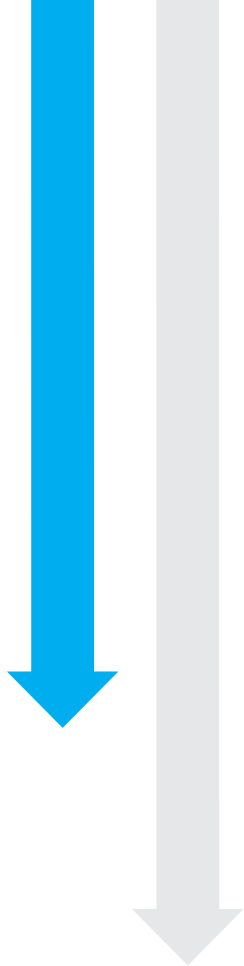




Carbon Down

Carbon Down
Annual Report
2009-10





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Foreword

Carbon Down is a partnership between government and business aimed at reducing the environmental impact of Victorian businesses. The Carbon Down partnership inspires and supports large companies and organisations to develop projects that help Victoria's 490,000 small to medium-sized enterprises (SMEs) reduce their carbon footprint and save money in the process.



Carbon Down has engaged over 250,000 businesses in the carbon conversation while working in partnership with organisations that seek to enable SMEs to undertake carbon-reducing activities that save money and improve business competitiveness.

We provide business and government with up-to-date knowledge on behaviour change, carbon reduction and innovation.

Carbon Down cultivates thought leaders and tests new ideas, delivering sustainability solutions through our relationships. An example is Carbon Compass, which provides SMEs with reliable, easy-to-access sustainability solutions that will help them save money and navigate a carbon-constrained economy.

We are entering the third year of our three-year program and progress has been solid. This annual report includes the achievements and the lessons learned in year two of the program.



With the recent decision to delay the introduction of the national Carbon Pollution Reduction Scheme, there is a tremendous opportunity for all Victorian businesses to engage with Carbon Down and its partners to understand their carbon emissions and how they can reduce them through simple actions and innovative thinking, and build stronger, more competitive businesses.

Carbon Down provides an excellent platform to do just that, and we encourage all Victorian businesses to get engaged and take actions towards furthering their business sustainability.

Two handwritten signatures in black ink. The signature on the left is for Wayne Kayler-Thomson, and the signature on the right is for Anita Roper. They are positioned above their respective names and titles.

Wayne Kayler-Thomson
Chief Executive Officer
VECCI

Anita Roper
Chief Executive Officer
Sustainability Victoria



Introduction

Carbon Down

'Carbon Down is a partnership between government and business aimed at reducing the environmental impact of Victorian businesses. We inspire and support large companies and organisations to develop projects that help small and medium-sized businesses reduce their carbon footprints.'

In its first year, Carbon Down established the team, built the brand strategy, and designed and put in place the required collateral (print and online). We completed our initial research into the knowledge, attitudes and behaviour of Victorian small and medium-sized enterprises (SMEs), released the carbon footprint survey for Victorian SMEs, established our initial Carbon Down partnerships and broke new ground in designing and delivering a mass-reach program to empower SMEs for a low-carbon future.

In our second year, we established strong key performance indicators for our major objectives and made substantive steps forward such as:

- the appointment and actions of our SME Ambassadors
- the official launch of Carbon Compass (www.carboncompass.com.au)
- achieving measurable carbon abatement through our partnership with Bendigo Bank
- expanding our training offerings and the reach of those courses
- delivering an awards incentive program designed to encourage innovative sustainability action using Grow Me The Money as the distribution vehicle
- focusing on easy-to-implement actions for SMEs through the What Can I Do Right Now? (www.whatcanidorightnow.com.au) campaign.

We achieved our primary objective of raising awareness among Victorian SMEs of the need to reduce carbon dioxide emissions for environmental and economic benefit. We met and then raised our target during the year: from 36,000 (10% of Victorian SMEs) to 73,000 (20% of Victorian SMEs). The main contributor to this result was the Carbon Column, which on average reached a weekly audience of 4,500 Victorian SMEs.

We provided information and advice in over 350 face-to-face and online locations to make low-cost, practical carbon reduction information available and accessible to all Victorian SMEs. The initiatives that contributed to this result included our Carbon Column distribution partners, Bendigo Bank branches, and Carbon Compass widgets and web buttons.

The most difficult program objective proved to be reducing barriers and increasing motivation among SMEs to take up carbon management and reduction activities.

Our target was to have 20,000 activities taken up. The result achieved was in line with this target; however, we identified and rectified some major issues in our approach, and learned substantial lessons about what did and did not work in terms of driving activity.

Despite the difficulties in achieving carbon management and reduction activities, we met the target of a demonstrated 20,000 tonnes of carbon dioxide equivalent (CO₂e) abated. The major initiative that contributed to the carbon abatement result was the Bendigo Bank Ban the Bulb program.

The program also met the objective of documenting and sharing the program lessons learned with key stakeholders. As well as an initiative being put in place to document and provide a debriefing on actions, two research papers were released and six stakeholder events run.

The highlights were:

- the Talking Carbon to SMEs briefing, which was well attended by stakeholders across government and business sectors and which highlighted ten recommendations to consider when talking carbon to SMEs
- the Victorian Carbon Footprint Survey, which surveyed over 200 small businesses across Victoria to understand the make-up of their carbon footprints and characteristics of the different business industries and segments
- a keynote presentation from Australian Chief Scientist Dr. Penny Sackett, sponsored by VECCI and Carbon Down, on 3 December. This event was attended by over 100 business and government representatives. Dr. Sackett eloquently articulated the science and potential impacts on Australia and Australian businesses.

Summary of results

Program Objective	Target 2009-10	Result 2009-10
Raise awareness among Victorian SMEs of the need to reduce carbon dioxide emissions for environmental and economic benefit	76,000 Victorian SMEs* reached with key messages†	258,516
Reduce barriers and increase motivation among SMEs to take up carbon management and reduction activities	20,000 carbon management and reduction activities taken up	20,033
Make low-cost, practical carbon reduction information available and accessible to all Victorian SMEs	Information and advice available in over 200 new locations‡	351
Demonstrate measurable carbon reduction through a mass-reach program	20,000 tonnes of CO ₂ e abated through the program methodology	28,083.2 §
Document and share program learnings with key stakeholders	1 ground-breaking research report released	3

* Carbon Down excludes SMEs with more than 200 employees and targets all sectors except Mining, Construction, Agriculture and Utilities. This equates to a target audience of 365,000 SMEs.

† Key messages include: knowledge of what carbon/greenhouse gas is, recognition of businesses' contribution to the problem, awareness of carbon profile of average business and awareness of where to find more information.

‡ Locations are permanent sources of information such as websites, office spaces and regular newsletters and events.

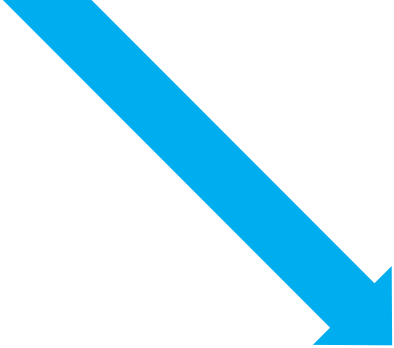
§ The activities and carbon abatement results have increased from the preliminary reporting at the conclusion of the financial year.

This is due to:

- The inclusion of Grow Me The Money results for activities and abatement related to the tools Carbon Down contributed to developing, as well as results from the Awards For Results project that had not yet been counted.
- The removal of the carbon abatement results (1,774.1 tonnes) from the What Can I Do Right Now? campaign as these could not be absolutely verified.

