

Climate neutrality label audited and certified by the TÜV Rheinland Energy GmbH

– ÖkoPLUS catalogue of criteria 1.1 –



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Background

Global warming and its potential consequences due to climate change are becoming increasingly important. For many of the central issues around climate change fair and efficient solutions have to be worked out internationally.

At the same time consumer interest in climate friendly green products is growing, since it is not always possible to avoid or prevent greenhouse gas emissions, especially without reducing one's own living standard. Alternatively – in order to showcase responsible behaviour and a sustainable economic approach – CO₂-emissions can be offset by supporting emission reducing climate protection projects. Consumers want to contribute to climate protection and their interest is not limited to offsetting of greenhouse gas emissions, they increasingly value products that offer a variety of sustainable features. ÖkoPLUS is meant to actively support climate protection. Additionally, it is meant foster versatile, effective and future-oriented climate protection by choosing projects that pursue a multifaceted approach.

The certification of the label by the TÜV Rheinland Energy GmbH (hereafter referred to as TÜV Rheinland) shall guarantee transparency and credibility to customers. This shall be achieved by using comprehensible and relevant criteria, which are clearly and plainly articulated and guaranteed. Compliance with these criteria is examined regularly and carefully by TÜV Rheinland and the results are then reported.

The following criteria shall be certified and shall define the conditions which have to be met in order to obtain the ÖkoPLUS label for effective climate protection, certified by TÜV Rheinland. These criteria describe the minimal requirements and conditions that have to be met by the ÖkoPLUS standard in order to be applicable to climate neutral products.

Burdon of proof for climate neutrality

1. Sustainable climate protection projects

- The certified ÖkoPLUS label is based on “Verified Emission Reductions” (VERs) and enables customers to create climate neutral products and projects based on sustainable climate protection and emission reduction projects.
- In order to offset CO₂-Emissions, universally recognised “Verified Emission Reductions” (VERs) have to be used, these have to adhere to high standards.
VERs are derived from projects which are **not** included in or utilized in the context of: the “United Nations Framework Convention on Climate Change”, the “Clean Development Mechanism” (CDM), the “Joint Implementation” (JI) or the European emissions trading system. A global variety of projects set up to reduce greenhouse gas emissions can generate VERs. There are many independent and universally recognised standards, that VERs can meet: Gold Standard (GS), Verified Carbon Standard (VCS) and Social Carbon Standard (SCS). The supervision and verification of the projects as well as awarding of standard-certification have to be handled by an independent auditor.
- In order to qualify for ÖkoPLUS, climate protection projects have to include additional sustainability measures: a feature which has to be established by those measures corresponding to the indicators for sustainability defined herein.

2. Verifying CO₂-accounts

- Accounts of CO₂-emissions have to be based on reliable and openly kept data and their calculation has to be conducted in accordance with national and international standards.

3. Criteria for score assessment

- In order to evaluate climate protection projects, sustainability measures as well as prudence of project location, potential CO₂-savings and positive impacts have to be assessed. A climate protection project can only qualify for ÖkoPLUS, if it sufficiently meets the criteria defined below.
- Compliance with these criteria is determined by awarding points for each criterion. The definitions for the criteria are provided in the chapters that follow. How scores for each of the criteria are awarded is explained in the table below.

ÖkoPLUS assessment index				
points	SM	HDI	EPI	%CO₂
5 P.			< 46,3	
4 P.	6 - 8	< 0,520	>= 46,3	> 500 kt*
3 P.	5	>= 0,520	>= 50,3	> 100 kt
2 P.	3 - 4	>= 0,698	>= 63,5	> 50 kt
1 P.	1 - 2	>= 0,790	>= 68,2	<= 50 kt
0 P.	0	n.v.	n.v.	n.v.

SM – (number of) **Sustainability Measures**, see chap. 3.1
HDI - **Human Development Index**, see chap. 3.2
EPI - **Environmental Performance Index**, see chap. 3.2
%CO₂ –potential for preventing carbon emissions, see chap. 3.3
*kt= metric kilo ton = 1 metric gigagram = 1,102.3 US/Short Tons

3.1 Sustainability Measures

- ÖkoPLUS projects have to guarantee that sustainable and socially beneficial measures are taken as part of the project's activities. In order to ensure this, an assessment of these measures (planned and already implemented ones alike) is necessary. The following aspects/areas are taken into consideration:
 - Jobs:** creation of jobs for local populations, job/vocational training, transfer of knowledge and technology
 - Infrastructure:** expansion/enhancement of regional infrastructure, e.g. by improving roads and drainage channels, new buildings, establishing decentralized systems of sources for drinking water, building and/or enhancing sanitary installations and improving communication systems.
 - Environment:** protection of the environment and preservation of biodiversity, no forced displacements and no negative effects on environment and region due to the project's activities and implementation.
 - Education:** expansion of educational services and programs, e.g. by investments in schools, adult education, financial support for students etc.
 - Medical care:** improving/enhancing medical infrastructure and care e.g. by clinics, fostering public health services as well as raising awareness for and educating people about potential health hazards (e.g. disease prevention).

