ACT Step-by-Step [ACT-S]

Development project results

WORKSHOP #8

ADEME, ECO2 Initiative, Utopies, I Care & Consult

February 10th, 2021

Agenda

Introduction	**5’**
Presentation of ACT-S | Q&A	**25’**
Progress recognition system	**10’**
French voluntary program | Q&A	**15’**

Introduction

What is ACT?

Need to provide **confidence** that companies setting GHG emissions reduction targets will achieve them

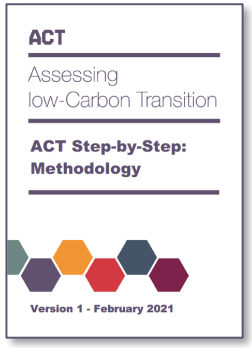
ACT is the only international initiative that creates an accountability framework to put companies' strategies and actions on a well below 2°C compatible pathway

ACT | ASSESSING LOW CARBON TRANSITION ®

Assessment | Guidance

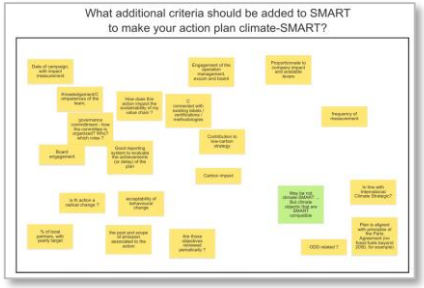
Currently funded by

Why this development project?



- Users feedback and prefiguration study
- Guide companies to develop, implement and improve decarbonization strategies aligned with low carbon pathways
- Aligned and complement proven ACT assessment methodologies

CONSORTIUM SELECTED to provide technical support under time constraints

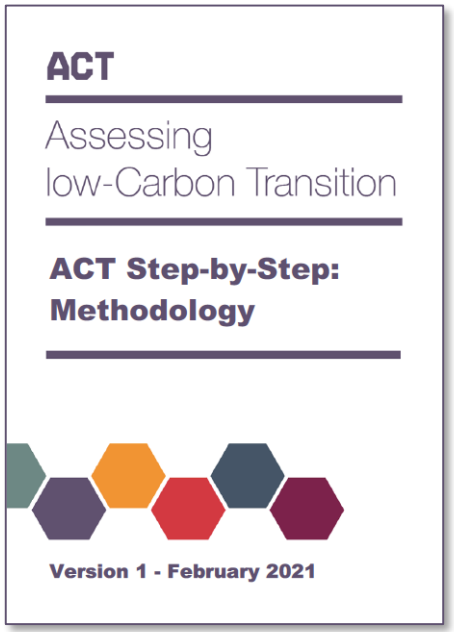


8 ONLINE PUBLIC WORKSHOPS to gather feedback and meet stakeholders needs

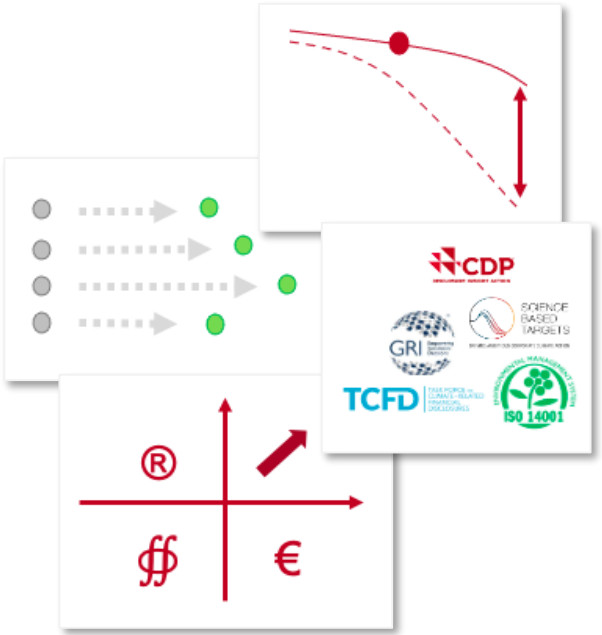
Presentation of ACT Step-by-Step

Methodology & tool package

The ACT-S suite



A methodology
(~55 pages)



A practical tool package
(4 tools + user manuals)

A 5-step process

1. Current situation	• Where does my company initially stand in terms of decarbonization strategy and climate action?
2. Issues & challenges	• What are the issues and the challenges for the company in the context of the low-carbon transition?
3. Vision	• What is the model for the company in a low-carbon world and what is the transition roadmap?
4. New strategy	• What is my company's new decarbonization strategy?
5. Action plan	• What is the company's action plan which implements the decarbonization strategy?

Strategy levels and actions: the process map

- Each step is composed of several actions, which involve different strategy levels.

