets** (a large majority of the companies monitored have succeeded in setting targets aligned with science and covering a wide range of GHG emissions)
- **Sold products performance** (the projects have enabled companies to specify commitments around the environmental performance of their products, with eco-design plans for holidays, the integration of environmental criteria into holiday labels and the desire to develop the product portfolio).

- **Supplier engagements** (special work was carried out on a large proportion of the companies' suppliers, particularly in the area of food, with the need for meals to be made vegan).
- **Client engagement** (with increased awareness-raising work, the inclusion of CO2 criteria in displays and longer, more in-depth work on visitor and customer travel).

NB: the targets are the subject of special work in the ACT Step-by-Step approach. By way of comparison, the progress made here seems slight compared with other companies in other sectors. Companies that have not been able to set targets in line with science on a broad scope of GHG emissions rightly have doubts about their ability to have a major impact on visitor travel. This issue is discussed at length in the following section.

The areas where progress has been weakest are:

- **Public commitments -** for companies whose strategy already includes discussions with local authorities, it is harder to improve this module in a short space of time.
- **Management -** here we find the limits inherent in an ACT Step-by-Step project defined in time - the training and skills development of stakeholders / the modelling of stress-test scenarios to quantitatively test the impact of physical risks on the company's activities requiring a longer timeframe as these are not themes specifically addressed during the ACT Step-by-Step project.

ii. Key stages and key takeaway

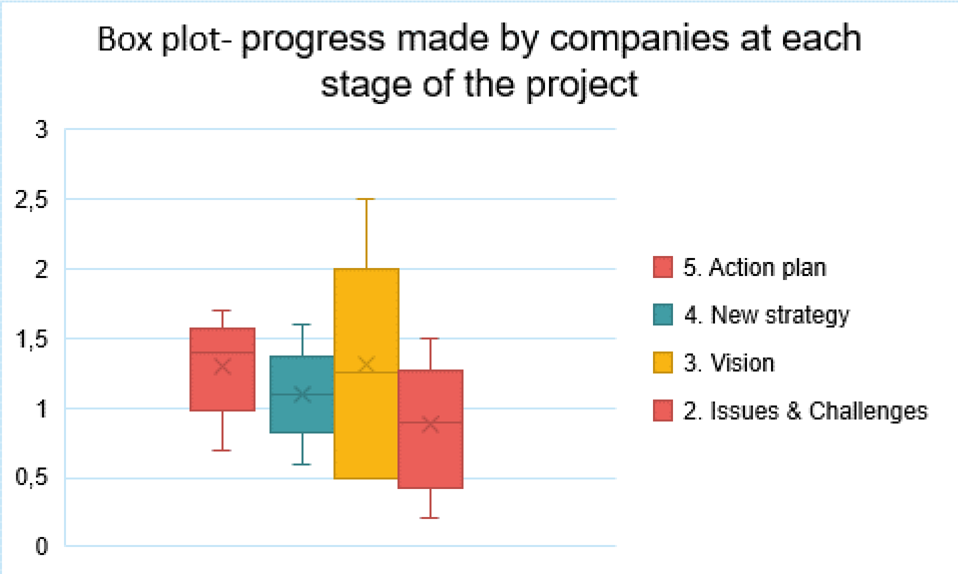

Figure 5. Dispersion of progress made by the 9 companies retained in the Tourism experiment panel, by stage

The two stages in which the most progress was made on the ACT criteria were steps 3 (vision) and 5 (action plan). However, this is strongly correlated with the questions asked during these steps. In the qualitative feedback from the consultants, it was step 2 (issues and challenges) and 5 (action plan) that had the greatest impact - in fact, the tourism sector is one of the most exposed to the physical risks of climate change. The work carried out by the ACT Step-by-Step approach in the projects enabled each company to become aware of these issues and to facilitate the company's transformation throughout the project. The impact of this stage therefore goes beyond the questions asked in step 2.

b. Methodological difficulties encountered in the tourism sector

i. Visitor and customer travel

GHG Emissions from visitor travel are of particular importance to tourism businesses.

First of all, tourism businesses are heavily dependent on customer travel by definition (the word **tourism** refers to travelling for pleasure away from one's usual place of residence, and staying there temporarily). We are therefore dealing with customers who must travel before taking advantage of the company's services, or whose travel is an integral part of the company's services.

