

**ProRail**



## **Taking care together for less CO2.**

Note: The Dutch version prevails the English version.

# ProRail

*ProRail works in a transparent, professional and socially-responsible manner to ensure that the railway infrastructure is adequate, reliable and safe. We aim to be the best railway network manager in Europe. This also applies in the field of safety and environment.*

*As of 01 December 2009, ProRail will reward companies that produce in a climate-conscious manner. We do this by awarding points in tendering procedures. In this brochure you can read about how this works in practice.*

## Sustainable

The train is an environmentally-friendly means of transport and has an important social function. To reinforce this, ProRail has an ambitious environmental policy with a specific programme aimed at sustainability.

ProRail is implementing initiatives to make its products and their creation as sustainable as possible. For example, we want to be as economical as possible with raw materials and energy, and our staff are continuously looking for sustainable solutions to the questions that arise at ProRail. ProRail is also engaged in the calculation of its own carbon footprint and will be setting up a CO<sub>2</sub> reduction programme. As part of this reduction programme, ProRail also wants to encourage its suppliers to supply sustainable products and to manage their businesses in a sustainable fashion.

In this context, ProRail has developed the CO<sub>2</sub> performance ladder.

We have developed this instrument in order to challenge and encourage the companies that participate in our tenders to become aware of and reduce their own CO<sub>2</sub> production. In concrete terms: the more effort a company makes to reduce CO<sub>2</sub> the more chance that a contract will be awarded.

## The CO<sub>2</sub> performance ladder

### Levels and aspects

The CO<sub>2</sub> performance ladder has six levels, rising from 0 to 5.

For each level, a company is given a place on the performance ladder based upon a fixed set of requirements. These requirements stem from four aspects, each with its own weighting factor.

Code	Description of aspect	Weighting factor
A	Insight (into own carbon footprint)	40%
B	CO <sub>2</sub> reduction (recorded ambition)	30%
C	Transparency (the manner in which a company communicates about this internally and externally)	20%
D	Participation in initiatives (the degree to which a company collaborates with colleague companies in the field of CO <sub>2</sub> reduction)	10%

The better the CO<sub>2</sub> performance of a company, the higher is its position on the ladder. A company fulfils the requirements of a certain level if (1) the minimum requirements for A, B, C and D of the level in question and the requirements of the lower levels are satisfied and (2) the sum of the weighted scores at that level is at least 90% of the maximum score.

The precise requirements are incorporated in a certification scheme and the audit checklists based upon it. ProRail is the manager of this scheme. In this brochure you will find a broad description of the certification scheme, the regulations and the glossary of terms. You can find the audit checklists on our website.

## The CO<sub>2</sub> performance ladder and certification scheme (*general*)

CO <sub>2</sub> PERFORMANCE LADDER	
Level	Certification Scheme ( <i>general</i> )
5	The company demands a CO <sub>2</sub> emissions inventory for scope 1 and 2 in accordance with ISO 14064-1 or equivalent from its A suppliers. Furthermore, the company has, and reports upon, quantitative reduction objectives for scope 1, 2 and 3. The monitoring of progress with regard to these objectives is incorporated into the normal planning and control cycle. The company has publically committed itself to a CO <sub>2</sub> reduction programme operated by the government or an NGO and actively participates in the setting up and implementation of a (sector-wide) CO <sub>2</sub> reduction programme in collaboration with the government and/or NGO.
4	The company possesses a CO <sub>2</sub> emissions inventory for scope 1, 2 and 3 in accordance with ISO 14064-1 and has quantitatively-formulated reduction objectives for this for scope 1, 2 and 3. The company reports periodically on progress with regard to its objectives. The company maintains a dialogue with governments and NGOs on its CO <sub>2</sub> reduction strategy and takes the initiative for developing projects that facilitate CO <sub>2</sub> reduction in the sector.
3	The company reports on its scope 1 and 2 CO <sub>2</sub> emissions in accordance with ISO 14064-1 and has quantitatively-formulated objectives for reducing these CO <sub>2</sub> emissions. The company communicates the above-mentioned objectives both internally and externally and has an active role in (sector) initiatives relating to climate change.
2	The company has an insight into its own energy consumption and has the ambition to reduce energy consumption. In the policy relating to this ambition, the company distinguishes between the reduction of energy consumption, the purchase of green electricity, use of bio fuels and/or compensation. The company communicates internally (at least) on the above-mentioned measures and participates in a sector initiative regarding climate change.
1	The company has an insight into the most important energy flows and is investigating opportunities for reducing energy consumption. The company communicates on its energy reduction policy on an ad hoc basis and knows what initiatives are underway in the sector.
0	The company has little or no insight into its own energy consumption or its CO <sub>2</sub> emissions and has no demonstrable ambitions to reduce CO <sub>2</sub> . Furthermore, the company communicates neither internally nor externally on its vision or policy regarding climate change and does not participate in any sector initiatives in this field.