ACT criteria and guiding questions

ACT ASSESSING LOW CARBON TRANSITION®

ACT **ASSESSMENT**

ACT MODULES & INDICATORS	
1	Targets
2	Material investment
3	Intangible investment
4	Performance of products
5	Management
6	Suppliers
7	Clients
8	Policy engagement
9	Business model

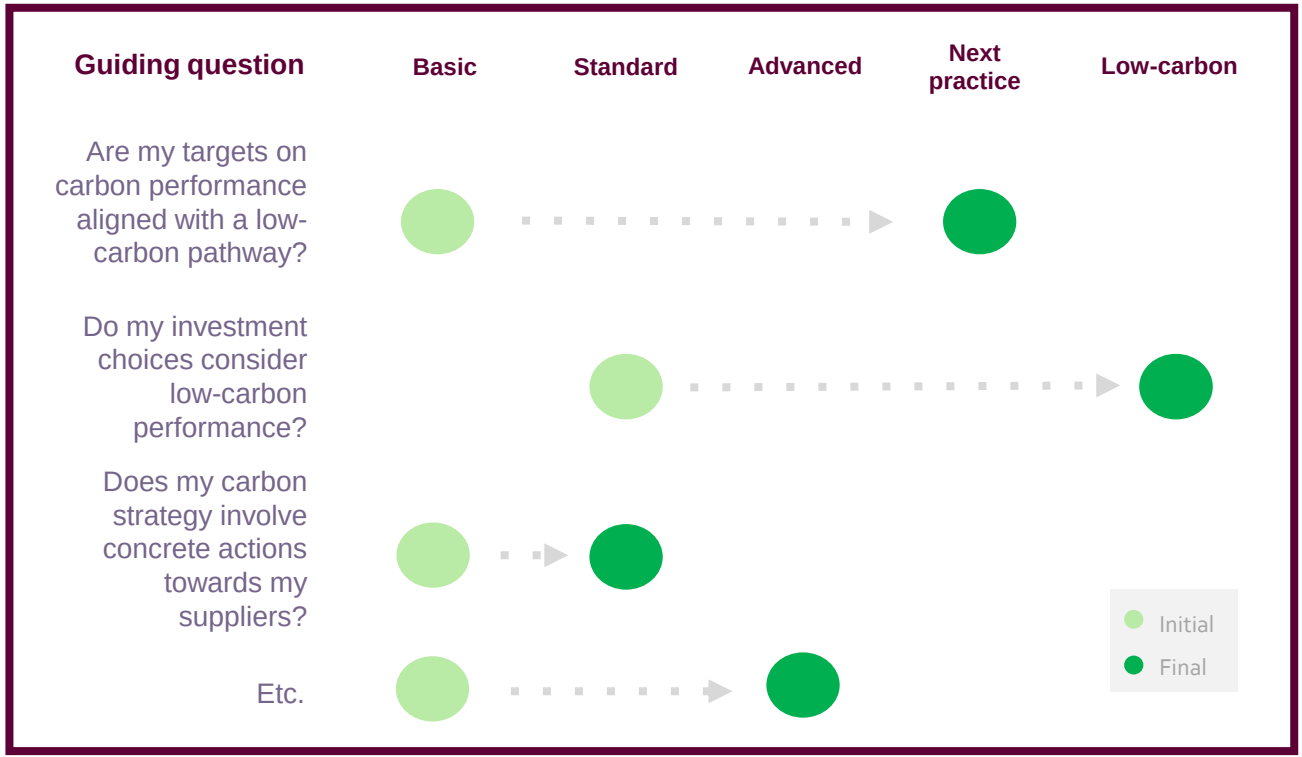
ACT Criteria

ACT **STEP-BY-STEP**

ACT guiding questions

ACT-S progress monitoring

1. Current situation
2. Issues & challenges
3. Vision
4. New strategy
5. Action plan



ACT-S in practice

1. Current situation
2. Issues & challenges
3. Vision
4. New strategy
5. Action plan
   - Definition
   - Implementation & Monitoring

