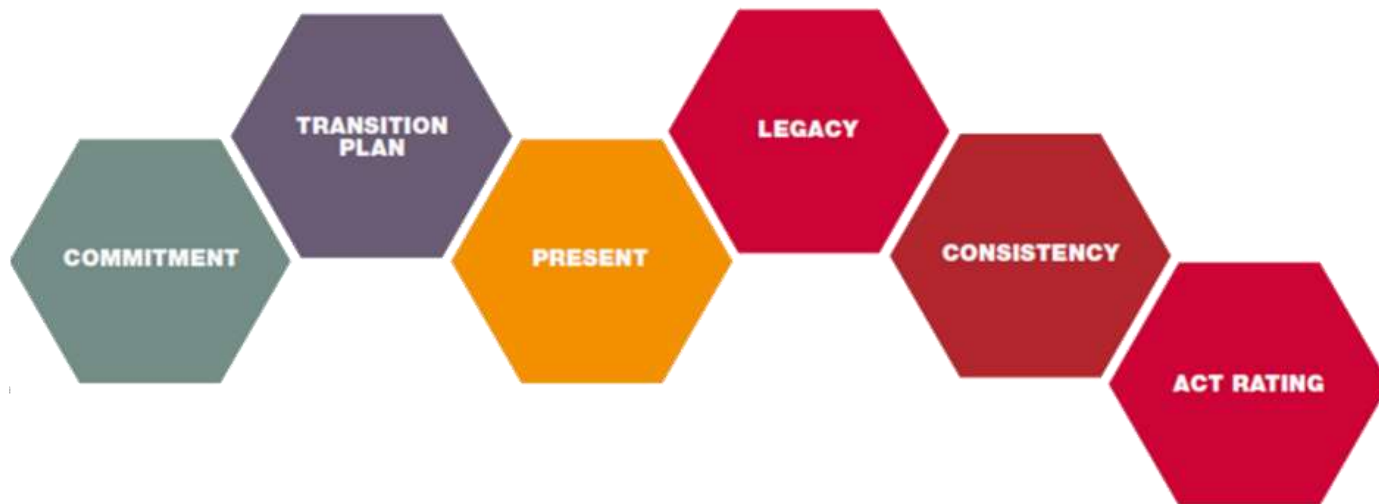


ACT | ASSESSING LOW CARBON TRANSITION



LCM

September 2017

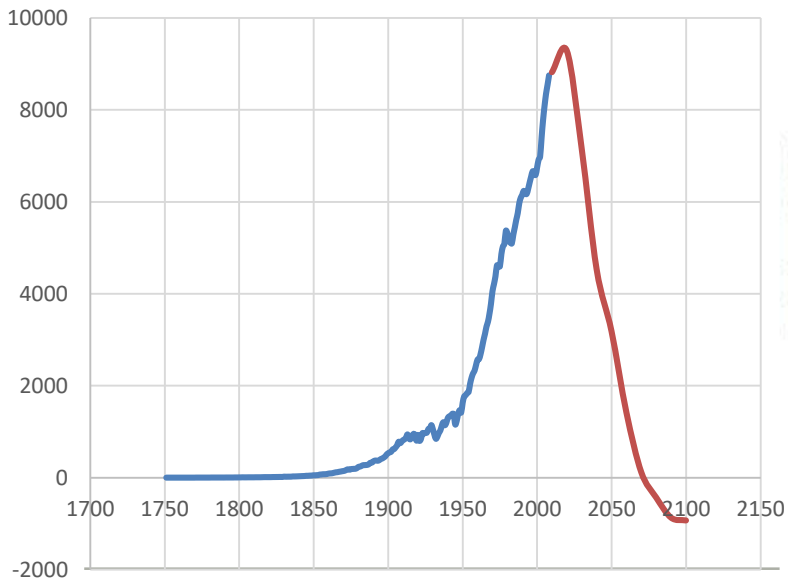
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Assessing low Carbon Transition

