



BAFWAC

Partnership for a Cleaner Environment (PACE)

an Ford Motor Company case study

November 2017



Company details

The Ford Motor Company is an American multinational automaker headquartered in Dearborn, Michigan, a suburb of Detroit. Ford is the second-largest US-based automaker and the fifth-largest in the world, according to 2015 vehicle production. Ford employs 199,000 people across 67 plants and facilities worldwide, including US, Canada, Mexico, China, the United Kingdom, Germany, Turkey, Brazil, Argentina, Australia, and South Africa. Its revenue for 2016 was US\$151.8billion.

Summary of action

In view of the risks posed by climate change and water scarcity, Ford Motor Company decided to set targets to reduce water consumption in its operations by 2020 and create a partnership with suppliers to promote water stewardship and best practice.

Program rationale

Water has been a priority for the Ford Motor Company since 2000, when Ford announced its first water reduction targets. Recognizing the need for collective action around water, Ford pursues partnerships to solve challenges and share best practices with its suppliers, notably through the Partnership for a Cleaner Environment (PACE) program and through employee engagement.

Program approach

Ford has set targets to reduce water use in manufacturing operations by 30% per vehicle from 2015-2020. This supports Ford's goal of zero potable water use for manufacturing water and is the foundation for their ultimate goal of zero water withdrawal for their manufacturing processes.

Ford has also initiated the PACE program for reducing GHG emissions and water use among its suppliers. The PACE program involves creating multi-year roadmaps using baseline environmental data and regular progress updates towards a series of goals. This is reported to Ford, along with additional best practices in their own and their suppliers' facilities.

In addition to targets and PACE, Ford has a global grant program for community projects identified by employees, some of which relate to water and climate.

Lessons learned

Implementing new technologies can be a challenge, but when Ford developed the minimum-quantity lubrication that is now the standard in any of its new powertrain operations they saw cheaper operating costs and energy consumption savings of up to 40%. This shows that taking action on water can also lead to reduced labor and energy costs.

What next?

Ford will introduce real time water metering in its own facilities and continue to pursue its water consumption targets, as well as expand PACE to additional suppliers.

Sources

- <https://www.at.ford.com/en/homepage/news-and-clipsheet/news/2017/2/bill-ford-better-world-challenge-is-open-for-life-changing-ideas.htm>



Results & Benefits

- Reductions were achieved by implementing new technologies in assembly plants, such as minimum-quantity lubrication in powertrain plants, and in the future Ford will be introducing real time water metering to aggressively manage water use.
- Since 2000, the Ford Motor Company has reduced water use per vehicle by 61%, and by 2020, it expects to reduce water use per vehicle by nearly 75%.
- Building up the PACE program has enabled Ford to encourage suppliers to implement some of these initiatives in their own facilities, and for Tier 1 suppliers to share these best practices with their own suppliers, amplifying stewardship throughout the supply chain.
- PACE received the Sustainable Purchasing Leadership Council's Outstanding Case Study Award in 2016.
- The Thailand Clean Water Community Project is an example of how employee engagement with sustainability issues has benefitted a community. In collaboration with the World Vision Foundation, volunteers helped rebuild a water system in Chanthaburi. The water system now serves over 3,300 people, including a local school.



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BAFWAC was jointly launched by CDP, CEO Water Mandate, SUEZ, and World Business Council for Sustainable Development (WBCSD) in December 2015. The initiative commits companies to analyze and report water-and-climate-related risks and impacts, and to implement collaborative response strategies along the value chain.

[bafwac.org](https://www.bafwac.org)