Also note that:

- Reported results from Grow Me The Money are those attributable to Carbon Down. Grow Me The Money as a complete set of results is also reported under VECCI's partnership with the Environment Protection Authority Victoria.
- For the Sustainability Victoria use of light bulbs under its Climate Change and Victorian Households Funding Round program, the bulbs provided by Carbon Down were to contribute to those provided to home-based offices, the program primarily delivers to homes and it is not possible to specifically attribute individual globes to their end usage. The carbon abatement for the broader Sustainability Victoria program includes 9,904.6 tonnes from the Carbon Down provided globes.



Program partners



Bendigo Bank

Ban the Bulb

The Bendigo Bank Ban the Bulb campaign ran over three months in 2009 and was the first time that a light globe exchange program had been extended to SMEs. The results were very pleasing.

Fifty Bendigo Bank branches across Victoria took part in the SME component of the campaign and together they replaced 22,169 incandescent light globes with energy-efficient compact fluorescent globes in 547 SMEs.

The success of the campaign was largely due to the dedication of the branches involved and the local community groups such as Lions clubs, Rotary clubs, football clubs and the State Emergency Service, who worked hard to install the globes. In return, the volunteers received \$2 for every globe installed. A combined total of \$36,772 was raised across the state for the various community groups.

The projected saving over the life of the globes equates to approximately 22571.7 tonnes of carbon abatement. With 12,667.1 tonnes directly attributed to the Bendigo Bank program and 9904.6 tonnes attributed from the Sustainability Victoria program, utilising globes provided by Carbon Down.

Green Your Business

Bendigo Bank's Green Your Business competition was open to all Victorian businesses throughout May 2010. The competition was designed as an extension to the Ban the Bulb campaign to encourage learning and sharing of resource-saving hints and tips among businesses.

More than 6,260 activities were completed throughout the competition, including sharing of hints and tips and downloading fact sheets and information.

A \$10,000 prize was awarded randomly to one of the 850 entries in the competition: it went to the Castlemaine Ray Street Childcare Centre. In assessing the opportunities that would green the business, the centre was considering options including installing double-glazed window panes, improving insulation, installing water tanks, and even solar panels and a wind turbine.

Overall, the competition was a successful tactical campaign to involve businesses, educate them and encourage the sharing of information.



Recipients of the \$10 000 'Green Your Business' prize, Castlemaine Ray Street Childcare Clinic, with Bendigo Bank and VECCI staff.





Collingwood Football Club

The Collingwood Football Club partnership was successfully launched in March 2009 with an initial partnership time frame to December 2009.

The partnership established the Green Magpie program free to businesses to join and providing support and incentives to increase the sustainability of the members. During 2009 the program delivered six events including the program launch and a business breakfast with 260 attendees.

The number of new Green Magpie members reached 275, with 79 signing on to Grow Me The Money.

Based on the successes and potential of the partnership, the club signed on to a second agreement with Carbon Down in the fourth quarter of 2009-10. The agreement largely extends on the first agreement but has a particular focus on regional events. Collingwood Football Club will continue to endorse, promote and manage the Green Magpies program in 2010-11 with the objective of maintaining and increasing membership from 275 to over 500 participating SMEs.



Australia Post

Australia Post and Carbon Down committed to a joint undertaking to enable Australia Post's Victorian licensed post offices (LPOs) to participate in the Grow Me The Money program. LPOs are typically operated by small or micro business operators.

The opportunity to participate in Grow Me The Money was launched at Australia Post's Victorian LPOs Conference in August 2009, with 25 program registrations on the day. The joint undertaking aimed for a target of 200 LPOs to participate in Grow Me The Money. It was supported by an Australia Post internal communications program, which was developed and rolled out between October 2009 and June 2010.

Part way through the program, the engagement level of the LPOs was re-assessed and the offer changed to an onsite opportunity assessment. This was communicated via the quarterly LPO newsletter, with 10 sites taking up the offer. Across the sites, where an assessment was completed, there was an average of 15% energy savings identified.



Simply Energy

Simply Energy provided energy audits to 114 Victorian businesses: newsagents (65%) and Subway Restaurants (32%). Of the 114 businesses visited, 45 signed up to Grow Me The Money, allowing ongoing contact and support to implement the recommendations provided in the audits.

Businesses were given recommendations in relation to lighting; heating, ventilation and cooling (HVAC); cold storage; and cooking equipment. Most actions identified have been associated with improving the voltage of fluorescent lighting systems.

Based on the audits completed to date, around half the businesses have expressed interest in having energy efficiency retrofits undertaken. These are expected to be completed early in the new financial year.





Moreland Energy Foundation Limited

Carbon Down's partnership with Moreland Energy Foundation Limited (MEFL) enabled MEFL's Zero Carbon Moreland program to focus on the smaller businesses within the council region.

MEFL built strong relationships with local businesses, resulting in 33 SME assessments conducted to the end of the financial year.

The small business segment was well represented, with 94% of recruits having fewer than eleven employees. Participants represent a wide range of industries, with most coming from community groups and retail businesses. On average just under seven recommendations have been made per business; the recommendations are simple, straightforward, low cost or no cost.

MEFL has developed a strong relationship with the local community. While the program took some time to build momentum, at the end of 2009-10 MEFL is well positioned to encourage more SMEs to take action.



Moreland Energy Foundation limited staff meet with Zero Carbon participants to discuss energy saving measures for business.



Ultimate Tiles managing director Rick Somers spoke to Jessica Shearing from Collingwood TV about the benefits of joining the 'Green Magpie' program.

Research

Regional business transitions: risks and opportunities in regional Victoria

There has been discussion in Australia as to the extent to which we are already observing climate change effects and the responsibility for those effects and the broader environmental damage. This project focuses on understanding climate change effects for key regions, opportunities arising for SMEs, the capacity of SMEs to respond to climate change effects, and strategies to enable SMEs to respond, take advantage of opportunities and mitigate risks.

Three regions were chosen for their perceived vulnerability to climate effects such as reduced water availability, temperature changes and changes to productive capacity. These are the Mildura-Mallee, City of Greater Geelong and the Latrobe Valley.

All three can be shown to be at risk but inherently have strong capacity to mitigate challenging circumstances and to respond to opportunities.

The project will be completed next financial year and will include analysis of relative 'resilience' in each region with regard to industry diversity and business structures, access to markets and prospects for emerging industries.

A workshop was held to test key recommendations and assumptions from the draft consultancy report as well as program ideas with Carbon Down stakeholders. The ensuing discussions, consultancy research reports and our own analysis will contribute to the final report and its recommendations in 2010-11.

Talking Carbon to SMEs

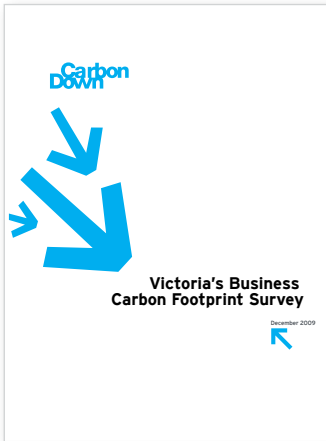
Talking Carbon to SMEs was introduced during a stakeholder session in December 2009. The focus of the research was to identify trends and opportunities in existing carbon reduction messages targeted at SMEs.