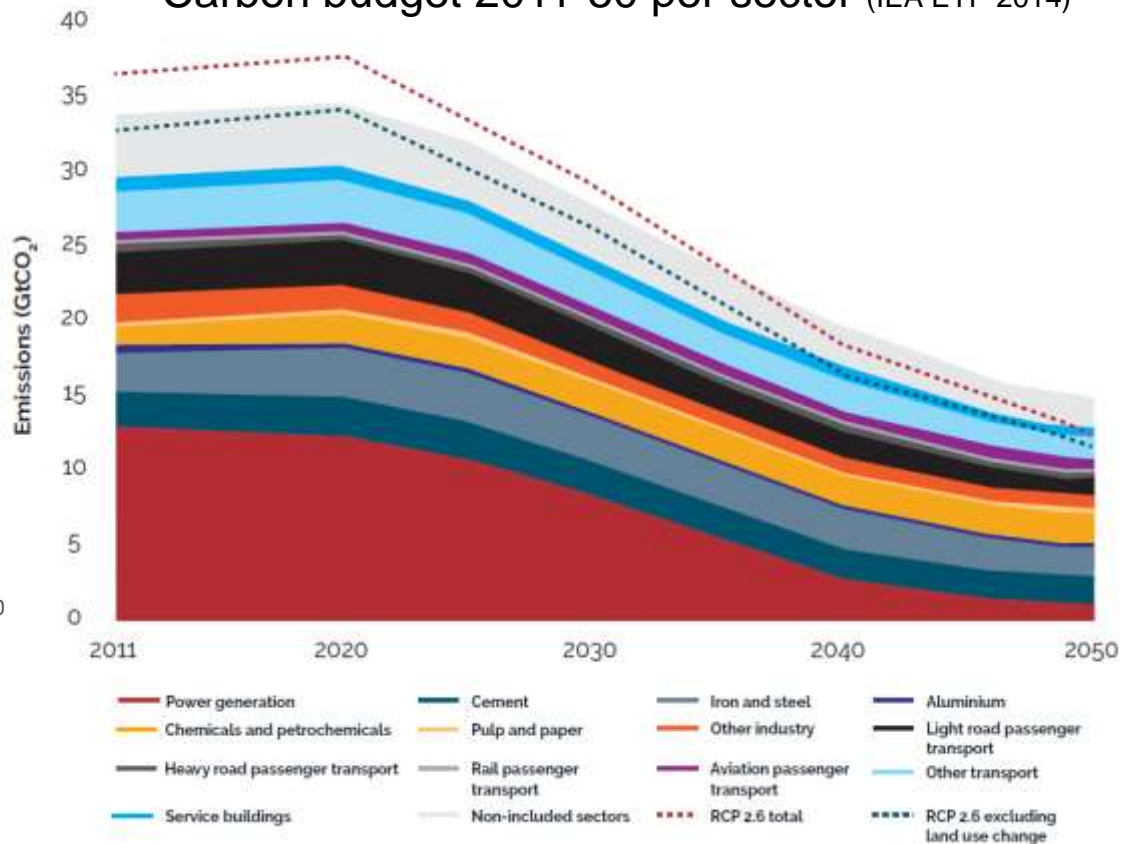
- Context
- What is ACT ?

The coming world with 1 000 GTCO₂e

Past and future of Carbon emissions
(RCP 2.6)



Carbon budget 2011-50 per sector (IEA ETP 2014)



Why we need ACT (company level) ?

▼ Carbon footprint is not enough to tackle low carbon transition

▼ Actions are needed now

- Example : Volvo with only hybrid and electric vehicles by 2019

→ How to know if a company is ready for the low-carbon transition?

Assessing low-Carbon Transition (ACT)

- ▼ Partners : CDP, Climate Check, European Investment Bank, 2° Investing Initiative
- ▼ General framework + 3 sectorial assessment methods for a holistic view of company trajectories towards the low-carbon economy : electricity utilities, auto manufacturers and retail
- ▼ Use verifiable data :
 - Quantitative about GHG emission performance (investment, production assets, products, R&D...)
 - Qualitative : management, strategy, business model

Assessing low-Carbon Transition (ACT)

5 main questions

1

What is the company planning to do?

2

How is the company planning to get there?

3

What is the company doing at present?

4

What has the company done in the recent past?

5

How do all of these plans and actions fit together?



