

#### CO<sub>2</sub> PERFORMANCE LADDER



This document gives a brief overview of the  $CO_2$  Performance ladder, our international project and the foundation which owns and manages it, SKAO.



## CO<sub>2</sub> Performance Ladder

The  $CO_2$  Performance Ladder is an instrument that helps organisations reduce their carbon emissions in the organisation, projects and their supply chain. With a certificate on the Ladder, organisations can receive an award advantage in tenders. The instrument is used as both a  $CO_2$  management system as well as a green procurement instrument.

> Over 5000 businesses (over 1200 certificates) in the Netherlands have already been certified on the  $CO_2$  Performance Ladder as a carbon management system, and over 200 commissioning parties (including the administrators of the Dutch water, road and rail infrastructure Rijkswaterstaat, ProRail and various decentral government bodies) are using the  $CO_2$  Performance Ladder for tendering processes as a green procurement instrument. A pilot is also running in Belgium, supported by all three regional governments.

> Learn more about the CO<sub>2</sub> Performance Ladder in less than 5 minutes total by watching the animation of the CO<sub>2</sub> Performance Ladder as CO<sub>2</sub> management system and Procurement Instrument.

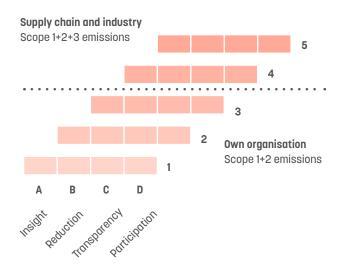
### **Procurement Instrument**

- The CO<sub>2</sub> Performance Ladder is used for one in ten European tenders in the Netherlands<sup>i</sup>.
- During tendering processes, commissioning parties using the CO<sub>2</sub> Performance Ladder as a Green Public Procurement (GPP) instrument give financial advantage to sustainable tenders. The greater the company's level of ambition with regard to sustainability, the greater the advantage they receive. The five ambition levels are in line with the five levels of certification that companies can obtain, enabling government bodies to reward companies that actively work to reduce the carbon footprint of their business operations.
- The CO<sub>2</sub> Performance Ladder as procurement instrument uses the 'power of procurement' to: direct investments towards a low carbon economy, encourages companies who participate in tenders to stimulate their CO<sub>2</sub> awareness and reduction in their organisation, projects and supply chain.
- It creates competitive advantage for sustainable organisations and is in accordance with European procurement law.

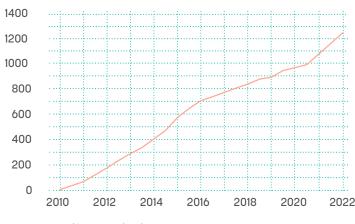
- The Ladder is also suitable to be used in other (European) countries, SKAO is currently investigating the possibilities to expand the use of the Ladder to 10 other countries.
- The CO<sub>2</sub> Performance Ladder has also proven that it can be used as a procurement instrument to promote a circular economy, as independent research<sup>ii</sup> shows.
- The OECD recognises the CO<sub>2</sub> Performance Ladder as a Best Practice for sustainable procurement.
- A pilot implementing the Ladder in procurement processes has been running in Belgium since 2020.
- SKAO has contact with the European Commission on the role the CO2PL can play in the Green Deal and Fit for 55 package, with support from the Ministries of Infrastructure and Water management, Foreign Affairs, and Economic Affairs and Climate.
- A recent development is that Contracting authorities are certifying their own organisations on the CO<sub>2</sub> Performance Ladder in the context of 'practice what you preach'. For example, the Ministry of Infrastructure and Water Management is certified on level 5, and all Dutch ministries have committed to gaining a certificate.

SKAO is regularly asked to exchange knowledge with (local) governments, businesses, NGOs and networks in other countries who are interested in this innovative Dutch instrument. For example Sweden, Ireland, Poland, Austria, France, Australia and institutions such as the UN. SKAO held a session on the CO<sup>2</sup> Performance Ladder at the COP21 in Paris. Due to this increasing international interest, SKAO, together with the International Institute for Sustainable Development (IISD), will investigate whether the CO<sub>2</sub> Performance Ladder can also be used in Europe. For this project SKAO receives financial support from the IKEA Foundation. The project, Accelerating carbon emissions reduction through the power of procurement, by dissemination of the CO<sub>2</sub> Performance Ladder in Europe project (CO2PLEU), researches the possibilities to disseminate the CO2PLEU, as a best practice instrument, and in so doing boost green public procurement and CO<sub>2</sub> reduction.

# CO<sub>2</sub> management system



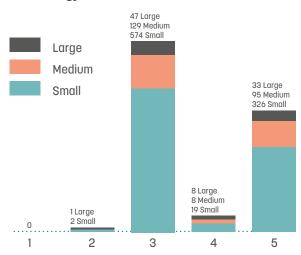
- The CO<sub>2</sub> Performance Ladder consists of 5 levels and 4 angles. Up to level 3, an organisation focuses on their scope 1 and 2 emissions, the own organisation. On level 4 and 5 also the supply chain and industry also come into focus, scope 3 emissions. On all levels there are requirements for each of the 4 angles: insight (e.g. footprint), reduction (e.g. carbon reduction targets for each scope), transparency (e.g. structural internal and external communication) and participation (e.g. development of carbon innovations together with industry partners).
- A certification on the CO<sub>2</sub> Performance Ladder is an alternative means of complying with the Energy Efficiency Directive (EED) in the Netherlands.