### Application

Each company assesses its own CO<sub>2</sub> performance based upon the certification scheme and the audit checklists. Then a conformity assessment body (CAB) verifies the data on the basis of the information submitted by the company, such as policy documents, technical reports, management reports, minutes, annual reports, communication procedures and resources. The CAB determines the level achieved and issues the applicable **CO<sub>2</sub> awareness certificate**. ProRail accepts all certifying institutions with NEN ISO 14065 accreditation. A transitional arrangement is included in the glossary under CAB.

If a company submits a tender to ProRail, the company sends a copy of its certificate with the tender. This applies for all companies that participate in a tendering procedure and that wish to be considered for the award of a contract: from consultancy agency to construction company.

## Advantage in contract award

The level that a company has reached in the reduction of its CO<sub>2</sub> emissions translates into an 'award advantage'. The higher the level on the certificate, the greater is the advantage that the company gains in the award weighting. See table below.

<b>CO<sub>2</sub> awareness certificate level</b>	<b>Award advantage</b>
5	10 %
4	7 %
3	4 %
2	2 %
1	1 %
0	0 %

In the case of award on the basis of the "lowest price", this award advantage means a (fictitious) discount of 10, 7, 4, 2, 1 or 0 percent on the tender price. In the case of award on the basis of the "most economically favourable bid" the price component in the score is modified by the percentage of the award advantage. How precisely this is done can be seen from ProRail's tendering documents.

Often a co-operative association of companies participates in a tender. In such a situation the company with the lowest score on the CO<sub>2</sub> performance ladder sets the level for the award advantage.

## Gaining experience

We take into account the fact that companies need to have time to adjust to the new system. Our main objective for 2009 is to gain experience with the CO<sub>2</sub> performance ladder. Over the years, CO<sub>2</sub> performances will receive an increasingly heavy weighting in the consideration of the award. In the long term it is also possible that we will use the CO<sub>2</sub> performance ladder as a means of selection for tenderers: only those companies that have reached a set level will be able to participate in our tendering procedure. ProRail's ambition is that we will ultimately no longer need the CO<sub>2</sub> performance ladder because all companies will have reached the highest level.

By introducing the CO<sub>2</sub> performance ladder, ProRail is encouraging companies to reduce their CO<sub>2</sub> emissions. Furthermore, we explicitly invite companies to submit proposals that would lead to lower CO<sub>2</sub> emissions by ProRail systems. This may, for example, take the form of an unsolicited proposal.

## Important benefits

Taking care together for less CO<sub>2</sub> emissions offers important benefits: for us and for the companies we work with.

ProRail is making a contribution to the (social) objectives for the long term and future generations. By their CO<sub>2</sub> reduction, companies also fulfil their social responsibilities in the conduct of their business and of course increase their chances of contract award and reduce energy consumption (and costs).

The federal government supports companies in their CO<sub>2</sub> reduction with subsidies. The Energie Investeringsaftrek (EIA) (Energy Investment Rebate) scheme is one such subsidy: companies can obtain fiscal compensation for investments in energy saving and/or sustainable energy. Furthermore, there are energy subsidies for development projects, including the Unieke Kansen Regeling (UKR) (Unique Chance Scheme). SenterNovem implements these schemes.

## Certification

Detailed information about certification can be found on our website. This covers the following components:

1. The audit checklists for each aspect.
  - A. Insight.
  - B. CO<sub>2</sub> reduction.
  - C. Transparency.
  - D. Participation in initiatives.
2. The section “From checklists to certificates” including
  - Conditions for certification.
  - An example of the completed scoring matrix.
3. The conversion factors to be used for the conversion of energy sources and/or activity into the quantity of CO<sub>2</sub> emission.