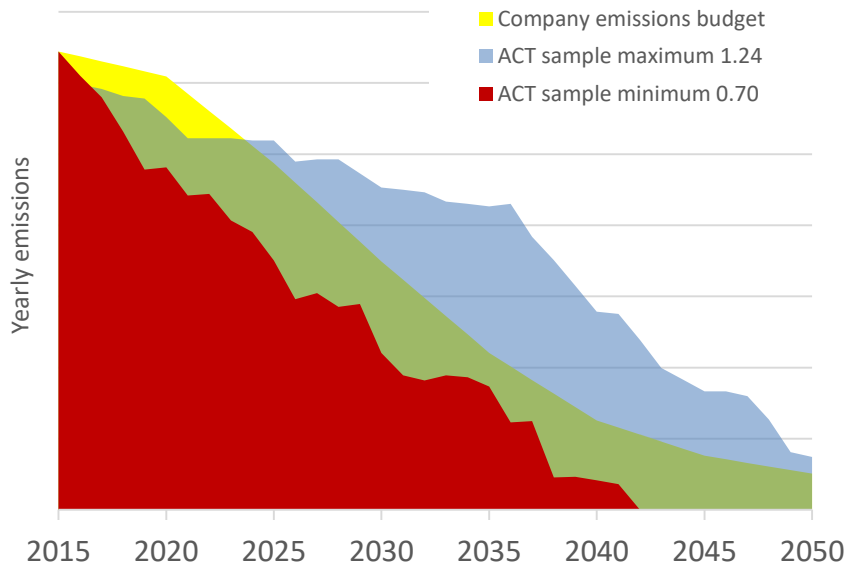
Score



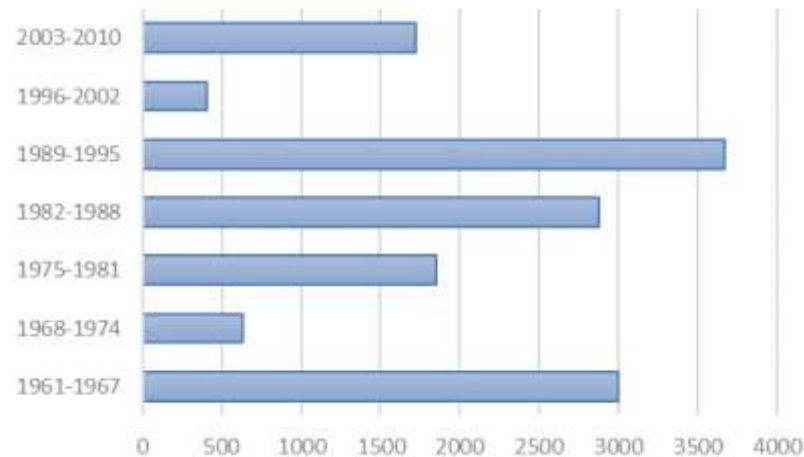
ACT INDICATORS – 9 modules

1	Targets
2	Material Investment
3	Intangible Investment (R&D)
4	Sold Product Performance
5	Management
6	Supplier Engagement
7	Client Engagement
8	Policy Engagement
9	Business Model

Electric Utilities: Asset age and carbon lock-in



Thermal Capacity (MW) by year of commissioning



What users for what purposes ?

COMPANIES

Strategy

Management

Performance

Communication

CLIMATE
PROGRAM
OPERATORS

Transition

Awards / Champion

Public policies

INVESTORS
RATING
AGENCIES
SRI ANALYTS

Climate goals

Index / Rating

Risks

ACT and companies : pilot phase (2016)

- Electricity utilities
- Auto manufacturers
- Retail

ACT pilot-phase : electricity utilities, automotive & retail

Pilot companies



Partners



Key learnings from ACT's pilot phase

- ▼ Elec : if no deep changes on current business models, pilot companies burn their carbon budget for 2050 within 5-15 years
- ▼ Auto : no transition plan beyond 5 years whereas big changes are requested by 10 years
- ▼ Retail : key player in low carbon circular economy. Shared accountability along the value chain is crucial,

ACT 2.0 : development of an ACT ecosystem (from 2017 to 2020)

ACT 2.0 : challenges

QUESTION

How can we know if a company is ready for the low-carbon transition?

ACT 1.0

Framework + 3 sector methodologies +23 pilot companies

Investor, government and company interest

NEXT CHALLENGES

Scaling up

+ X sectors

+ SME-adapted methodologies

other road-tests @national scale

Capacity building

Training for
-companies
-program operators
-investors
-scorers
-verifiers

Dissemination and awareness

ACT European award for best-in-class companies

Partners from countries involved in the project

Emerging countries

Road test with current sector + 2 new sectors (ADEME + IDDRI)

Data infrastructure

IT platform enhancement

Willingness to pay

Business & governance pilot models implementation

ACT 2.0

Designing a global framework and enhancing dynamics at international scale towards a low-carbon strategy assessment standard for companies

France : SMEs and mid cap companies roadtest

▼ Objectives

- Experiment from June 2017 to December 2017 ACT methodologies with 30 SMEs or mid cap companies in France
- Apply existing sectoral methodologies (electric utilities, automotive manufacturing and retail) and explore new sectors (buildings, food & beverage and transport)

▼ First learnings (to be confirmed)

- ACT will help companies to elaborate or improve their carbon strategy
- Need to simplify the data collection process
- Need of an interface between scientific or theoretical aspects and companies inputs



Next steps for the development of ACT

▼ Scaling up, capacity building and data infrastructure

- European level : LIFE ACT on Climate project (development stage) – ADEME, CDP, Association Bilan Carbone (ABC) + 4 environmental agencies (GR, IT, FI, HU)
- International level : Brazil & Mexico (development stage) – ADEME, IDDRI, FFEM

▼ Governance and business model : ADEME, CDP, ABC, Gallileo, Climate KIC

▼ Multicriteria approach (ex: food industry) ?

Thank you

<http://actproject.net>

More information

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