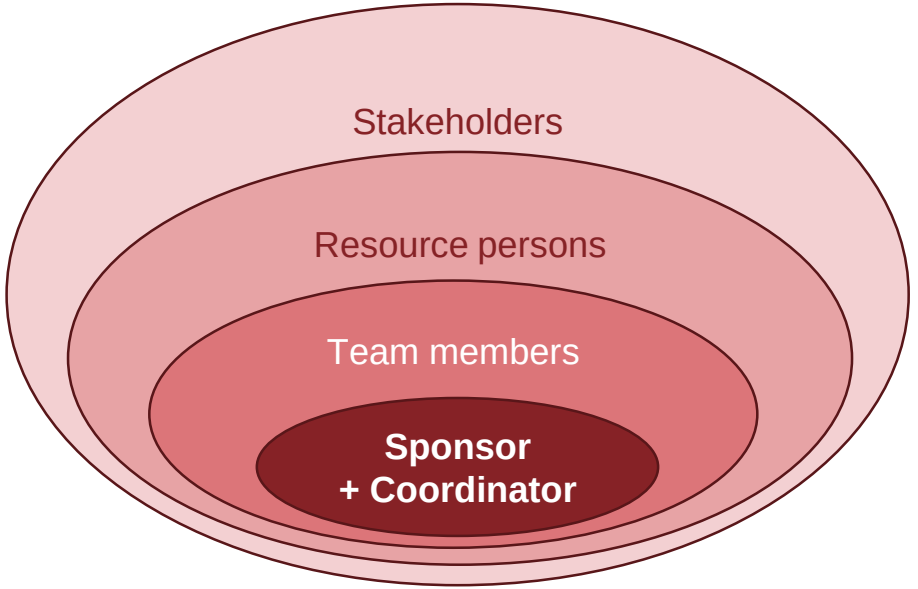
~1 year

~2 years

Project **planning**

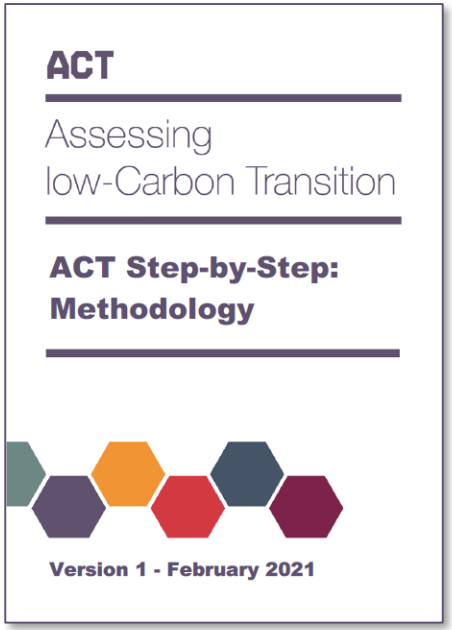
Project **actors**

+ Advisor (option)

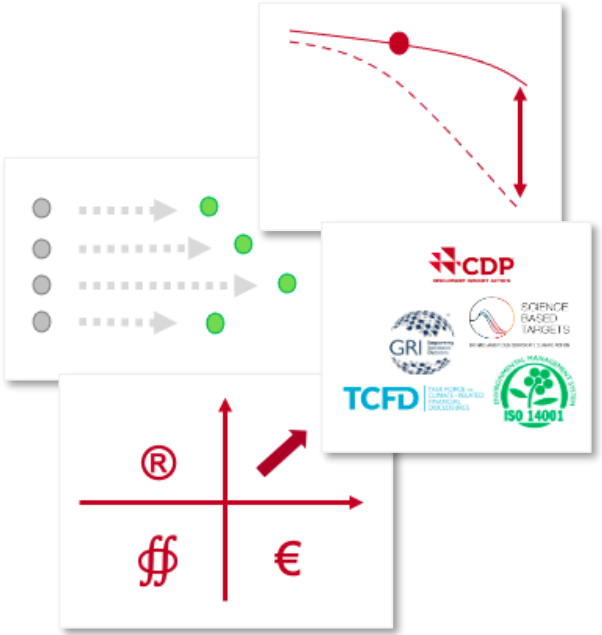


+ Methodology and practical tool package

The ACT-S suite

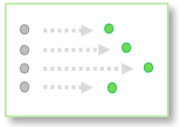


A methodology
(~55 pages)



A practical tool package
(4 tools + user manuals)

The progress grid



Progress grid

(Initial diagnosis)

(Progress management)

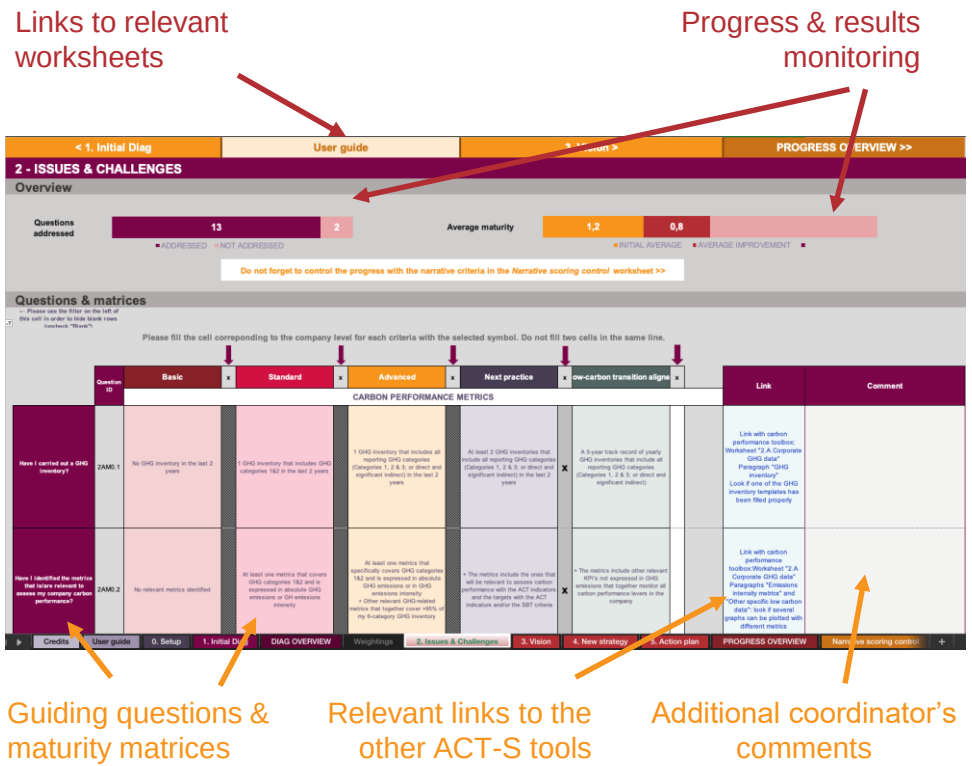
1. Current situation
2. Issues & challenges
3. Vision
4. New strategy
5. Action plan