On the other hand, there is an inherent categorisation difficulty in the different carbon accounting methodologies. For example, the GHG Protocol approach considers this item to be optional.

Secondly, this is often the main source of GHG emissions for structures - and when the structure does not bear the costs of visitor travel, the mitigation work is often indirect and complex.

As part of the ACT Step-by-Step projects, we observed two steps where companies and consultants were encountering difficulties with these visitor journeys

- Difficulty in integrating visitor travel into the **progression grid** (the predominance of travel encroaches on issues relating to other items that are nevertheless deemed important - question about the inclusion of this travel in the definition of the impact of products).
- The difficulty of factoring these visitor movements into **objectives** that are relevant to the company's business and in line with science

ii. Low-carbon product

The ACT definition of low-carbon products (or services) is "***Products (or services) whose availability on the market helps to facilitate the transition to a low-carbon economy***". However, in the context of tourism, which is not directly part of the sectors covered by the green taxonomy, these products and services do not meet the vital needs of customers, and it is complex to categorise products, or even to define what we are talking about when we calculate the footprint of a product/service to compare it with the sector average. How can we define what constitutes a low-carbon music festival ticket? Is a camping place low-carbon when compared to a night in a hotel? Is this always the case if the place is reserved for English speakers?

For some of the companies we followed, it was difficult to differentiate between several different products sold, and yet the concept of "product portfolio" is key to certain maturity issues.

The methodology therefore lacked a framework to explain which points should be considered when calculating the impact of a product for a company in the tourism sector - and guidelines for a good definition of a low-carbon product within a product portfolio.

3. Solutions implemented to overcome the difficulties encountered

a. Taking into account the movements of visitors and customers

To provide the best possible framework for these GHG emissions, it was necessary to propose a methodological framework for taking proper account of this item in the various tools, with criteria for cost support and dependence in the business model - so visitor transport, depending on its operability, is not qualified with the same stakes for a tour operator as for an accommodation site.

To enable the company to define objectives tailored to its activities, in some cases specific work has been carried out on GHG emissions linked to visitor travel, sometimes with objectives based on resources rather than results. Even though modelling would enable GHG emissions to be brought into line with reference trajectories, this approach enables the company to set objectives over which it has full control.

b. Use of the low-carbon product concept to help companies define an appropriate climate strategy

The concept of a low-carbon product is closely linked to that of the business model in the ACT Generic Step-by-Step methodology. Ultimately, asking the question of what products or services a tourism business should offer means asking the question of its place in a low-carbon world.

It was therefore necessary to qualify the companies' product portfolio and ways of quantifying the impacts of their products and services. Sometimes this meant taking specific account of customer movements where the level of responsibility was low even if the level of dependence was high.

The definition of what constitutes a "low-carbon product" has been carried out on a company-by-company basis, using resources from sectors related to tourism (mobility, agriculture and agri-food, industry, etc.), projections for the tourism sector as a whole and by working collectively with the stakeholders of these companies. In some cases, the definition of the thresholds used to separate low-carbon products from others will be lowered to encourage the portfolio to move towards more sustainable decarbonisation.

4. Overall recommendations for large-scale deployment of the method

This report sets out a series of methodological issues that may have slowed down the support provided to companies. The working group's detailed recommendations were the subject of another document submitted to ADEME. Only the overall issues and recommendations will therefore be presented here.

a. Choice of players for a specific tourism approach

Some of the companies monitored as part of this project have very well-defined activities in the value chain, such as Futuroscope, Rock en Seine and Compagnie des Pyrénées (culture/leisure/sport companies) or Camping de l'Espiguette and Victoria Garden (accommodation companies). Other companies have more varied activities in the value chain, for example the Partouche group, which offers leisure activities in addition to accommodation and catering. However, all these companies share the same dependence of their business model on tourism.

The experience of Blablacar - where the specific methodological approach was not adapted - has shown that the framework for using this specific method needs to be clarified. In regard to the experimentation, the choice of which sectoral method to apply is a matter for advisors and companies, with the key question of the dependence of the company's activities on tourism.

b. Specifications and help with key terms

Certain key terms in the maturity questions may slow down the deployment of the method on a large scale if they are not properly redefined. These are the terms "low-carbon products" and "product portfolio".