- f. *Child care*: Improving children's (and especially girl's) living conditions, e.g. by expanding educational services, extracurricular activities, establishing venues for sports and games and by offering additional support to girls.
 - g. *Cultural advancement*: support for cultural activities like arts and crafts, handicraft workshops, venues and programmes for: music, literature, theatre, sports etc.
 - h. *Sustainable investments*: sustainable regional investments established by the projects vendor, for example a fund to ensure further sustainable measures.
- The measures a) to h) are then each awarded a score of either zero points (no measures) or one point (considerable measures). One point is the maximum amount of points per measures, which means that these are assessed on a binary scale: The sum of these measures is then used to determine the Sustainable Measures score (which is explained under item 3 "Criteria for score assessment" in the assessment index).

3.2 **Optimal Project Location**

- In order to ensure that the ÖkoPLUS projects have a significant sustainable impact, globally recognised indexes are used to choose projects that are located in countries in which they really make a difference. The impact of the project is assessed by combining two indexes: The Environmental Performance Index (EPI – which measures environmental and health care performance of states) and the Human Development Index (HDI – which measures living standard and economical development of states). So, ÖkoPLUS is designed to allocate resources to the countries that – according to these indexes – are least developed and that, therefore, can benefit the most from climate protection projects.
- The EPI is a joint project of the universities Yale and Columbia, the World Economic Forum and a variety of Government and Non-Government Organisations. It was designed and established to be global standard for measuring the environmental and health care performance of states. It does so by combining several measurements of nationally gathered indicators into one single score per nation.
- The HDI is a project of the United Nations (UN). It is designed to measure wealth, living standards and level of economic development of a nation. An updated version of this index can be found in the annually published Human Development Report by the United Nations Development Programme (UNDP).
- The assessment of ÖkoPLUS project scores takes into account both EPI and HDI of the projects nation, in order to help determine potential impact and benefits.

3.3 **High efficiency climate protection (CO₂- reduction)**

- In order to qualify for the ÖkoPLUS standard, climate protection projects have to show/afford high levels of CO₂-reduction, thereby ensuring a significant contribution to global climate protection. CO₂-reduction is determined in comparison to the base scenario (the state of the region without the project). The higher the (potential) CO₂-reduction the higher the projects ÖkoPLUS score.

3.4 **Determining a project's quality**

- The projects are ranked based on the sum of ÖkoPLUS points awarded to them. Only high quality climate protection projects with high scores of ÖkoPLUS points can qualify for ÖkoPLUS.
Project quality (ÖkoPLUS score) = Σ (NM) + Σ (HDI) + Σ (EPI) + Σ (%CO₂)

- Projects are ranked and divided into classes based on the following metric:

<i>Project quality</i>		
<i>Standard</i>	<i>Class</i>	<i>Points</i>
ÖkoPLUS	A	15-17
ÖkoPLUS	B	12-14
-	C	9-11
-	D	6-8
-	E	<6

- So, only projects belonging to classes A and B (with 12 points or more) qualify for ÖkoPLUS.
- Each ÖkoPLUS-project has to undergo an annual audit, in order to ensure that the project continues to meet the requirements of the ÖkoPLUS standard.

4. Product representation

- All public representations of ÖkoPLUS must at least include a reference to this catalogue of criteria. No misleading statements about ÖkoPLUS, its properties or the state of an ÖkoPLUS certification may be made.
- If an energy provider or its customers meet criteria that go beyond what ÖkoPLUS requires, they may advertise this fact, as long as none of the criteria demanded by ÖkoPLUS are affected.

5. Transparency and credibility

- ÖkoPLUS undergoes an annual audit by the TÜV-Rheinland Energy GmbH, a globally renowned independent auditor.
- In order to determine whether the label can be certified in principal, the assessment of product features and project operators's accounting method need to go through a pre-approval process, during which these are examined.
- The audit entails a thorough documentation process. All methods established for rating climate protection projects and all supporting documents necessary for ensuring ÖkoPLUS criteria are upheld are examined.
- Clearance is then established by the issuance of a certificate by the certification department of the TÜV-Rheinland Energy GmbH.

6. Miscellaneous

- Certification and monitoring take place in accordance with the regulations of the TÜV-Rheinland Energy GmbH. The relevant certification office is obliged to handle as confidential all information made available to them about the enterprise of their clients and to only evaluate them for purposes previously agreed upon with their clients. Furthermore, this client information may under no circumstances be shared with a third party.
- The certification of the label/standard/product ÖkoPLUS and its criteria (ID 37968) is a collaboration of TÜV Rheinland and Bischoff & Ditze Energy (BDE, product vendor). The reproduction of this standard and its criteria as well as the certification of these criteria requires prior permission by BDE.