METRICS & TARGETS	STRATEGY	GOVERNANCE
	1A. Company profile 1B. Maturity of existing decarbonization strategy	
2A. Carbon perf. metrics 2B. Carbon perf. assessment	2C. Strategic analysis	2D. Board training
	3A. Long-term vision 3B. Transition roadmap	3C. Board engagement
4A. Carbon performance targets	4B. Strategic plan	4C. Board commitment
	5A. Definition 5B. Implementation 5C. Monitoring	
	LCT MANAGEMENT	

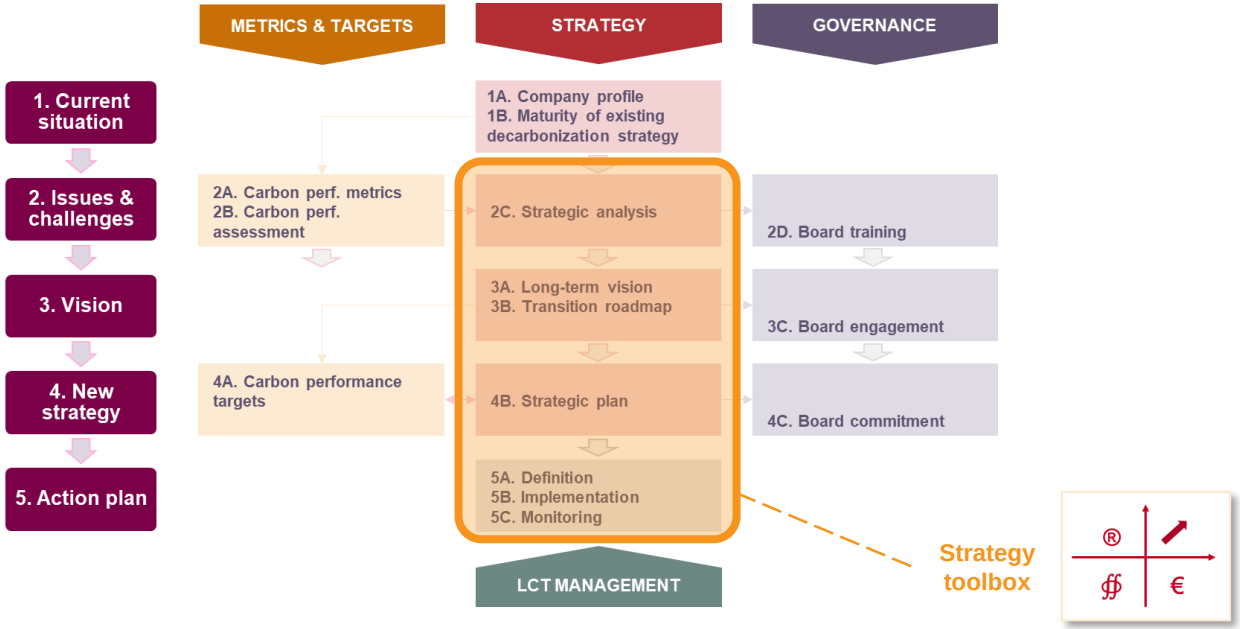
The progress grid

1. Initially, select the set of guiding questions based on company profile and objectives
2. Carry out the initial diagnosis and display the results
3. Throughout the process, for each step:
   - Fill in the matrices for the applicable questions
   - Monitor the progress
4. Display and analyze the results

✓ Also includes template documents to be produced as part of the recognition system



The strategy toolbox



The strategy toolbox

1. ISSUE AND CHALLENGES ANALYSIS

AIM: Identify internal strengths and weaknesses of the company facing the low-carbon transition.
TOOL : Matrix inspired by SWOT based on Climate change opportunities and risks as classified by the TCFD.

2. VISION AND TRANSITION ROADMAP

AIM: Define a long-term vision for the Company while setting intermediate milestones.
TOOL: Catalogue of creativity techniques to facilitate the collective definition of the vision and roadmap

3. STRATEGIC PLAN

AIM: Identify the strategic pillars that support the Company's strategy.
TOOL: Blue Ocean tool that facilitates idea generation based on the modules of ACT.

