

Challenges for RED II Sustainability Certification from a Certification Scheme's Point of View





ISCC - Who we are

- ISCC is a globally leading certification scheme for sustainability and GHG emissions
- High-level, credible and well-recognized standard
- Used by over 3,400 companies in more than 100 countries
- Used for energy, food, feed, industrial applications
- Leading system for agricultural, forestry feedstocks as well as wastes and residues
- Supporting the bio-based and circular economy
- Globally established multi-stakeholder scheme recognized by different governments, initiatives and associations

ISCC is a well established and credible certification system

System users in 100+ countries

22,500+
certificates
3,400+
system users

29 certification bodies
400+
ISCC trained auditors

Training **Programme**(76 Trainings so far for auditors and system users)

Innovative tools and procedures to facilitate audits



Use remote sensing to verify land use change

8 Voluntary
add-ons
to address specific
customer requirements

Stakeholder dialogue: 127 ISCC Association members

Discussion platform with 4 Regional and 2 Technical Committees

Integrity Programme
3 auditors



We are a living multi-stakeholder initiative organised in the ISCC Association with currently 127 members

























































































































































































































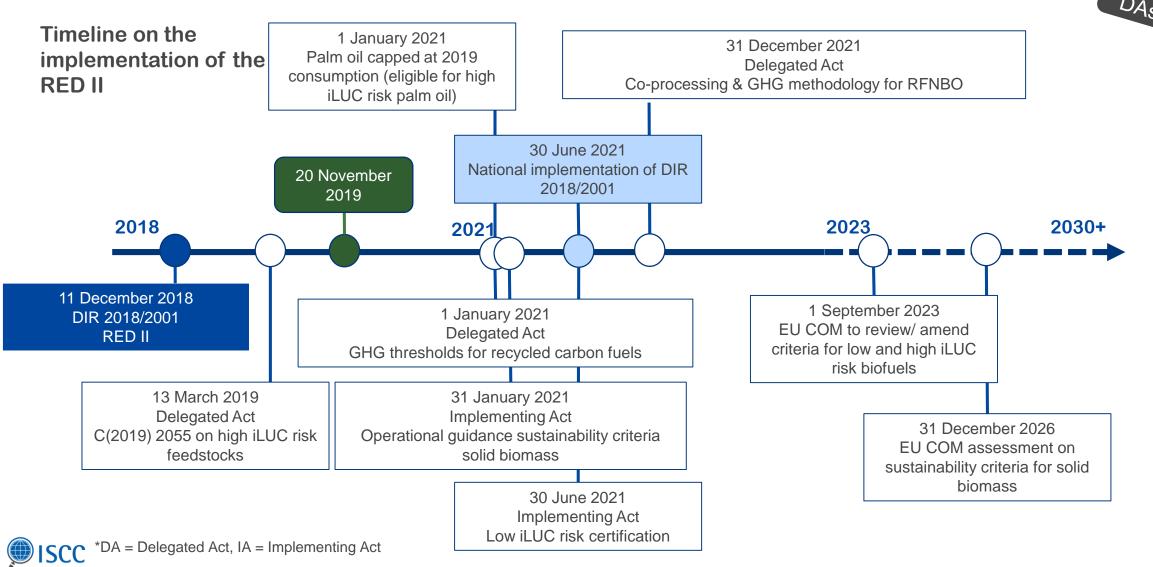








In June 2021, EU MS shall transpose RED II into national legislation. Before and after, additional DAs & IAs* will be published by the EU COM $S_{e/ex}$



Several challenges from RED II must be addressed and implemented by the voluntary schemes (VS) Increasing New feedstock requirements/ categories flexibility on VS Regular updated list Low iLUC-risk of advanced biofuels biofuels Introduction of The merging of sustainability mandatory/ criteria for solid voluntary markets biomass

The RED II includes further requirements for voluntary schemes. In addition, EU MS implementation and the re-recognition

- The EU COM shall adopt implementing acts specifying detailed implementing rules (..) for voluntary certification schemes:
 - To include adequate standards of reliability, transparency and independent auditing(..)
 - To pay particular attention to the need to minimise administrative burden
 - To ensure compliance with the sustainability and GHG saving criteria
 - To add provisions on low or high direct and indirect LUC-risk biofuels
- High degree of freedom for EU MS ("Member States may...")
- Re-recognition process for some voluntary schemes 2021

Implementation into ISCC Certification requirements

Requirements for voluntary schemes





New feedstock categories in RED II will also require sustainability certification

New feedstock categories

Advanced biofuels

• Annex IX of RED II (Part A), mainly based on waste and residues

High iLUC risk biofuels

 Produced from feedstocks with significant production expansion into areas with high carbon stock