These terms can be misunderstood in terms of their philosophy, method and implications. We therefore need to clarify for companies what is expected behind these terms: how to define a "product portfolio" based on my sales and how to categorise my products, how to define a "low-carbon product" for my company, what elements need to be considered in its impact calculation, etc.

The working group was able to test several approaches to these terms, and ideas for further consideration were put forward to ADEME in the methodological note.

c. Adapting tools

i. Creation of a guide

In view of the difficulties encountered during the experimental phase, the development of a methodological guide would be a sensible way of helping companies to define their climate strategy.

By presenting in concrete terms the concepts of "visitor and customer mobility" and "performance of products/services sold" in the context of a company operating in the tourism sector. These concepts are at the heart of a tourism company's climate strategy and are inseparable. They must therefore be the subject of particular attention, both in the definition given to them and in their relationship within an ACT Step-by-Step project.

ii. Adaptation of the progression grid tool

As part of the ACT Step-by-Step Tourism methodology, the tools need to be adapted in response to the difficulties encountered during the experiment. The modifications do not concern all the modules of the methodology.

Here is a summary of the proposed adaptations based on feedback for each module:

Module	Initial version	Adapted version
0 - Progress Questions	Carbon assessment with a complete scope without distinction between items	Visitor travel could be considered in a special way, with compulsory consideration at the highest levels of maturity.
1 - Objectives	No changes, the approach of leaving the choice of reference trajectories is still relevant given the diversity of the players involved	
2 - Capital expenditure	No changes, the vision of direct GHG emissions does not differ from the generic framework	
3 - Intangible investments	This module was not observed in the panel of companies surveyed.	
4 - Performance of products sold	The scope of the impact of products includes their use by customers (and may include travel by visitors and customers).	The scope of products could be simplified to specifically observe the impact of customer travel. The framework for defining what a low-carbon product is, could be clarified.
5 - Management	No need to adapt	

6 - Supplier commitments	No need to adapt	
7 - Customer commitments	Mainly concerns downstream GHG emissions	Important integration of customer travel as part of the customer commitments to be addressed
8 - Public commitments	Involvement in public policy and taking public positions	Integrating discussions with local authorities as an opportunity to decarbonise customer travel
9 - Business Model	Focus on offering low-carbon products/services and developing appropriate business models	Proposal for a framework for single-product companies and addition of a notion of dependence on carbon-intensive sectors (air travel for visitors).

Figure 6. Summary table of the experiment

5. Conclusions

a. Success of the experiment

- ➔ The diversity of the players observed enabled a good interpretation of the businesses that need to be covered by a specific tourism method. All the sub-sectors were covered, with a good representation of the diversity of sizes and activities.
- ➔ The companies took an active part in sharing their experience of the method, in conjunction with their dedicated advisor, which gave them a comprehensive overview of the methodological difficulties encountered and a good understanding of the solutions to be found.
- ➔ Inter-company and inter-consultant collaboration throughout the project has improved the level of advice provided to companies, and all companies have progressed in their climate strategy maturity.

b. Limits of the experiment

- ➔ Methodological convergence took place late in the project. Some companies used different definitions of the key terms used in this document during the diagnostic stages, which partly distorts the immediate comparison of the companies' maturity scores.
- ➔ Despite joint work with the ACT evaluation experiment and common subjects, independent subjects for improvement were identified in each of the projects, inherent in the panel of companies observed, but were not the subject of joint adaptation proposals. It is therefore possible that some topics could not be observed.

c. Closure

Tourism is a sector that is both heavily dependent on fossil fuels (with significant GHG emissions from visitor mobility) and one of the sectors most likely to be impacted by climate change. Supporting businesses in developing a robust climate strategy is therefore a strategic issue for the resilience of businesses in the face of these challenges, and therefore for the long-term future of the French tourism sector as a whole.

The aim of the assignment was to test and adapt the ACT Step-by-Step methodology, starting with a standard version and applying it to 10 companies in the tourism sector.

In addition to the progress made by the 10 companies supported, this experiment has highlighted areas for improvement in the method and the tools to be created in order to spread the ACT Step-by-Step methodology on a larger scale to tourism companies, with the aim of further accelerating the transformation of these companies.