4.ACTION PLAN

AIM: Translate the strategic pillars into concrete actions.
TOOL: Ready-to-use Excel grid with all criteria to be fulfilled by a consistent Climate action plan.

The strategy toolbox

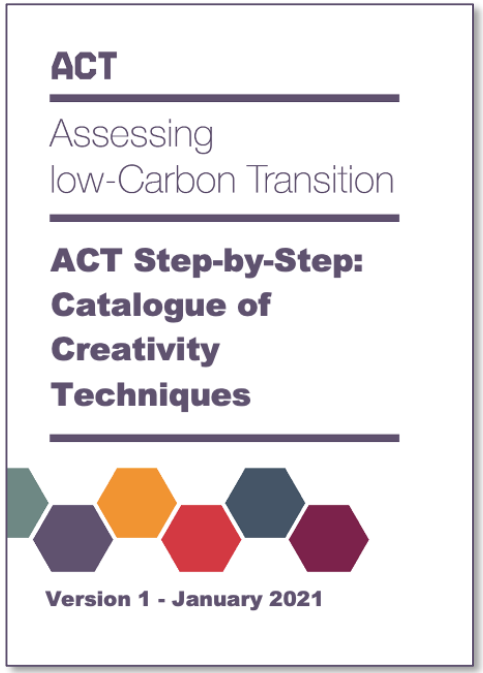
A closer look at the Catalogue of Creativity techniques

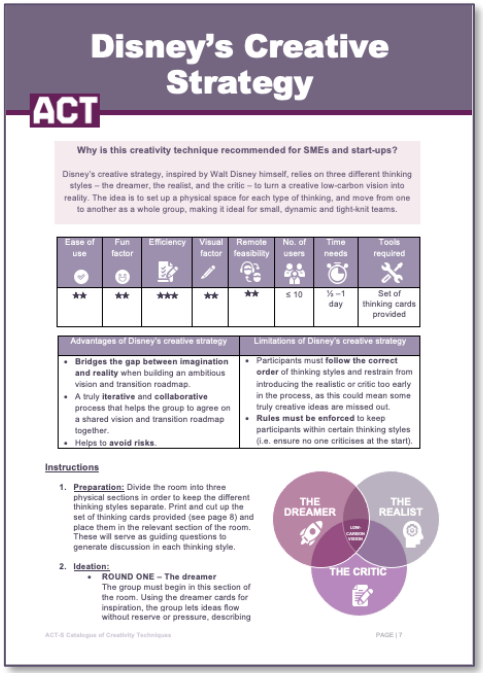
Developing a low-carbon vision requires reflection and discussion.

This catalogue provides you with useful information on several creativity techniques the Company may use to l**ead an internal workshop** to develop its **low-carbon vision and transition roadmap.**

The variety of brainstorming tools outlined in this catalogue will facilitate idea generation, group dialogue and decision-making.

Each one has been **carefully adapted to the context of the low-carbon transition** to align with ACT-S.





Vision and transition roadmap, extract of the Catalogue

The strategy toolbox

A closer look at the Blue Ocean Matrix

Inspired by the Blue Ocean method, this tool will guide idea generation based on the ACT modules to facilitate the construction of the Strategic Plan.

The Company should reflect about what to **Eliminate, Raise, Reduce, or Create** in all aspects of its business (ex: Management, Products and Services, Investments...) to define the most **consistent and strategic pillars.**

The tool provides **examples and external resources** to find inspiration on potential strategic pillars.