Two key findings and ten recommendations resulted. Of note are the two key findings:

- There is confusion in the carbon reduction messages directed to SMEs. The confusion is due to uncertainty about how legislation may directly affect SMEs, and a lack of knowledge about, and time to implement, carbon reduction measures.
- There is significant room for improvement in targeting carbon reduction messages to SMEs (i.e. addressing the problems of mixed messages, disjointed strategies and lack of leadership from government).

Talking Carbon to SMEs has informed Carbon Down campaigns and stakeholder communication through the second half of 2009-10.





Victorian SME Carbon Footprint Survey

Victoria's Business Carbon Footprint Survey was published in December 2009. Its objective is to expand understanding of the carbon emissions of SMEs in Victoria.

The survey respondents included a comparatively larger number in the commercial services sector. This was consistent with data on Victorian small business sectors, which show a relatively large representation of commercial services and with recent research indicating a lower rate of online activity in the transport, postal, warehousing and accommodation sectors.

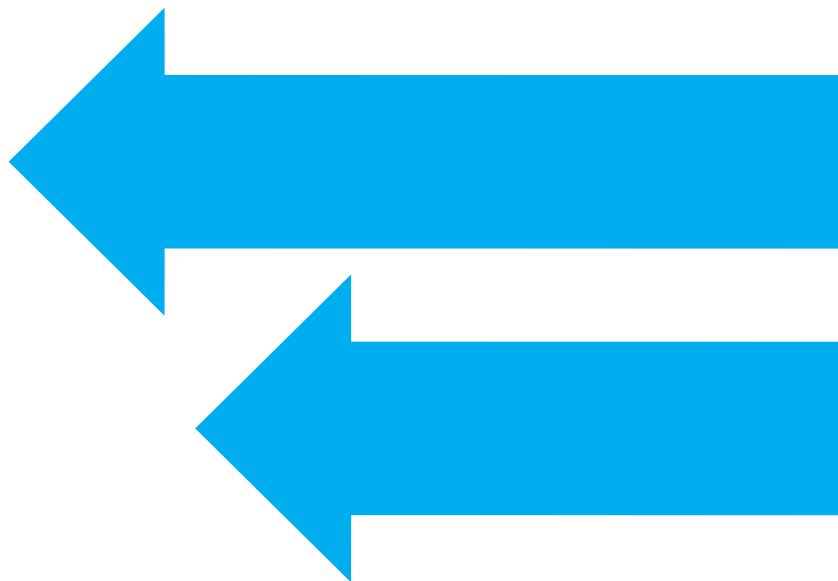
Overall, the responses revealed that the businesses:

- had an average carbon footprint of 320 tonnes, which decreased to 132 tonnes with manufacturing excluded
- were well below regulated carbon market thresholds
- had their most significant sources of carbon emissions attributable to - in merit order - electricity, vehicle fuel consumption, other fuels and waste.

Climate Change Fact sheets

When the Federal Government deferred any movement on the national Carbon Pollution Reduction Scheme in April 2010, we took the opportunity to rewrite our suite of fact sheets. We wanted to emphasise that businesses don't need to wait for regulatory change to make their business more efficient, profitable, marketable, attractive to employees and environmentally friendly.

The fact sheets include sector-specific information relating to accommodation, business and professional services, cafes and restaurants, manufacturing, retail and wholesale trade, tourism and transport, as well as general climate change information. The fact sheets are available from the VECCI website and via Carbon Compass.





Innovation facilitation

Awards for Action

The Grow Me The Money Awards for Action recognised participants' innovative, creative and committed sustainability strategies.

Designed to encourage innovative sustainability action, using Grow Me The Money as the distribution vehicle, this initiative was designed and launched in the second quarter of 2010.

To apply for the awards, Grow Me The Money participants were required to submit an environmental action plan and complete a 12-18 month baseline of their resource use. Judging criteria required the action plans to be innovative, yet realistic and achievable, to inspire other businesses to also take action. Ten prizes of \$5,000 were awarded across five categories, based on employee size, to businesses that developed the most innovative action plans.


Two successful action planning workshops were held, in East Melbourne and Benalla. The workshops showed participants how to develop an action plan and included inspirational case studies from other Grow Me The Money participants.

Applications closed on 31 December 2009. Thirty-seven entries were received, which included a total of 572 actions.

Participation rates were lower than expected. This suggested that a financial incentive, even of a substantial amount, was insufficient to overcome barriers and encourage action – even cost-saving action – towards sustainability.

The judges – Erin Simpson (VECCI), Michael Cox (Sustainability Victoria), Paris Nichols (EPA), Ricardo Krauskopf (Alto Hotel) and Iain Stewart (YMCA, Brunswick City Baths) – remarked on the high quality of the entries received. Judges selected the following winners.

1-4 employees	5-15 employees	6-30 employees	31-99 employees	100+ employees
Able Plastics	Organic Angels	Australian Business Arts Foundation	Express Promotions	Blake Dawson
Grassroots Productions	Third Ecology	McManus Real Estate	Isuzu	The Body Shop



An awards-style three-course lunch was held with all finalists on Wednesday 10 March 2010 at Charcoal Lane Restaurant; it was attended by 45 businesses and stakeholders.

Winners were awarded a \$5,000 cheque and a 'marketing kit', which included a logo to use on their website, suggestions on how to promote their win, and a high-resolution photo of them accepting the award. Every finalist also received a (recycled wood) framed certificate to promote their involvement in their business.

A media campaign showcased the commitment, enthusiasm and sustainability achievements of award winners, reinforcing the key objectives of:

- encouraging adoption by Victorian SMEs of sustainable business practice by highlighting successful sustainability journeys
- creating awareness of the Grow Me The Money program to drive uptake.

Four finalists were selected to profile in the media: Isuzu, Grassroots Productions, McManus Real Estate and Express Promotions. The major key performance indicator for the campaign was ten pieces of media coverage. At the end of June 2010 the total was 32.

Awards for Action will be followed by Awards for Results. All entrants to the Awards for Action are eligible to enter by submitting quantitative and qualitative information on how they have achieved outcomes from their action plan. The judging and awards presentation will take place in September 2010.



Carbon Column

The weekly Carbon Column has a growing distribution list. Since being established in June 2009, the column is now distributed weekly to 73 distribution partners, who together reach 226,940 Victorian SMEs.

Our distribution partners include 33 local councils, the education sector, not-for-profits, large corporates and various industry associations (including the Victorian Automobile Chamber of Commerce, Tourism Victoria, the National Insurance Brokers Association, the Australian Retailers Association and the Master Builders Association of Victoria).

The 300-word column on business sustainability topics ensures that practical carbon reduction information is available and accessible to Victorian businesses. All recipients are encouraged to reproduce the column content. Each Carbon Column is also distributed via the weekly VECCI Radar e-news.

The most popular column topics included:

- sustainability jargon explained - parts 1 and 2
- ten tips to reduce your energy bill
- the green marketing maze: avoid breaching the Trade Practices Act
- the Great Green Bag debate.

Case studies are also popular and anecdotal feedback tells us they are re-published regularly.


feature



Sustainability and business

Happy employees = a productive business:

Would you like happy and productive staff in your business? Well, introducing environmentally friendly practices may just be the answer.

Victorians are saving water and recycling their waste at home to do their bit for the environment, and now they're looking to their workplace for sustainable values. Australian and New Zealand employees believe strong overall reputation (69% of respondents), good corporate citizenship (55%) and community support (49%) are some of employers' most appealing aspects, according to recent Hudson research.

Businesses who implement sustainable business practices stand to gain from both improved efficiency and motivated employees.