## Glossary of terms

<b>A supplier</b>	An A supplier is a supplier that belongs to the company's largest group of suppliers that together are responsible for at least 80% of purchasing turnover.
<b>Current</b>	Current means not older than 1 year unless the text clearly indicates otherwise.
<b>Carbon footprint</b>	Synonym for CO <sub>2</sub> footprint or CO <sub>2</sub> emission inventory: a measure for the emission of CO <sub>2</sub> as a result of the use of fossil fuels in traffic, air travel, transport, production of electricity, heating, etc.
<b>Conformity Assessment Body (CAB)</b>	<p>A conformity assessment body (CAB) is authorised by ProRail to perform verification if this CAB has been accredited in accordance with ISO 14065 by the RvA (Accreditation Council) or by a member of the IAF.</p> <p>As a transitional arrangement until the end of 2010 the following are also authorised:</p> <ul style="list-style-type: none"><li>• A CAB that has been accredited by the RvA in accordance with EA-6/03.</li><li>• A CAB that has been accredited for certification in accordance with ISO 14001 (work premises: construction, material and technical consultancy) and/or EMAS and which, in the opinion of ProRail, can bring to bear sufficient expertise to perform the above-mentioned verifications in a reliable manner.</li></ul>
<b>EN 16001</b>	NEN-EN 16001 Energy management systems – Requirements with guidance for use (draft).
<b>Energy audit</b>	An energy audit is an environmental audit with the emphasis upon the energy aspects of the company. In order to be able to take goal-oriented measures for the reduction of the energy consumption and the associated costs it is necessary to acquire an insight into the existing energy consumption, its distribution amongst the various commercial objectives, the causes of energy loss, et cetera. See also NEN-EN 16001.
<b>GHG protocol</b>	<p>Green House Gas protocol <a href="http://www.ghgprotocol.org/">http://www.ghgprotocol.org/</a></p> <p>The 'Greenhouse Gas Protocol (GHG Protocol) Initiative' was launched in 1998 by WBSD/WRI with the twin objectives of developing an international standard for accountability and reporting in connection with the emission of greenhouse gases by companies and to disseminate this standard as widely as possible. The GHG protocol consists of two modules:</p> <ul style="list-style-type: none"><li>• <i>GHG Protocol Corporate Accounting and Reporting Standard</i>. This document includes a step-by-step plan, guidelines for quantifying and reporting on CO<sub>2</sub> emissions.</li><li>• <i>GHG Protocol Project Quantification Standard</i>. A guide for measuring the results of CO<sub>2</sub> reduction projects.</li></ul>
<b>ISO 14064-1</b>	<p>Dutch standard <b>NEN-ISO 14064-1 (en)</b></p> <p><i>Description:</i></p> <ul style="list-style-type: none"><li>• Greenhouse gases - Part 1: Specification with guidance at the organization level for quantification and reporting of greenhouse gas emissions and removals</li></ul>
<b>ISO 14064-3</b>	<p>Dutch standard <b>NEN-ISO 14064 (en)</b></p> <p><i>Description:</i></p> <ul style="list-style-type: none"><li>• Greenhouse gases -- Part 3: Specification with guidance for the validation and verification of greenhouse gas assertions</li></ul>

<b>ISO 14065</b>	Dutch standard <b>NEN-ISO 14065 (en)</b> <i>Description:</i> <ul style="list-style-type: none"> <li>Greenhouse gases - Requirements for greenhouse gas validation and verification bodies for use in accreditation or other forms of recognition</li> </ul>
<b>ISO 14064, comment</b>	Dutch standard NEN-ISO 14064 (en) <i>Description:</i> ....., this part of ISO 14064 incorporates many key concepts and requirements stated by World Business Council for Sustainable Development / World Resources Institute (WBSD/WRI). Users of this part of ISO 14064 are encouraged to refer to WBSD/WRI for additional guidance on applying relevant concepts and requirements.
<b>Chain</b>	Chain is defined as a certain line of performing and purchasing companies.
<b>Small company</b>	A company is small if the total CO <sub>2</sub> emission from offices and company premises put together is less than 500 tonnes/year and the CO <sub>2</sub> emissions of all construction sites and production sites collectively is less than 2000 tonnes/year.
<b>NGO</b>	A non-governmental organisation (or NGO) is an organisation that is independent of the government and that focuses in one way or another upon a supposed social interest. In general, these are organisations that work towards the promotion of environmental protection, health, development work or human rights.
<b>Scope 1 emissions or direct emissions</b>	Scope 1 or direct emissions are emissions by the organisation itself, such as emissions by the company's own gas use (e.g. gas boilers, total energy installations and ovens) and emissions by the company's own fleet of lorries. See also scope diagram below.
<b>Scope 2 emissions or indirect emissions</b>	Scope 2 or indirect emissions are emissions that arise due to the generation of the electricity that the organisation uses, such as emissions by the power stations that supply this electricity. ProRail includes "Business Travel" and "Personal Cars for business travel" under scope 2. See also scope diagram below.
<b>Scope 3 emissions or other indirect emissions</b>	Scope 3 or other indirect emissions are emissions caused by activities by the company's own organisation, such as emissions from business travel, use of taxis, paper use, waste disposal. ProRail includes "Business Travel" and "Personal Cars for business travel" under scope 2. See also scope diagram below.
<b>Scope diagram</b>	
<i>ProRail includes 'Business Travel' and 'Personal cars for business travel' under Scope 2.</i>	
<b>Sector</b>	A sector is defined as the chain, including comparable competing companies.
<b>Voluntary CO<sub>2</sub> reduction programme</b>	A programme set up by the government or NGOs. In such a programme, organisations voluntarily commit themselves to the reduction of CO <sub>2</sub> . Examples of such programmes are: <ul style="list-style-type: none"> <li>Climate Savers, WWF: <a href="http://www.worldwildlife.org/climate/item3799.html">http://www.worldwildlife.org/climate/item3799.html</a></li> <li>Economy Light, Stichting Natuur en Milieu. <a href="http://www.economylight.nl">www.economylight.nl</a>.</li> <li>Climate Disclosure Project. <a href="http://www.cdproject.net">www.cdproject.net</a></li> </ul>

## Regulations

These regulations state the rules for the application of the CO<sub>2</sub> performance ladder and the certification scheme.