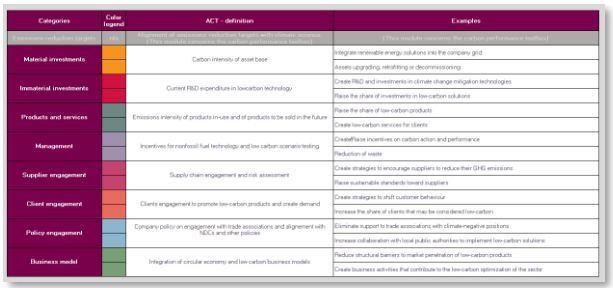
STEP #4 – NEW STRATEGY

4B. STRATEGIC PLAN

Blue Ocean Method

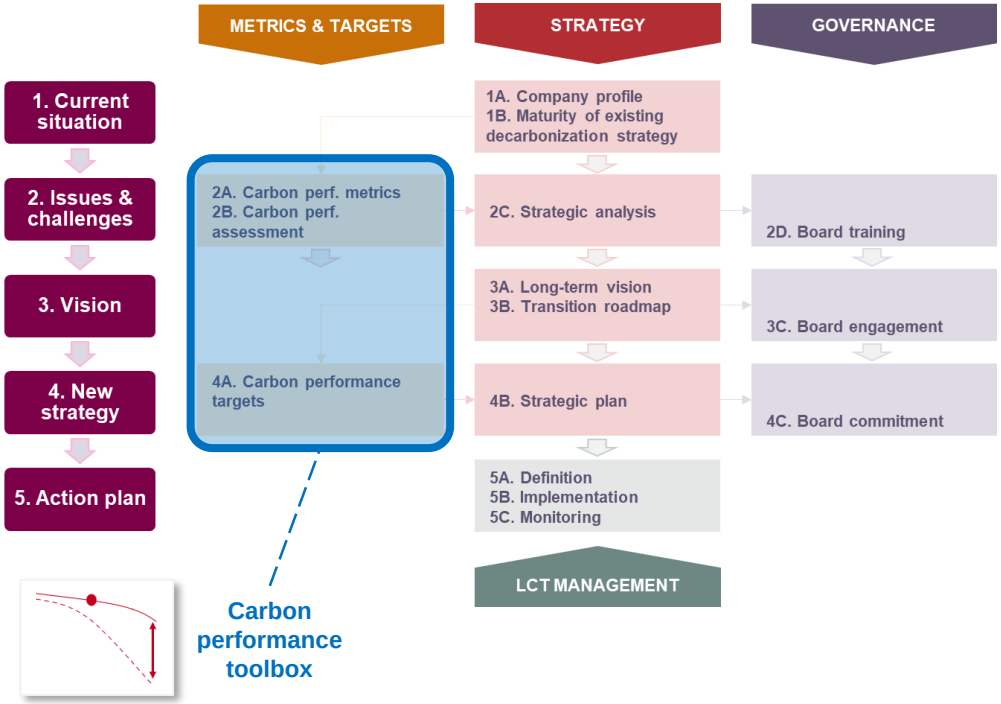
Strategic pillar n°	ELIMINATE	Strategic pillar n°	RAISE
1	Reshape logistics to reduce transportation impacts	1	Raise the share of local sourced materials
2	Eliminate waste sent to landfill from offices	2	Standardize the use of video conferencing
3	Cut almost to zero th share of fossil fuel-based products	3	Improve environmental impacts monitoring and data collection
4		4	
Strategic pillar n°	**REDUCE**	**Strategic pillar n°**	**CREATE**
1	Reduce cooling emissions and leakage	1	Invest in low-carbon start-up accelerator in Marseille
2	Reduce the impacts from our products end-of-life	2	Optimize employees' transportation

Strategic plan, extract of the Blue Ocean Matrix (completed)



Color code and examples

The carbon performance toolbox



The carbon performance toolbox

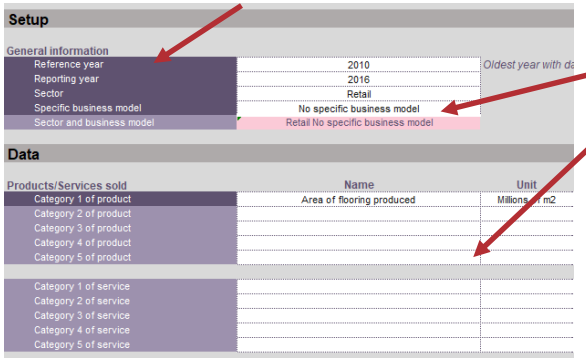
1. The company is to provide data for different variables
- Corporate general data
- Corporate GHG data
- Locked-in (assets and use of sold products)

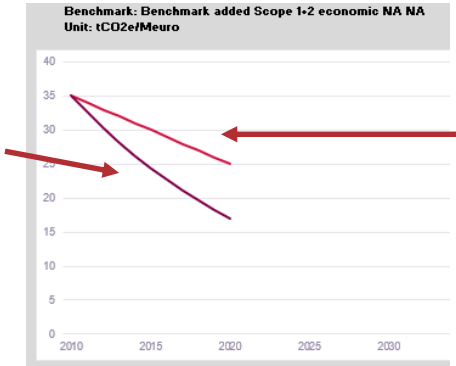
2. The company is to set decarbonization targets on relevant metrics, and then select relevant benchmark to assess its carbon performance

✓ In addition to the carbon performance tool, a toolbox is included with a list of external files to guide the company along its low-carbon transition journey

Variables to be filled

Input data from the company

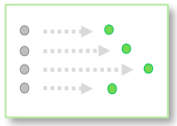




Company's benchmark

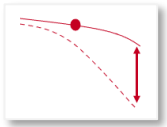
Company's target

The practical tool package



Progress grid

1. Current situation
2. Issues & challenges
3. Vision
4. New strategy
5. Action plan



Carbon performance toolbox

METRICS & TARGETS

2A. Carbon perf. metrics
2B. Carbon perf. assessment

4A. Carbon performance targets

STRATEGY

1A. Company profile
1B. Maturity of existing decarbonization strategy

2C. Strategic analysis

3A. Long-term vision
3B. Transition roadmap

4B. Strategic plan

5A. Definition
5B. Implementation
5C. Monitoring

GOVERNANCE

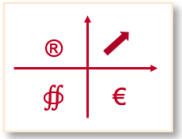
2D. Board training

3C. Board engagement

4C. Board commitment

LCT MANAGEMENT

Strategy toolbox



+ Mapping table

Questions & Answers

Progress recognition system & potential costs for the users

Two options for a company to use ACT-S

- **The methodology** is public
- **The practical tool package** is accessible upon adequate training

What benefits for the company?