Sustainability Victoria's 2006 green office retrofit, with improvements in lighting, IT, materials, waste and their floor plan, has led to a 45% increase in productivity and 13% overall improvement in workplace performance. This has translated to a saving of \$76,060 per year.

Easy actions to boost employee morale and productivity:

- Indoor plants – plants clean the air by removing toxins and can help to reduce employee fatigue and stress
- Maximising natural light – give those dirty skylights a clean to let the sunlight in, or position office desks differently to allow staff more access to natural light
- Staff facilities – provide facilities to ride to work, store bicycles, shower and get changed
- Seek staff input – staff members have great ideas, so encourage their participation to help foster employee ownership and enthusiasm.

For more information on how to use sustainability to attract and retain the best staff visit:

- www.greenbuildings.com.au/
- www.melbourne.vic.gov.au/info.cfm?top=218&pg=3933
- www.greenmelbenergy.com.au

Ferguson Plarre, a leader in sustainable business practices:

Operating in Victoria since 1901, Ferguson Plarre Bakerhouses are renowned not only for their delicious desserts, cakes and savouries but also their proactive sustainable business practices.

As Steve Plarre explains, Ferguson Plarre's commitment to sustainability has been a worthwhile business exercise, "we recovered over 100% of the costs involved in setting up our energy-efficient bakery in the first year. Once you take into consideration the recent increases in the price of water and energy, our payback over the next 20 years will be far more than penny-pinching – it is a competitive advantage".

With efforts to minimise their negative impact on the environment and to demonstrate best practice sustainability, Ferguson Plarre are committed to saving energy, reducing water consumption, minimising waste and providing employees with an enjoyable place to work.

Ferguson Plarre's impressive list of sustainability initiatives includes:

- Product distribution using a hybrid truck
- Hot water for cake production preheated by energy recovered from refrigeration systems
- Heat recovered from freshly baked products heats the milk production area
- Solar heating is used for staff and office hot water
- Tank water used for toilet flushing, staff facilities, irrigation and washing trucks
- Efficient bulk handling equipment halves cardboard waste
- Residual greenhouse emissions from the production facility are offset by planting native trees
- Energy consumption is monitored in real time and the results displayed for staff awareness.

"Business sustainability is about doing the right thing, but the process of investigating and discovering better ways to do things is also exciting"

(Steve Plarre, Ferguson Plarre Bakerhouses).

For more information visit:
<http://www.fergusonplarre.com.au/>



Carbon Compass

Carbon Compass (carboncompass.com.au) is a website where small and medium businesses can find resources and tools, share information and get practical advice on how to reduce their carbon footprint. The official launch of Carbon Compass was held at VECCI on 30 March 2010.

The event was well attended and was a great success. Victorian Environment Minister Gavin Jennings participated in the launch, which received good media coverage. Carbon Compass featured in 17 associated websites either via a newsletter or an article.

From the official launch to end of financial year:

- 240 businesses created profiles, bringing the number of registered businesses to 334
- 95 solutions were made available, with nineteen new solutions published in the fourth quarter of 2009-10
- 865 people accessed a solution and 95 people added a solution to their shortlist.

Users may link their Twitter account, as well as Facebook and LinkedIn Channels.

In the second quarter, two Top 10 Solution widgets were embedded on partner websites. The ResourceSmart and Bendigo Bank websites each host a widget, providing their users with a dynamic Top 10 list of solutions as rated by businesses.

http://www.resourcesmart.vic.gov.au/for_businesses_4328.html

http://www.bendigobank.com.au/public/generationgreen/generation_green/green_business.asp



Campaigns



Choose GreenPower pilot and market research

In the fourth quarter, we began designing a campaign to increase the uptake of GreenPower and/or offsets among SMEs, which would assist us in achieving our objective of carbon abatement.

The campaign plan was to incorporate a 'viral' communication component to generate awareness and target the community and employees in order to influence SME decision makers.

External market research was conducted with SMEs and consumers to obtain feedback on the concepts. A major recommendation from the market research was to exclude offsets from the concept due to confusion and lack of awareness about them.

We also piloted an offer to SMEs where we compared their existing electricity plan with available GreenPower plans on the market. The results were very promising and provided many insights into the way in which SMEs purchase and consume electricity. The analyses showed that as at the end of June, businesses consuming less than 40 MWh/year could save money (\$40/year) by switching to a more appropriate plan and incorporating (on average) 50% GreenPower. While the cost saving is minimal, it is contrary to the general opinion that GreenPower is prohibitively expensive.

As a result of this pilot, the offer will be incorporated into the GreenPower campaign.



Drivers for Change

This campaign ran during October and November 2009. It achieved three key goals:

- to generate knowledge and intelligence about economic and environmental drivers/motivators for change
- to reach 18,000 Victorian SMEs
- to research findings into motivators for SMEs around sustainability messaging.

Recipients used the well-known 6 star energy rating for appliances, online banner adverts and electronic direct mail, to assess, in a fun way, how energy efficient their business was. They completed six questions, which then 'ranked' them as an appliance type.

Throughout the promotion period, two key messages were trialled: one focused on environmental issues and the other on monetary issues.

This campaign confirmed that reach targets are addressed well through marketing and communication campaigns. The translation into action or activities needs to be through a more viable route. See 'Changes to campaign design' for more.



What can I do right now?

Want to reduce your carbon footprint right now?

Visit whatcanidorightnow.com.au and choose different ways to reduce your business' carbon footprint, improve sustainability performance and help the environment.

Sharing knowledge and experience

Whatcanidorightnow.com.au is a place where businesses can discover simple, effective and easy to implement carbon reducing solutions. The website was created with small to medium-sized businesses in mind, so you will find that the actions are quick and effective, reducing your business' carbon footprint and saving money.

In today's marketplace, businesses that can demonstrate a true commitment to improving their sustainability performance are looked upon with increasing favour. By implementing any one of the carbon reducing solutions listed on the **What can I do right now** website, you can gain a competitive edge and lead the way forward for sustainable business practices.

You do not have to join or become a member to enjoy the benefits it offers. Visit the site and you will have access to waste and recycling information, downloadable signs for the workplace, e-waste solutions and business networking opportunities through Carbon Compass.

Carbon Compass is an online community of Victorian businesses sharing their knowledge and experience in sustainable practice and gaining practical

advice on how to lower their emissions. You can access Carbon Compass through the **What can I do right now** website and, as the name suggests, Carbon Compass guides users towards a more sustainable future. It enables users to review case studies, find business solutions, ask questions, and access tools that allow them to integrate sustainability within their business.

By visiting Carbon Compass, and implementing the sites solutions into your business, you will not only reduce your resource use, costs and environmental impact; you can create new opportunities through networking with like-minded businesses.

An Australian study revealed that 77 per cent of small to medium-sized businesses are willing to take action on sustainability. Stand out from the crowd and be the business that has taken action. Start now. Visit whatcanidorightnow.com.au today.

whatcanidorightnow.com.au

What Can I Do Right Now?

What Can I Do Right Now? (whatcanidorightnow.com.au) was the second major campaign for 2009-10. Launched in May 2010, it was designed as a mass-reach campaign to encourage SMEs to change some of their behaviours. Its development was informed by lessons from Drivers for Change.

The website provides easy-to-understand and easy-to-implement ideas for SMEs. The content is regularly updated to ensure relevance and maximum impact.

The activities appeal to SMEs at different stages of their sustainability understanding and include:

- making a pledge to change/improve an aspect of sustainable behaviour
- signing up for Carbon Compass, allowing for individual research and ongoing action
- signing up to a monthly What Can I Do Right Now? newsletter, which encourages simple and quick activities and also provides more in-depth information.