Growth of certified organisations

 The Ladder is an accredited CO<sub>2</sub> management system for organisations based on international standards. It accelerates the transition towards a low carbon economy, requires supply chain collaboration and stimulates low carbon innovation.

- Any type of company can obtain a certificate on the CO<sub>2</sub> Performance Ladder. This certificate demonstrates that the organisation has insight into its emissions, that ambitious objectives and measures are in place to reduce these emissions, that structural communication and collaboration is conducted in this area and that the organisation is continuously improving.
- Scientific research shows that certified organisations reduce their CO<sub>2</sub> emissions at twice the rate of uncertified organisations<sup>iii</sup>. The research also shows that by using the CO<sub>2</sub> Performance Ladder, all of the companies under investigation have implemented a fully fledged energy management system, which includes structural monitoring of emission trends and establishes reduction of CO<sub>2</sub> as a key business strategy.



Number of certificates issued per level and organisation size

### Foundation for Climate Friendly Procurement and Business (SKAO)

The Foundation for Climate Friendly Procurement and Business, in Dutch 'Stichting Klimaatvriendelijk Aanbesteden en Ondernemen' (SKAO) is the owner and manager of the  $CO_2$  Performance Ladder. It is an independent, not for profit foundation.

SKAO is responsible for the development, management and dissemination of the  $CO_2$  Performance Ladder as both carbon management system and procurement instrument as well as stakeholder management, research, capacity building, sharing information and providing a helpdesk for parties using the Ladder.

SKAO encourages organisations and governments to reduce CO<sub>2</sub> with the CO<sub>2</sub> Performance Ladder with the aim of realizing a climate-neutral economy. We connect parties, share knowledge and are the heart of a large network.

SKAO consists of a secretariat with 5,7 fte, and facilitates structural meetings between the different stakeholders of the  $CO_2$  Performance Ladder to ensure continuous development and a Ladder which is up to date with reality.

SKAO's structures consist of the board, central college of experts and technical commission:

**Board:** which among other things supervises the independence and organisation of SKAO. It consists of representatives of the most important Stakeholder groups. The board members are:

- Dimitri Kruik (chair): Director of Capacity Management – ProRail
- Roald Lapperre (treasurer): Director General – Ministry of Infrastructure and Water Management
- Leentje Volker: Professor Integrated
  Project Delivery University of Twente
- Marjolein Demmers: Director Natuur & Milieu
- Bart Smolders: CEO Heijmans Infra B.V. on behalf of Bouwend Nederland
- Erik van Engelen: Managing Director Techniek Nederland

#### Central College of Experts (CCvD):

The CCvD is responsible for operational management of the CO<sub>2</sub> Performance Ladder. Its primary responsibility is to keep the certification scheme up-to-date and it serves as a point of contact for the Certifying Organisations. It consists of representatives of public authorities and trade organisations. To see the members of the Board and CCvD, please refer to https://www.skao.nl/about-skao.

#### **Technical Commission: Ladder**

**Certifying Bodies** are accredited by the Dutch Accreditation Council for the CO<sub>2</sub> Performance Ladder. SKAO organises structural meetings between the (lead) auditors to harmonize how the Ladder is interpreted in practice.

### History



The CO2 Performance Ladder certificate for the MInistry of Infrastructure and Water management is handed to the then state Secretary Stientje van Veldhoven.

SKAO with a number of commissioning parties during a meeting on the CO2 Performance Ladder in 2019.



The  $CO_2$  Performance Ladder was developed by ProRail (the Dutch Railways infrastructure manager) in 2009. They were the first public authority to use it in their tenders. When other public authorities became interested in using the  $CO_2$  Performance Ladder as procurement instrument, ProRail looked for a reliable external party to own and manage the  $CO_2$ Performance Ladder. In 2011 SKAO was founded as owner and manager of the  $CO_2$  Performance Ladder.

SKAO has no employees. SKAO's secretariat is formed by employees of **Climate Foundation HIER** (Klimaatstichting HIER). HIER is amongs other activities the Program Coordinator for the Participation Coalition program, as part of the Dutch Climate Accord, with 5 partners and a budget of 2,5 million Euros annually that is managed, distributed and monitored by HIER.



King Willem-Alexander (then Prince) during a speech at the establishment of the Foundation for Climate Friendly Procurement and Business (SKAO) in 2011.

<sup>i</sup> Monitor aanbestedingen en opdrachtgevers CO<sub>2</sub>-Prestatieladder

[Monitor of Tendering Procedures and Clients using the CO<sub>2</sub> Performance Ladder], Significant and SKAO (2016)

- " Circulair inkopen heeft effect, in Dutch, RIVM (2020)
- "Improving energy and carbon management in construction, Rietbergen et. al (2016)



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