### a. Determining the level on the CO<sub>2</sub> performance ladder

A company satisfies the requirements of a certain level if (1) the minimum requirements for A, B, C and D of the level in question and the requirements of the lower levels are satisfied and (2) the sum of the weighted scores at that level is at least 90% of the maximum score.

A company without a certificate is by definition at level 0 on the ladder.

### b. Determining the level on the CO<sub>2</sub> performance ladder

- The legal person participating in the tender, at least, belongs to the “organizational boundary” of the company.
- The company determines its level on the CO<sub>2</sub> performance ladder by means of a self-evaluation (or internal audit). The requirements 5A, 4C, 5C, 4D and 5D do not apply for small companies. Therefore these requirements are (fictitiously) fulfilled.
- The company creates a portfolio of the required reference documents based upon the conclusion of its self-evaluation.
- Then the company engages a conformity assessment body (CAB) to verify the determined level – the requirements set down in the certification scheme apply here as standard. The verification of the carbon footprint (level 4) is performed in accordance with ISO 14064-3 with a “limited level of assurance”.
- A successful verification is concluded with a verification report including a declaration by the CAB.
- ProRail reserves the right to inspect the certification (in addition to the RvA).

### c. Conversion factors

The conversion factors to be used for the conversion of energy source

and/or activity into the quantity of CO<sub>2</sub> emissions is stated in the “Certification” section.

Reasons should be given for any deviations, and these should be submitted to the CAB for checking.

### d. conformity assessment body (CAB)

A conformity assessment body (CAB) that fulfils the conditions, see glossary of terms, is authorised by ProRail as an independent third party to perform a verification and to issue CO<sub>2</sub> awareness certificates.

### e. Periodic evaluation and checking after certification

A certificate has a period of validity of 3 years from the date of issue. The certificate fulfils the requirements described in ISO 14064-3 and clearly describes the level on the performance ladder achieved by the company (including scores on the various aspects). By means of an annual reassessment, the CAB checks whether the determined level is still applicable. In a hypothetical rise up the ladder, a company is free to apply to the CAB for recertification at any desired moment.

### f. Tender is substantially too high without award advantage

ProRail will not include tenders that without the award advantage, in the opinion of ProRail, substantially deviate from ProRail’s cost estimate in the further tendering procedure. Substantially means more than 10% unless stated otherwise in the tendering procedure.

### g. Limit value for scope 3

Emissions arising from scope 3 sources that together make up less than 2.5% of the total reported emissions on an annual basis, are exempted from reporting.

### h. Combinations

If a co-operative association of companies, a combination, participates in a tender the award advantage is set on the basis of the

# ProRail

company with the lowest score on the CO<sub>2</sub> performance ladder.

## **i. Validity of the CO<sub>2</sub> performance ladder**

1. The latest version of the CO<sub>2</sub> performance ladder published by ProRail on the internet is applicable.
2. Exceptions to the application of the CO<sub>2</sub> performance ladder can be found in the tendering documents.
3. ProRail reserves the right to cease the publication and application of the CO<sub>2</sub> performance ladder.



## Further information

If you have questions or suggestions regarding the CO<sub>2</sub> performance ladder or its application you are welcome to contact Aanbestedingszaken, Kostenmanagement en Inkoop (AKI): aki@prorail.nl or telephone +31 30 - 235 71 61.

For more information regarding ProRail's sustainability policy please contact ProRail/SpO, for the attention of Programmanager Duurzaamheid, Postbus 2038, 3500 GA Utrecht, or telephone +31 30 - 235 52 15.

For the applicable version of this brochure and information on certification please refer to our ProRail web page [www.ProRail.nl](http://www.ProRail.nl) under "Zakenpartners" and then under "Aanbesteden en inkoop".

The CO<sub>2</sub> performance ladder was developed by ProRail with contributions from KPMG Sustainability, Amstelveen and CCI ([www.carbon-constraint-initiatives.com](http://www.carbon-constraint-initiatives.com)), Antwerp

### Visiting address

Moreelsepark 3  
3511 EP Utrecht  
+31 30 235 3922

### Postal address

Postbus 2038  
3500 GA Utrecht

[www.prorail.nl](http://www.prorail.nl)