The campaign was supported by **The Age** advertorials, Fairfax **'MySmallBusiness'** newsletter inserts and a strong social media plan, which uses Facebook, Twitter and LinkedIn to drive traffic to the site. Facebook advertising in particular has contributed significantly to overall social media activity.

In June 2010 we introduced 'What's new?', where visitors can get updates on recent sustainability-focused news and events, including the Top 5 Tweets.

At 30 June 2010, there were more than 200 subscribers to the monthly newsletter.

The top five Actions downloaded from the website were:

- download the waste checklist: a colour-coded listing of waste suitable for landfill, recycling, composting and worm farming
- energy visual inspection: a checklist that identifies 'quick wins' in the workplace
- green champion: a simple guide to becoming a green champion
- switch-off signage: A4 sized signage that encourages people to switch off lights
- e-waste: a guide to understanding what e-waste is, and how and where to dispose of e-waste products.

The campaign delivered 1988 activities and 1,774.1 tonnes of unverified carbon abatement in the six weeks from the launch to June 30 2010, contributing to Carbon Down's total activity target.

What can I do right now?

Want to reduce your carbon footprint right now?

Visit whatcanidorightnow.com.au and choose different ways to reduce your business' carbon footprint, improve sustainability performance and help the environment.

www.whatcanidorightnow.com.au

Carbon Down is a climate change partnership between VECCI and the Victorian Government

VECCI's Liam Henderson facilitates a Carbon Management 101 course.



Training

This year, we delivered a mix of sustainability training courses, workshops and briefings, resulting in 733 activities from 571 attendees.

The training was delivered by the Sustainability Services team and distribution partners, including the Society of Automotive Engineers, Stock Feed Manufacturers Association of Victoria and Victoria University via the EnviroHub, and focused predominantly on Carbon Management 101.

We added three new courses: Sustainability 101, Business Sustainability 101 and a Green Office Briefing, which targets SMEs as well as staff from larger organisations and aims to reduce greenhouse gas emissions generated in offices.

During the fourth quarter, the Resource Efficiency and Action Program (REAP) was developed in conjunction with Hume City Council and the Department of Innovation, Industry and Regional Development, and implemented. REAP includes workshops and onsite visits, assessments and business-specific advice. The program started in June and is due to conclude in mid-September. There are ten businesses, mainly from manufacturing, participating in the program.

Feedback from our sustainability sessions includes:

'The session was great to discuss with fellow attendees. The presenters were very good and created a great supportive educational environment.'

'Very, very interesting topic was presented in a relaxed and not confronting atmosphere. I think all our staff could benefit from this course.'

'I very much enjoyed the informative and informal atmosphere. It was great for sharing knowledge and experiences with others.'

'Complicated concept and content to most other people was presented in an easy to understand format.'

'The carbon related terminology was broken down simply and helped me to improve my understanding about carbon management. It will help me to do business better.'

Stakeholder engagement

Industry advisory council

The Industry Advisory Council (IAC) played a key role in assisting Carbon Down throughout the year. The IAC comprises:

- Maree Davidson (Chair, Davidson Consulting)
- Gary Veale (KPMG)
- Lane Burdett (Business DIY)
- Melinda Geertz (Leo Burnett)
- Michael McIntosh (Moreland City Council)
- Stacey Kaye (Small Business Victoria)
- Steven Plarre (Ferguson Plarre Bakehouses)

The team provided advice and guidance about seeking opportunities to collaborate with other organisations and feedback to assist us to develop consistent, simple and clear messaging. The team's input to Carbon Compass supported us to best position the resource and develop suitable content for SMEs.

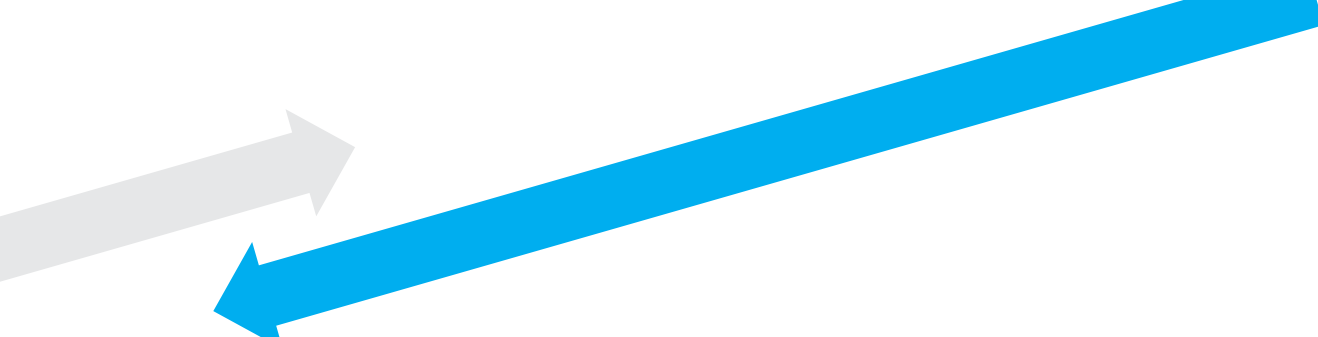
The IAC also contributed strongly to:

- recommendations about focusing on and promoting specific activities that SMEs can do practically and simply (the input was particularly helpful in developing the What Can I Do Right Now? Campaign)
- a recommendation to transform Carbon Down from a 'silent brand' to an 'open source brand'; this has improved the brand profile
- the development of Carbon Down's business plan.

The IAC has a clear, shared commitment to making a difference, which is much appreciated by the Carbon Down team. We thank all members of the IAC for their input, advice and guidance in 2009-10 and we look forward to an ongoing relationship in the final year of the current program for 2010-11.

Members of the Carbon Down Industry Advisory Council with a themed cake made by IAC member Stephen Plarre from Ferguson Plarre Bakehouse. Left to Right; Melinda Geertz, Diane Hood, Gary Veale, Stephen Plarre, Michael Cox, Maree Davidson, Lane Burdett, Stacey Kaye





SME Ambassadors media campaign

Carbon Down conducted a media campaign in November 2009 using our SME Ambassadors.

The campaign leveraged off the national emissions trading scheme (ETS) debate. By extrapolating the environmental savings experienced by Grow Me The Money participants to businesses nationally, it was calculated that, using basic measures, businesses could deliver one-third of Government's proposed emissions cuts.

We developed a narrative with the following theme: 'If the business community follows the example of the early adopters in applying sustainable measures, this will make an enormous impact towards meeting ETS targets - together we can make a real difference.'

The media release, titled 'Businesses can deliver one-third of Government's proposed emissions cuts with basic measures', generated 20 pieces of media coverage - eleven in Tier 1 media and nine in Tier 2 media. Coverage included [The Age Business Day](#), [theaustralian.com.au](#) and [ProPrint Victoria](#), a leading trade publication in the print industry. All media coverage was favourable and on message.

The SME Ambassadors Ricardo Krauskopf (Alto Hotel) and Rob Nugent (Vega Press) received a total of fourteen media mentions. Rob Nugent (Vega Press) was also interviewed by Lindy Burns on ABC 774, and discussed the actions his business has taken, positive outcomes and the level of support offered by organisations such as VECCI.

Knowledge and insights

Brand strategy

Carbon Down began as a 'silent brand' designed to support specific partnerships in preference to developing a market presence. Recognition would be via major stakeholders and partners. However, two major factors have meant Carbon Down is developing brand recognition:

- achieving Carbon Down objectives requires a level of action independent of partnerships, within the SME target audience
- when working through partnerships, how Carbon Down brand is utilised is individual to each partnership agreement and considers the resource and capacity of both Carbon Down and the partner.