Rewarded by showcasing its efforts to progress throughout the process

Guided to make an adequate – and therefore fruitful – use of ACT-S

Member of the ACT-S community :

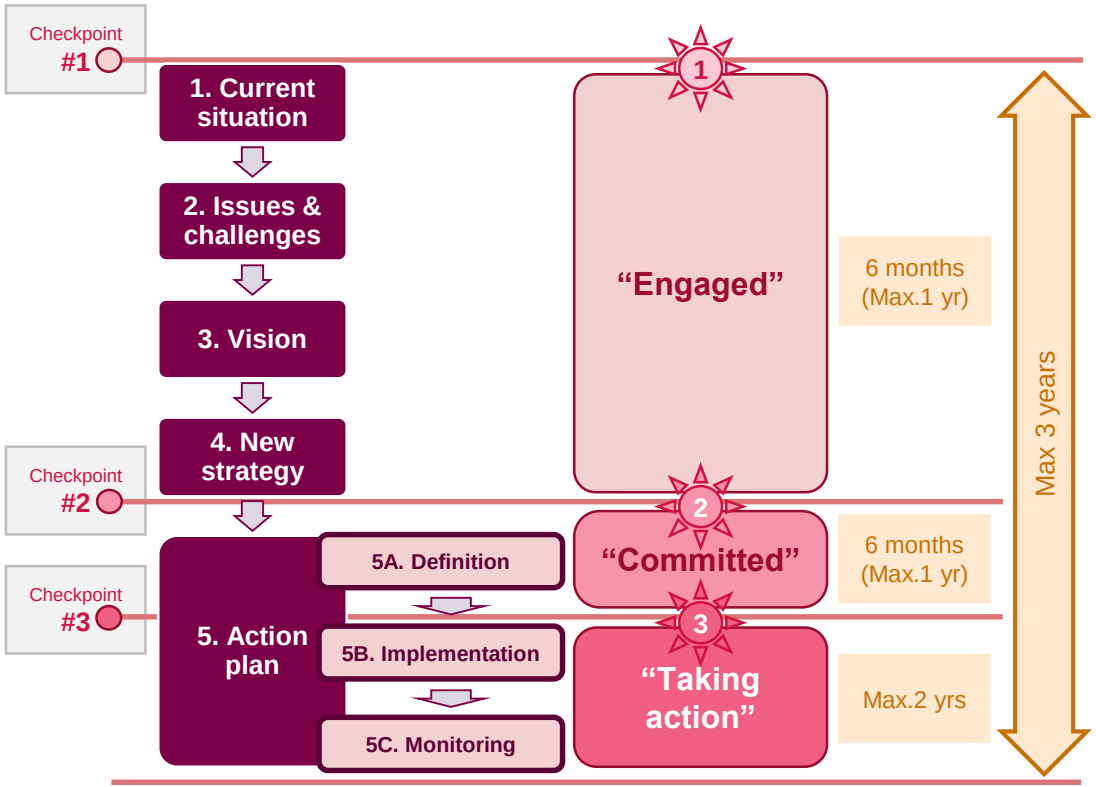
- Benchmark
- Pinpoint best practices & feedback
- Share experience

