

Green Infrastructure Council to launch rating tool early 2012, conference told _

SHARE   PRINT 
RSS 



By Lynne Blundell

2 November 2011 – The Australian Green Infrastructure Council is to launch its sustainable infrastructure ratings tool in early 2012, delegates at the AGIC’s recent annual conference in Melbourne were told.

The ratings scheme, which has been developed over the past few years with funding from government and industry, will rate sustainable practices across the infrastructure chain, from procurement through to construction.

Once established, the rating scheme is expected to operate similarly to the way Green Star does for buildings, establishing sustainability performance benchmarks and rewarding infrastructure projects and organisations that achieve high outcomes against these benchmarks.

- See [our previous article](#)

Chief executive officer of AGIC, Doug Harland, told *The Fifth Estate*, the ratings scheme will avoid using stars as a rating descriptor to provide some differentiation from Green Star and NABERS.

“The feedback from the market was that it would be confusing to have another star system so we will be coming up with something different,” says Harland.

At the same time AGIC will be rebranding and getting a new name, removing the word “green” from its title to widen the perception of its coverage beyond environmental issues.

“We want to push the idea that sustainability as ‘green’ has become too linked to the environment. Sustainability goes beyond that,” says Harland.

Keynote speaker at the AGIC conference, Professor Martin Blake, executive director, The GreenAsia Group, Singapore and formerly head of sustainability, Royal Mail Group, emphasised the important role sustainability measurement tools play in reducing project risk and cost.

In one case study he presented, Royal Mail Group in the UK saved 30 million pounds a year and dramatically reduced its carbon footprint by measuring its energy performance and sustainability achievements. In another, the National Oil Company, Persia Gulf, used logic, method and metrics to add \$1 billion a year to the profit margin and achieved an internal rate of return of 14 per cent.

Doug Harland believes the infrastructure industry will become significantly more cost efficient once it has a tool to measure sustainability performance.

“Getting metrics on energy and water use will allow projects to see where their waste is and then instigate an improvement program. Everyone realises they have to do things differently and while companies are taking initiatives they are not doing the full gamut. A ratings system that provides an industry standard will drive innovation and change,” says Harland.

Rick Walters, technical manager for the rating scheme, provided delegates at the AGIC conference with a rundown on how the tool will operate, pointing out it would cover environmental, social and economic dimensions and consist of seven or eight themes that would be easy for people to remember.

Major benefits that AGIC expects the tool to deliver include:

- a common national language and understanding of sustainability
- innovation and continuous improvement in sustainability outcomes
- A national framework in tender submissions that will reduce tendering costs
- A comprehensive risk assessment framework, allowing better management and mitigation of risks
- AGIC membership as a public statement of an organisation’s commitment to improving sustainability credentials
- A framework for a more equitable and cost efficient comparative assessment of tenders for investors and government authorities
- Investors can begin to quantify ESG aspects of a project, achieving appropriate value attribution and identifying areas of cost risk and cost reduction
- a high AGIC rating on projects will build an organisation’s reputation in relation to sustainability performance

Professor Kate Auty, Commissioner Environmental Sustainability Victoria, gave the opening address at the conference in which she stressed the impact of extreme weather events on social sustainability through the destruction of vital infrastructure.

Better sustainability standards for infrastructure would drive better social as well as environmental outcomes, Professor Auty said.

The AGIC sustainability ratings tool is currently being piloted on two projects in Brisbane – the Eastern Busway and the Logan Village Water Supply Pipeline. Following this it will be tested on 12 to 13 projects around the country, including road, rail and water infrastructure.

Mr Harland told *The Fifth Estate* that sustainability concepts had finally entered the tender process for infrastructure, something he considers a landmark.

“Three years ago the word sustainability was not in a tender document for infrastructure. Now it is standard. People are looking for a national standard to cut costs and risk in infrastructure. When we speak to people in government they are dealing with projects of \$30-\$40 million. The

AGIC framework gives them a structure and a standard to be able to compare tenders,” Mr Harland said.

The AGIC sustainable infrastructure ratings scheme will be launched at Parliament House in Canberra on 21 February, 2012.

To see AGIC conference papers go to <http://www.agic.net.au/Conferencesevents.htm>

To view Fifth Estate articles go to <http://www.thefifthestate.com.au/archives/29133>.

lblundell@thefifthestate.com.au