Carbon Down as a brand is extremely strong. It is simple and easy to understand and our audience instantly understands the brand aim. The combined brands of VECCI and Sustainability Victoria add commitment, stability, longevity and business focus. Carbon Down, as the lead brand, is always supported by both the partnership tagline and VECCI and Sustainability Victoria logos.

Moving into our third year, the Carbon Down brand will continue to have an independent presence and talk to more than the core stakeholders and partners. Having built a level of recognition and understanding there is an unmissable opportunity to actively engage SMEs in conversation and encourage action.

Activity versus abatement

Throughout 2009-10 we gained insight into the relationship between the activities and carbon abatement targets. The following table gives examples of activities categorised according to whether they are knowledge, efficiency or adaption based.

What is surprising is that the efficiency-based actions require more effort and dollars from Carbon Down (they are high maintenance) than the adaption-based actions, which tend to be lower maintenance and require less effort and dollars to achieve carbon abatement. This is because adaptation-based initiatives often have longer periods of carbon abatement associated with them, whereas efficiency-based actions require follow-up and reinforcement to ensure ongoing results.



<p>More Activities</p> <p>More Carbon</p>	Action type	Examples
	Knowledge based	<ul style="list-style-type: none"> • Events and training attendance • Carbon footprint calculations • Downloads of information such as fact sheets, guides etc
	Efficiency based High-maintenance actions	<ul style="list-style-type: none"> • Switching off lights and computer screens • Waste avoidance and recycling • Resetting thermostats
	Adaption based Low-maintenance actions	<ul style="list-style-type: none"> • Delamping • Changing to CFL light globes • Purchasing GreenPower or Offsets

Example: We know from the Awards for Action program that 572 committed-to actions achieved 180 tonnes of carbon abatement, which were predominantly high-maintenance actions. Conversely the Ban the Bulb project, focusing on the low-maintenance action of changing to CFL light globes, resulted in 500 actions and just under 11,000 tonnes of carbon abatement.

Another key differentiator that has emerged is that the knowledge and efficiency-based actions are integral to behaviour change, particularly the efficiency-based actions, which require less cost and time for the SME than adaption-based actions.

This table looks at relative conversion rates for each of the three project types.

Action type	Number of SMEs*	Activities	Carbon abatement
Knowledge based	300	900	0
Efficiency based	300	9,000	3,000
Adaption based	900	900	20,000
TOTAL	1,500	10,800	23,000

*Note this is a portion of the number of SMEs reached with key messages that have converted to taking action, typically through the development of a more direct relationship.

Key lessons include:

- more activity results are achieved from efficiency-based actions; more carbon abatement is achieved from adaption-based actions
- behaviour change is driven by awareness and activities: action forms habits
- energy efficiency actions reach a lower number of SMEs, but drive a higher ratio of actions per SME
- adaption actions touch a higher number of SMEs and drive a 1:1 ratio of activities to SME
- adaption actions allow us to target our marketing to effectively drive outcomes
- we need activities for behaviour change; however for the key goal of carbon abatement, a more targeted activity is required.

The analysis in this area has led to a change in targets for 2010-11. Targets were previously set for activities and abatement across the two years at a 4:5 ratio (40,000 activities: 50,000 tonnes of CO₂e abatement).

Given that the relationship between activities and abatement is much more variable, and while we need both activities and abatement, it was recommended that as the key goal is carbon abatement we would increase that goal and moderate the goal for activities. Further, as the number of SMEs we impact is critical to the program success, it was agreed that we would add a measure for SMEs directly engaged through Carbon Down. View page 29 for the 2010-11 objectives and targets.



Changes to campaign design

A key lesson from 2009-10 drove changes in the way Carbon Down approached campaigns. Prior to the design of What Can I Do Right Now?, campaigns were large, stand-alone and targeted a broad spectrum of Carbon Down's goals. The Drivers for Change campaign was designed on these premises; as a result of a detailed review of outcomes, decisions were made to change our campaign approach to shorter, more targeted and repeatable activities.

The campaign achieved its objective to generate knowledge and intelligence about economic and environmental drivers/motivators for change, but did not achieve the desired Grow Me The Money registrations or location results.

Drivers for Change confirmed that reach targets are addressed well through large marketing campaigns, but that the translation into action or activities does not easily flow. It confirmed that:

- environmental messaging resulted in a slightly higher rate of opening than monetary messaging (via electronic direct mail)
- search engine marketing with 'eco-friendly' had the highest clicks and impressions with 'energy saving' and 'electricity saving' among the most popular. 'Energy efficient', 'green' and 'energy' were common
- online banner advertising was not an effective medium for reaching SMEs
- highest reach results were found in one-to-one communications (via electronic direct mail)
- short-term, specific activities appeared to be favoured over longer term commitments
- combining research and reach KPIs with larger decision-based calls to action (e.g. register for Grow Me The Money) was not effective.

What Can I Do Right Now? benefited from the application of lessons from the previous campaign, and gained impressive results in the first six weeks of the campaign.

Through inception, design and delivery the lead message remained central to all decision points: quick access to practical and easy-to-implement actions that will help improve sustainability performance and save money.

Post launch, a key learning was derived from the Make a Pledge activity. We asked users to pledge an action (either one of the campaign actions or one of their own). Testing the pledge activity had two purposes: to explore the viability of generating activities in line with Carbon Down program KPIs; and to gauge the response when we ask to follow up on the actual pledge, directly with the users. Feedback suggests that users view a pledge as more permanent when it is online, more so than when written and handed to a session facilitator or written in a workbook. Consequently, there were a lower number of pledged activities than anticipated.

The strong social media component of What Can I Do Right Now? has demonstrated the benefit of 'having a conversation' with SMEs. Via our social media channels, we have seen a high level of enthusiasm for the campaign, including the sharing of information (via 'Forward to a friend'). We have generated interest, thereby gaining access to a much larger constituency than previously possible.



Carbon Down's 'What can I do right now?' website launched in May 2010, to help small to medium businesses identify and implement easy carbon reducing activities.

Delivering to SMEs online

We see social media as an integral way in which we can engage with key stakeholders, increase the reach of key messages and raise brand awareness of our products and services.

