

# Moving towards carbon neutrality : Offsetting demand challenges and opportunities

## Scaling voluntary action across the private sector beyond 2020

# EcoAct.

## Introduction.

### **Our mission.** **Our Triple A approach.**

EcoAct partners with businesses, organisations and governments to provide the widest range of best-in-class solutions to help our clients effectively tackle the challenges of climate change.

We do this through our Triple A advisory approach

**Ambition. Analysis. Action**

# Carbon neutrality

## A game changer for voluntary climate action



### In the past, it was...

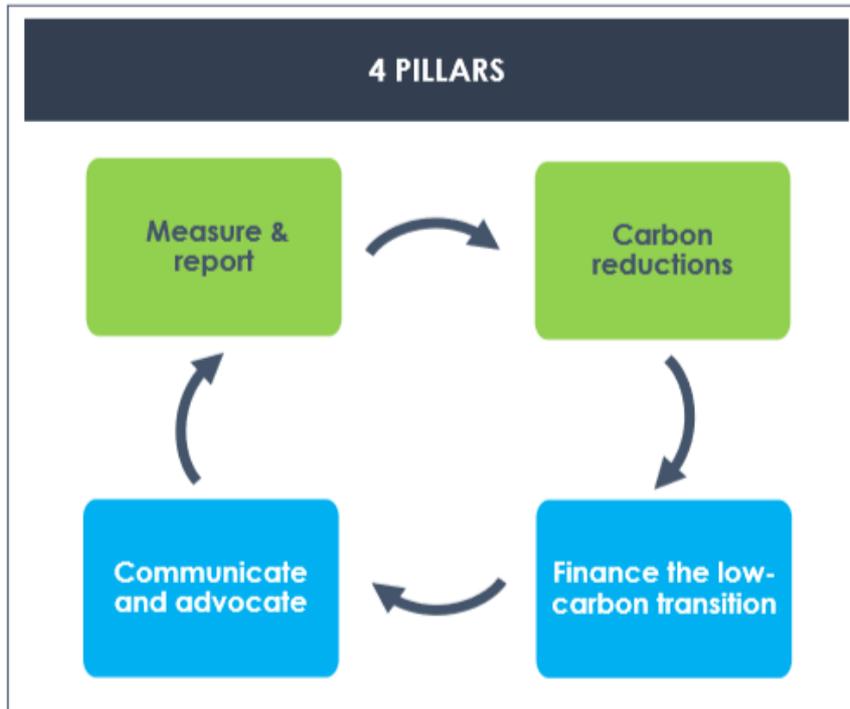
- A no science-informed principle
- A no policy-informed ambition
- A voluntary climate leaders action
- GHG emissions reductions
- Climate action only outside monitoring boundaries
- A corporate social responsibility strategy
- A one-shot action
- A reputation-driven climate action (Demand from customers, civil society and NGOs)

### From now, it is ...

- A science-informed principle backed by the IPCC report (2014, 2018)
- A policy-informed ambition with the Paris Agreement (2015)
- A voluntary climate business action to manage transition risks and opportunities towards the global net-zero emissions target.
- GHG emissions reductions + GHG emissions removals
- Climate action inside and outside monitoring boundaries
- A comprehensible corporate climate strategy with reporting
- A continuous action cycle over time
- A accountability-driven climate action (demand customers, civil society and NGOs + Investors)

# Achieving carbon neutrality

## 4 key actions for organizations



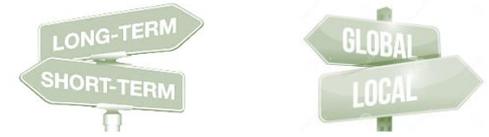
- Carbon neutrality is undertaken in the context of a **continuous annual improvement cycle over time**.
- This strategy builds on **best practices, standards, and tools to ensure credibility** through international harmonization.

-  **Within** GHG monitoring perimeter
-  **Beyond** GHG monitoring perimeter

# Voluntary demand for carbon offsetting

## New expectations

- A growing focus on long term commitment : 5 to 7 years ahead
- A growing orientation to mixed portfolio with local and international carbon projects
- A growing interest on SDGs projects oriented : the carbon offsetting strategy needs to align with most of the 17 objectives.
- A growing interest for GHG removals projects.



# Key takeaways

## A changing landscape

1. **No more CSR, carbon neutrality becomes progressively a business strategy** : a strategy aligned with core business and investors' expectations, requiring a a long term GHG emission reduction strategy.
2. **New role of carbon offsetting with carbon neutrality**: carbon offsetting alone is not sufficient to achieve carbon neutrality that follows a process of measuring emissions, committing to reduce GHG emissions, and then offsetting residual emissions, certification and public disclosure.
3. **SDG is a new metric** : at all level (corporates, cities, countries), voluntary carbon project's co benefits are essential.
4. **No still standard for carbon neutrality at the corporate level** : work in progress with key market experts such as ICROA, CDP, etc.

# Contact details

## Portfolio Management.



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# Your climate experts.

## Your partner for positive change.

ecoact

EcoAct is an international advisory consultancy and project developer that works with clients to meet the demands of the Paris Climate Change Agreement. We work with many large and complex multinational organisations to offer solutions to their sustainability challenges.

We believe that climate change, energy management and sustainability are drivers of corporate performance and we seek to address business or organizational problems and opportunities in an intelligent way.

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