



reporting 3.0
context for thriveable transformation

Reporting 3.0 Blueprint Series - New Blueprint Project Outline for Blueprint #7: Value Cycle

- Purpose of the Blueprint

Aspect	Explanation
Introduction	This Blueprint seeks to redefine Michael Porter's linear notion of a <i>Value Chain</i> to the more holistic notion of a <i>Value Cycle</i> that operates in alignment with thermodynamic laws and the cyclical, regenerative aspects of natural, social, and economic systems. This redefinition also extends beyond the notion of the <i>Circular Economy</i> , which has been critiqued for focusing on material circularity without factoring in the sustainability of other natural and social cycles, including on human beings and wellbeing in general.
Focus	This Blueprint focuses on both elements of its title: <ul style="list-style-type: none"> ● Value: Linear industrial models focus on monocapitalist <i>value extraction</i> (which ultimately leads to <i>value extinction</i>), whereas cyclical multicapitalist models focus on what the Future Fit Foundation calls <i>System Value Creation</i>, or Strategic Management Forum calls <i>Valueism</i> – both of which define value holistically, not just financially. ● Cycle: Systems-based approaches recognize the cyclical nature of resource regeneration where carrying capacities define thresholds dividing capital (resource) stocks (that need to be retained) from flows (that can be drawn upon).
Link to other r3.0 Blueprints	<ul style="list-style-type: none"> ● Reporting Blueprint: The <i>Reciprocity</i> and <i>Circularity</i> Principles call for value cycle approaches. ● Accounting Blueprint: Multilayered, multicapital accounting sets a strong foundation for value cycle accounting. ● Data Blueprint: The Daly Hourglass calls for seamless data architecture across value cycles, enabled by digital applications such as distributed ledger technologies (DLT, or blockchain / holochain). ● New Business Models Blueprint: Integral Business Models account for impacts across the value cycle, as covered in the Integral Business Model Template.

	<ul style="list-style-type: none"> ● Transformation Journey Blueprint: The Transformation Journey calls for taking a holistic approach that seeks to build “economies of reciprocity” in value cycles where system value can be generated in ways that scale mutually beneficial positive impact.
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● **Areas the Blueprint will cover**

Aspect	Explanation
System Value & Valueism	To redefine <i>Value Chains</i> to <i>Value Cycles</i> first requires redefining Value by defining <i>System Value</i> and <i>Valueism</i> , which challenge the fundamental underpinnings of prevailing economic theory.
Circular Economy → Cyclical Economy	A Circular Economy is a subset of a Cyclical Economy, which takes into account not only cycles in built capital (ie material), but also cycles across all other capitals (natural, social, human, etc).
Scope 3	A Value Cycle Blueprint will necessarily have to grapple with challenges inherent in Scope 3 accounting.
Technology & the Value Cycle	Distributed Ledger Technology (DLT, or blockchain / holochain) in particular enables data tracking across the value cycle.
Lifecycle Assessment	LCA has always encompassed the entire value chain, so shifting to a value cycle lens promises to further enhance LCA approaches.

● **Resources the Blueprint will build upon**

Resource	Explanation
System Value & Valueism	System Value and Valueism represent emerging concepts that this Blueprint will build upon and extend.
Circular Economy & its Critiques	The Ellen MacArthur Foundation has produced an invaluable body of knowledge around the Circular Economy that this Blueprint will build upon, while also addressing critiques of the Circular Economy that identify gaps.
Scope 3 in Standards / Frameworks	Standards and frameworks such as the Science Based Targets Initiative address Scope 3 issues with variable degrees of discipline and cyclical holism, providing opportunities for enhancement.
Data / Technology Resources	Data and technology play a key role in transforming mindsets and performance tracking, so resources such as this resource laying out the potential for DLT to address ecological valuation across the value cycle will be important to integrate into BP7.

- **Expected outcomes of the Blueprint**

Outcome	Detail
Repository	Blueprints typically result in a repository of source materials numbering in the hundreds, compiled into a repository.
Infographics from virtual dialogue	Blueprint development typically involves a virtual dialogue on Convetit for each Exposure Draft, resulting in infographic reports.
Public comment	After vetting two Exposure Drafts with the Working Group of 20-40 global experts, a Public Comment period precedes final publication.
Blueprint #7	The final version of Blueprint #7 will be published as a Reporting 3.0 Blueprint Report.

- **Parties who should be involved**

Main role – (S)=sponsors; (W)=work/research partners; (D)= Data providers; (V)=validating / networking partners	
Sponsors (S)	Economy-oriented foundations, governments, multilaterals; companies with complex value cycles.
Research partners (R)	Research universities and think tanks; individual experts.
Work partners (W)	Advocation Partners and Transformation Journey Program Participants.
Data providers (D)	Supply and Demand Chain (Value Cycle) Data Providers.
Validating / networking partners (V)	Reporting 3.0 involves influential players that aren't in a position to contribute formally in this Blueprint Project to reflect and add opinions where deemed necessary. This increases the visibility of the project and recognition of the outcome.

- **Management of the Blueprint project**

Function	Role Description
Program manager	Ralph Thurm
BP Lead(s)	Bill Baue, Ralph Thurm
Corporate Participants	7-10
Network Representatives	7-10
Non-Profit Representatives	7-10

- **Timeline**

Month	Activities
1	Call for participation, set up of working group, budget check, official launch
2-3	Literature collection, analysis, 1:1 expert interviews
4	Structuring of outcomes, 1st meeting working group
5-6	Development of first draft blueprint with participants
7	Online Think Tank, infographic development
8	Structuring of outcomes, 2nd meeting working group
9-10	Final draft to working group, public comment period
11-12	Final version of blueprint and release

- **Resources**

Contributions	Description
Funding	200k EUR, accepting donations as matching funding, and corporate contributions between 10k and 20k EUR
In-kind	possible

- **Contacts**

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- **About Reporting 3.0**

Reporting 3.0 fulfills an R&D function for the broader reporting and transformation field. It catalyzes extensive collaborative research and innovation into next generation solutions. We focus on the triggers transforming economic and business ecosystems. It is an answer to the need for consolidation, convergence, innovation and acceleration in a fragmented reporting market. Hence, Reporting 3.0 serves as a neutral, pre-competitive and market-making actor and delivers research, recommendations and tools for the public good.