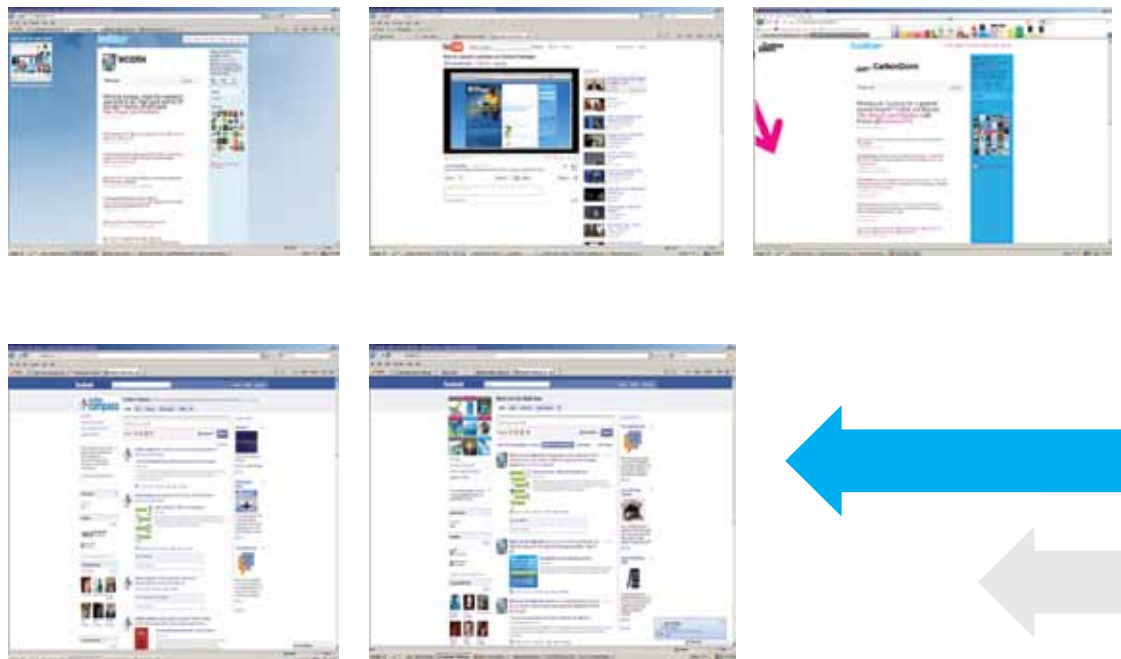
We are present across a number of social media platforms, including Twitter, Facebook, LinkedIn and YouTube. We tailor our involvement to the different services, thereby having a strategically varied presence.

Social media objectives for the year were focused on driving traffic to Carbon Compass and What Can I Do Right Now?, as well as increasing reach, and, most importantly, engaging an audience that might not traditionally have been approachable and/or approached using this method.

The reach statistics gathered at the conclusion of financial year demonstrate the power and effectiveness of social media as a communications channel which reached an audience of 32,600; 86% of this reach can be attributed to Twitter.

A total of 1,382 Carbon Down activities were achieved via social media, including activities such as becoming a fan of and commenting on the Facebook page, following the Carbon Down or What Can I Do Right Now? Twitter account and 're-tweeting', or commenting on the VECCI Sustainability LinkedIn group.

The addition of the VECCI Sustainability YouTube channel has provided engaging content to this audience, including tutorial videos for Carbon Compass.





Financials

Financial audit

The Carbon Down program is funded \$10 million over three years: 2008-09, 2009-10 and 2010-11. The audited financials for year 2009-10 are included below:



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INDEPENDENT AUDITOR'S REPORT
TO THE VICTORIAN EMPLOYERS' CHAMBER OF COMMERCE AND INDUSTRY ("VECCI")

Scope
We have audited the attached Income & Expenditure Statement for Carbon Down Program for the period ended 30 June 2010. The management of VECCI are responsible for the preparation and presentation of the Statement and the information it contains.

The Statement has been prepared for Sustainability Victoria to show accountability for the grant funding received and not for any purpose other than that for which it was prepared. We have conducted an independent audit of the Statement in order to express an opinion on it as required by Sustainability Victoria.

Our audit has been conducted in accordance with Australian Auditing Standards to provide reasonable assurance as to whether the Statement is free of material misstatement. Our procedures included an examination, on a test basis, of evidence supporting the amounts disclosed in the Statement. These procedures have been undertaken to form an opinion as to whether, in all material respects, the Statement is presented fairly in accordance with the requirements of the collaboration agreement.

The audit opinion expressed in this report has been formed on the above basis.

Audit Opinion
In our opinion, the attached Income and Expenditure Statement in relation to the Carbon Down Program:

- (i) presents fairly the income and expenses for the period ended 30 June 2010; and
- (ii) have been extracted from the financial records of VECCI which have been prepared on the basis of accounting policies consistent with applicable Australian Accounting Standards.


MOORE STEPHENS
Chartered Accountants


S. David Pitt
Partner

Dated: 14 September 2010

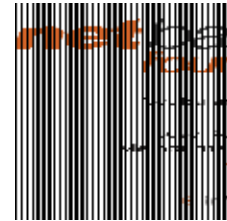
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Carbdown
Income and Expenditure Statement
for the period
1 July 2009 - 30 June 2010

<u>Income</u>	Excluding GST	Including GST	Cash received
INV000625	\$ 500,000.00	\$ 550,000.00	31/08/2009
INV000653	\$ 500,000.00	\$ 550,000.00	8/12/2009
INV000663	\$ 500,000.00	\$ 550,000.00	8/12/2009
INV000679	\$ 300,000.00	\$ 330,000.00	22/12/2009
INV000688	\$ 300,000.00	\$ 330,000.00	12/04/2010
INV000712	\$ 350,000.00	\$ 385,000.00	12/04/2010
INV000727	\$ 200,000.00	\$ 220,000.00	22/04/2010
INV000738	\$ 250,000.00	\$ 275,000.00	1/06/2010
INV000758	\$ 300,000.00	\$ 330,000.00	
GST Received	\$ 320,000.00		
Total Income	\$ 3,520,000.00	\$ 3,520,000.00	
 <u>Expenses</u>			
Audit fees	\$ 2,750.00	\$ 3,025.00	
Administration Fees	\$ 319,999.96	\$ 351,999.96	
Advertising & Promotions	\$ 433,505.23	\$ 476,855.75	
Catering	\$ 1,974.60	\$ 2,172.06	
Computer Hardware		\$ -	
Computer Software Licences	\$ 2,665.00	\$ 2,931.50	
Consultants	\$ 187,030.92	\$ 205,734.01	
Courier/Freight	\$ 30.40	\$ 33.44	
Entertainment (FBT)	\$ 237.89	\$ 261.68	
Entertainment (Non FBT)	\$ 1,052.69	\$ 1,157.96	
Event Consumables	\$ 117,234.81	\$ 128,958.29	
Grants	\$ 523,914.95	\$ 576,306.45	
Grants - Innovation Fund	\$ 100,336.85	\$ 110,370.54	
Legal Expenses	\$ 30,532.00	\$ 33,585.20	
Mobile Phones	\$ 2,743.71	\$ 3,018.08	
Parking		\$ -	
Photocopying		\$ -	
Postage	\$ 623.57	\$ 685.93	
Printing	\$ 4,490.65	\$ 4,939.72	
Product Development	\$ 75,672.83	\$ 83,240.11	
Research & Development	\$ 128,465.68	\$ 141,312.25	
Stationery - Office Supplies	\$ 1,313.73	\$ 1,445.10	
Subscriptions	\$ 4,710.70	\$ 5,181.77	
Taxi Expense	\$ 1,981.64	\$ 2,179.80	
Telephone / Fax	\$ 7,003.55	\$ 7,703.91	
Travel & Accommodation	\$ 2,752.35	\$ 3,027.59	
Website Development	\$ 284,015.29	\$ 312,416.82	
Salary & Allowance	\$ 650,998.86	\$ 716,098.75	
Oncosts - Annual Leave	-\$ 1,009.24	-\$ 1,110.16	
Oncosts - Long Service Leave	-\$ 7,599.03	-\$ 8,358.93	
Oncosts - Payroll Tax	\$ 34,939.13	\$ 38,433.04	
Oncosts - Superannuation	\$ 56,724.71	\$ 62,397.18	
Oncosts - Work Cover	\$ 3,234.92	\$ 3,558.41	
Recruitment Costs	\$ 10,402.75	\$ 11,443.03	
Rewards & Recognition	\$ 333.33	\$ 366.66	
Staff Training	\$ 8,507.97	\$ 9,358.77	
Temporary Staff	\$ 132,277.60	\$ 145,505.36	
GST Paid	\$ 312,365.00		
Total Expenses	\$ 3,436,235.00	\$ 3,436,235.00	
Balance Carried Forward	\$ 83,765.00	\$ 83,765.00	

Carbon audit

Carbon abatement is a key program objective. Below is the independent review statement relating to greenhouse gas (GHG) abatement claims for Carbon Down projects, as conducted by Net Balance.