Low iLUC risk biofuels

 Produced with schemes avoiding displacement effects of food/feed crops (e.g. double cropping, use of degraded land, yield increase)

Renewable fuels of non-biological origin

E.g. hydrogen

Recycled carbon fuels

Fuels produced from e.g. plastics, waste processing gases, exhaust gases





Brussels, 13.3.2019 C(2019) 2055 final

COMMISSION DELEGATED REGULATION (EU) .../...

of 13.3.2019

supplementing Directive (EU) 2018/2001 as regards the determination of high indirect land-use change-risk feedstock for which a significant expansion of the production area into land with high carbon stock is observed and the certification of low indirect land-use change-risk biofuels, bioliquids and biomass fuels

Delegated Act C(2019) 2055 DA low and high iLUC

ΕN

The RED II also introduces low and high iLUC risk feedstocks

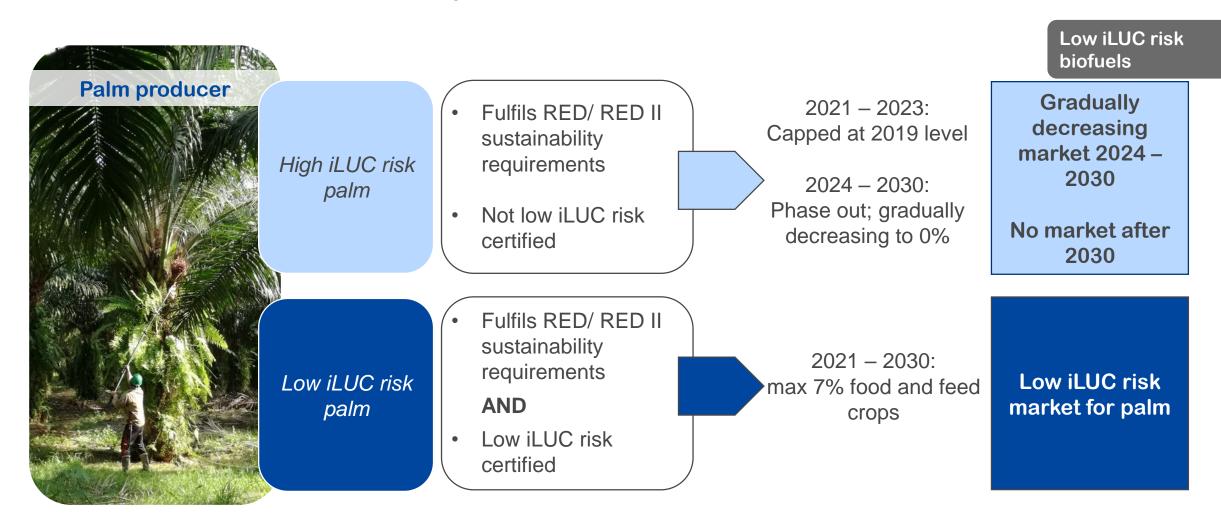
Low iLUC risk biofuels

- Definition of low and high iLUC risk feedstocks and biofuels in the RED II
- DA to determine methodology to identify high iLUC risk feedstocks and criteria to verify low iLUC risk production
- Palm oil classified as solely high iLUC risk crop

	Average annual expansion of production area since 2008 (kha)	Average annual expansion of production area since 2008 (%)	Share of expansion into land referred to in Article 29(4)(b) and (c) of Directive (EU) 2018/2001	Share of expansion into land referred to in Article 29(4)(a) of Directive (EU) 2018/2001
Cererals				
Wheat	-263,4	-0,1%	1%	
Maize	4027,5	2,3%	4%	
Sugar crops				
Sugar cane	299,8	1,2%	5%	-
Sugar beet	39,1	0,9%	0,1%	-
Oil crops				
Rapeseed	301.9	1.0%	1%	
Palm oil	702,5	4,0%	45%	23%
Soybean	3183,5	3,0%	8%	
Sunflower	127,3	0,5%	1%	5