Climate action broadly promoted among other companies and beyond

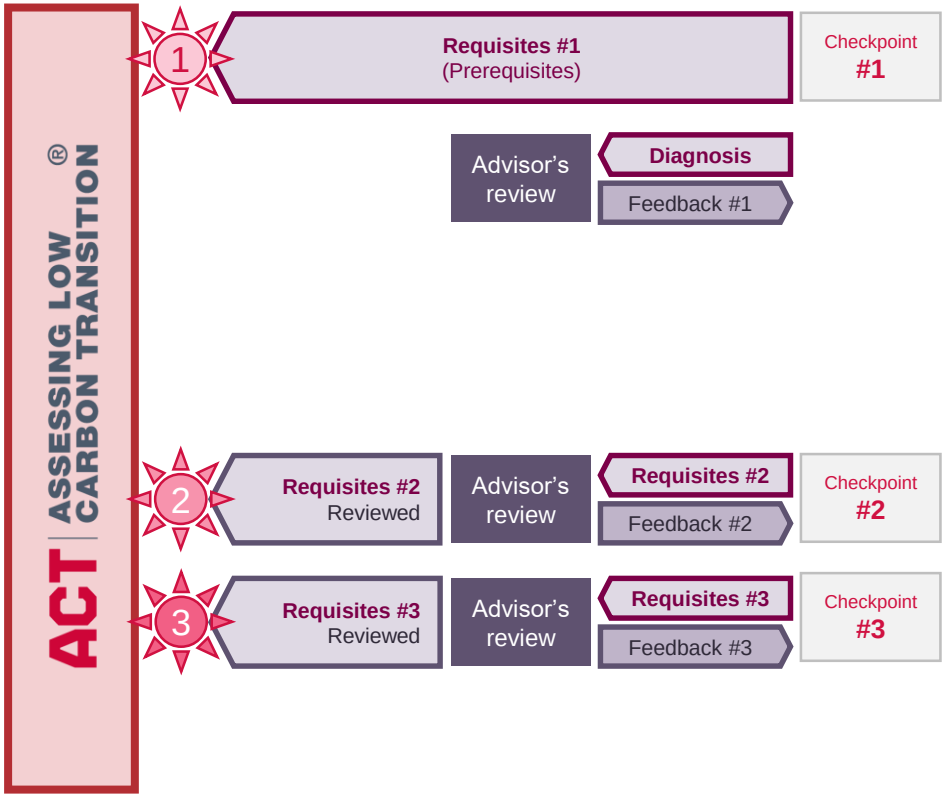
Recognition levels and requisites

- **Prerequisites** (Checkpoint #1)
  - Clear engagement from the Board
  - GHG inventory done
  - Sponsor and coordinator appointed
  - Coordinator trained for ACT-S

- **Requisites #2 & #3** relate to compliance with the process, not with the level of ambition or performance



Validation process



An ACT-S auditor is used by the ACT Initiative in order to review the requisites:

Prerequisites (Checkpoint #1):

- Engagement letter (company details, project details, engagement statement)
- Certificate of coordinator ACT-S training completion

Requisites #2:

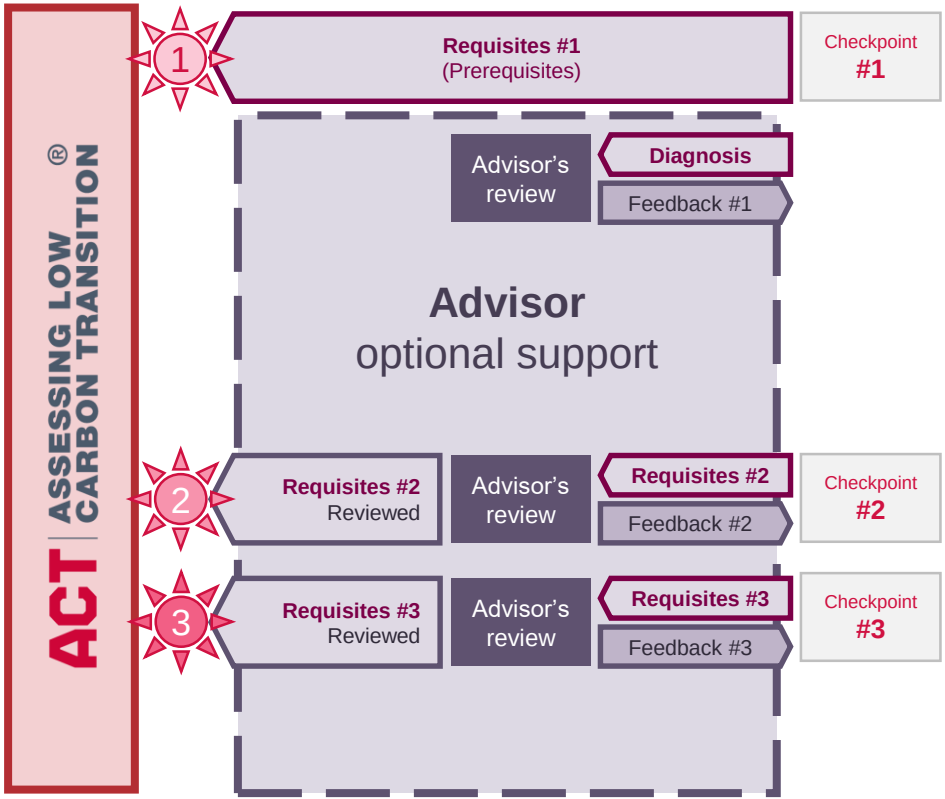
- Commitment letter including company and project details
- Extract of key actions from progress grid from step 2 to 4
- Board training attendance certificate

Requisites #3:

- Action plan launch letter including extract of key actions from progress grid from step 5 and action plan description
- Implementation commitment

Templates provided in the progress grid

Validation process



- The company may choose to be supported by an ACT Step by Step Advisor beyond feedback provided as part of the recognition system

ACT-S community

Companies

- Recognition active (in progress)

- Contacts with peers
- Special events
- Enhanced communication

Advisors

- Yearly requisites (inc. training)

- Review of evidence for recognized companies
- Potential extended missions
- Included in the official advisor's list

Community management by

ACT | ASSESSING LOW CARBON TRANSITION®

Associated costs

Companies

+ Initial 2-day training (coordinator): 1000 €
+ Step by Step support from an ACT Advisor: around 30 000 €
+ Recognition system: around 3 000 €

Advisors

+ Initial 2-day training (inc. prerequisites applicable to this training): 1000 €
+ ACT Step by Step license 1 000 € /year
+ Continuous training process & community events included in the license fee

Questions & Answers

Thank you!