FINAL - INDEPENDENT REVIEW STATEMENT

To the management of Carbon Down and its stakeholders:

Carbon Down commissioned Net Balance Foundation Limited (Net Balance) to provide independent review of greenhouse gas (GHG) abatement claims for abatement projects implemented during the 2009-10 financial year. Carbon Down was responsible for the preparation of all documentation supporting the abatement claims and this statement represents Net Balance's independent opinion. Net Balance's responsibility in performing our review is to management of Carbon Down alone and in accordance with the terms of reference agreed with them. Other stakeholders should perform their own due diligence before taking any action as a result of this statement.

Verification Objectives

The objective of the review process is provide Carbon Down and its stakeholders with an opinion on the integrity of information and calculations supporting GHG abatement claims for abatement projects implemented by Carbon Down during the 2009-10 financial year.

The Scope and Methodology

The scope of the verification covered three GHG abatement projects:

- Ban the Bulb.
- Innovation Facilitation.
- Grow Me The Money.

The verification engagement was undertaken during September 2010, and included:

- a desktop review of abatement calculations and supporting documentation
- interviews with key personnel responsible for preparing abatement claims for the three abatement projects.

Abatement claims were verified against "Carbon Down's Policy and Procedure for Calculating Greenhouse Gas Abatements" with guidance from ISO14064-2:2006, "Specification with guidance at the project level for quantification, monitoring and reporting of greenhouse gas emission reductions or removal enhancements".

Review Level and Limitations

The level of the review is moderate as defined by the scope and methodology described in this statement. The review scope covered the processes and calculations used to determine abatements resulting from Carbon Down's 'Ban the Bulb', 'Innovation Facilitation' and 'Grow Me The Money' abatement projects. Abatements resulting from reductions in transport were not included as part of the scope. Participant data for the Innovation Facilitation project was only traced back to the "Grow Me The Money" online abatement program. Invoices and other such source data was not independently reviewed for accuracy and completeness.

Our Independence

During the 2008-09 financial year Net Balance was commissioned by Carbon Down to develop a policy and procedure for calculating greenhouse gas abatements. Net Balance has not provided any other advisory services to Carbon Down. This verification engagement reviewed Carbon Down's adherence to that policy and procedure. Net Balance was not responsible for preparation of any of the abatement calculations and considers this review complementary to previous work undertaken for Carbon Down.



Our Competency

The review was carried out by an experienced team of professionals led by a Lead Sustainability Assurance Practitioner (Lead CSAP), accredited by the International Register of Certified Auditors UK (IRCA UK) and Fellow of the Institution of Engineers Australia. The engagement included specialists with expertise in greenhouse gas accounting and verification.

Our Opinion

Net Balance has independently reviewed Carbon Down's GHG abatement claims for 2009-10 against the methodology presented in "*Carbon Down's Policy and Procedure for Calculating Greenhouse Gas Abatements*". Any errors identified during the verification process were corrected prior to claims being published. Net Balance is satisfied that the GHG abatement claims are a fair and accurate representation of Carbon Down's performance during the period.

Based on the scope of the review process, the following was observed with regard to Carbon Down's adherence to its policy and procedure for calculating GHG abatements:

- Defining Boundaries - Carbon Down adequately defined GHG emissions boundaries for the three GHG abatement projects.
- Baseline GHG Emissions - Carbon Down established satisfactory baseline GHG emissions for the three abatement projects.
- Abatement calculations were carried out using appropriate methods and conversion factors that are likely to produce robust results. However, as no supporting source data was sighted during the review for the 'Innovation Facilitation' and 'Grow Me The Money' abatement projects, Net Balance is unable to provide comment on the accuracy of abatements calculated for these projects.
- Documentation of the preparation and implementation phases of the abatement projects was inadequate to satisfy the requirements of ISO14064-2. Carbon Down should move towards a more robust documentation process. This should cover both the preparation and implementation phases of the abatement projects.

The Way Forward

Net Balance has provided suggestions for improvements in some areas. These have been outlined in a more detailed report presented to Carbon Down.

On behalf of the verification team

5 October 2010

Melbourne, Australia



Terence Jeyaretnam

Director, Net Balance & Lead CSAP (IRCA UK)



The year ahead

This report provides an update on our direction and activities for 2010-11 based on the lessons learned to date, working with our partners and listening to our stakeholders.

Carbon Down is designed to refresh and improve its program design and methodologies as evidence dictates and our knowledge improves with program experience. The 2010-11 financial year will consolidate our knowledge about and bring to fruition the design and methodologies to deliver effective activities and carbon abatement.

We will use four main ways to reach, engage and influence SMEs. They are:

- **Relationships:** SMEs are notoriously difficult to engage with, given their time-poor nature. By providing knowledge, funding and support to organisations that can distribute to and engage with SMEs, Carbon Down can in return focus more so on what is required to support SMEs to reduce their carbon footprints.
- **Online:** Carbon Down has built considerable expertise in web development, online communications and social media. Along with our growing portfolio of collateral we are well placed to leverage the power of online platforms and technologies to reach, engage and influence Victorian SMEs.
- **Campaigns:** In 2009-10 we trialled 'big bang' marketing campaigns to achieve outcomes which, while successful in achieving reach, did not convert well into activity. This year we will continue to focus on simple, 'bite-sized' incremental campaigns and messaging that will aim to achieve the three KPIs of reach, activity and carbon abatement when and where appropriate. This tactical approach complements and balances the opportunities that relationships provide us throughout the year.
- **Consumers:** SMEs give us the unique opportunity to influence behaviour through consumers. Carbon Down will build a 'supply chain partnership' to underscore the influence that a large organisation can have on SMEs. We will also increase recognition of businesses' carbon reduction outcomes and demand among the broader consumer base for environmentally friendly businesses. We will seek to fulfil an original Carbon Down goal to assist business in overcoming the barrier of cost by aggregating their volume power.

Objectives	Enablers	KPI
Raise awareness among Victorian SMEs of the need to reduce carbon dioxide emissions for environmental and economic benefit	Communications campaigns, number of locations SME can find key messages, and research conducted	Reach 250,000* Victorian SMEs with key messages [†]
Increase number of SMEs undertaking carbon management action	Partnership projects, development and distribution of products and solutions such as training, events, Carbon Compass and What Can I Do Right Now? campaign	20,000 SMEs directly touched (8% conversion from awareness) [‡] 12,000 [§] activities
Demonstrate measurable carbon reduction by SMEs	Partnership projects and delivery of products and solutions	40,000* carbon abatement tonnes

* Increased from 36,500 based on lessons learned from 2009-10. Target involves maintenance of 2009-10 results.

[†] Key messages can include: knowledge of what carbon/greenhouse gas is, recognition of businesses contribution to the problem, awareness of carbon profile of average business and awareness of where to find more information.

[‡] Defined as SMEs acting via program partnerships, innovation fund initiatives, online interactions, training or campaigns specifically directed towards activities.

[§] Reduced from 30,000 activities as per lessons learned in 2009-10.

[#] Increased from 30,000 tonnes to reflect higher activity to carbon abatement ratio.

Notes



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Carbon Down is a climate change partnership
between VECCI and the Victorian Government