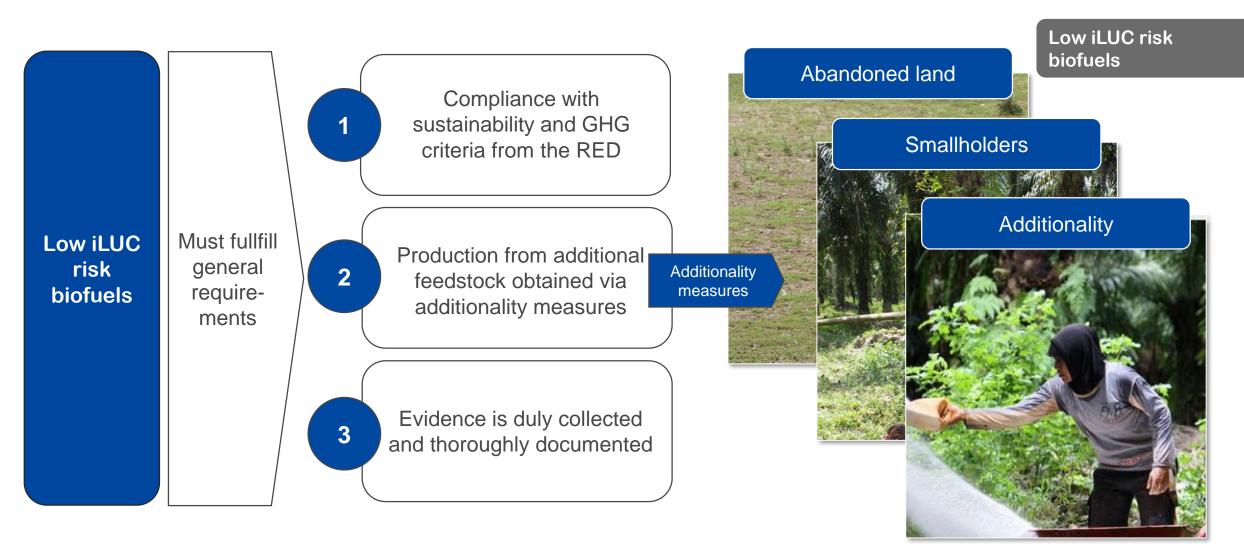
ΕN

From 2023, palm as high iLUC risk feedstock, will be phased out. In case producers are certified as low iLUC risk, palm can still be used





Smallholders, production on abandoned land and additionality are the three additionality measures being defined





Annex IX, A defines advanced feedstocks and fuels. Can be updated by the European Commission

Annex IX

Advanced biofuels

Part A ("Advanced") targets: at least 0.2% in 2022, 1% in 2025 and 3.5% in 2030

- Algae if cultivated on land in ponds or photobioreactors
- Biomass fraction of mixed municipal waste but not separated household waste subject to recycling targets
- Bio-waste as defined in Article 3(4) of Directive 2008/98/EC from private households subject to separate collection
- Biomass fraction of industrial waste not fit for use in the food/feed chain, including material from retail/ wholesale and the agro-food and fish and aquaculture industry, excluding feedstocks listed in part B
- Straw
- · Animal manure and sewage sludge
- Palm oil mill effluent and empty palm fruit bunches
- Tall oil pitch

- Crude glycerine
- Bagasse
- Grape marcs and wine lees
- Nut shells
- Husks
- Cobs cleaned of kernels of corn
- Biomass fraction of wastes and residues from forestry and forestbased industries, i.e. bark, branches, pre-commercial thinnings, leaves, needles, tree tops, saw dust, cutter shavings, black liquor, brown liquor, fibre sludge, lignin and tall oil
- Other non-food cellulosic material
- Other ligno-cellulosic material (...) except saw logs and veneer logs

Part B (Not considered as "advanced") capped to 1.7% but exemption possible

Used Cooking Oil (UCO)

 Animal fats classified as categories 1 and 2 in accordance with Regulation (EC) No 1069/2009

Source: RED II (Directive 2018/2001)



Many materials from Annex IX (part A) are already covered by ISCC

	Materials Annex IX, Part A (selection)	No. of ISCC certificate holders	Advanced biofuels
	Biomass fraction of industrial waste not fit for use in the food or feed chain**	579	
	Palm oil mill effluent and empty palm fruit bunches	173	
	Crude glycerine	71	
	Animal manure and sewage sludge	61	
A William	Grape marc and wine lees	40	
	Straw	18	
	Biomass fraction of mixed municipal waste	21	
	Tall oil and tall oil pitch	12	
	Biomass fraction of wastes and residues from forestry and forest-based industries	17	
	Husks	6	
	Bagasse	1	
	Nut shells	1	



ISCC certifies already several companies using Annex IX A feedstock for the production of low carbon fuels













For the first time, the RED II includes criteria for forest biomass. Guidance on the implementation of these criteria will be published in January 2021



Legality of harvesting operations

Party to Paris agreement

Forest regeneration

Submitted NDC to **UNFCCC**

Maintenance of soil quality and biodiversity

Harvesting maintains or improves long-term productivity

or

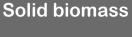
Protection of areas designated by laws, etc. for nature protection purposes or

Laws in place to ensure that reported LULUCF sector emissions do not exceed removals

or

Individual verification at forest sourcing area level

Individual verification at forest sourcing area level



DIRECTIVES

Guidance on the

implementation of the new forest

biomass criteria:

31 January 2021

(§ 27, 8)





Guidance Chain of Custody



teria for r energy

nic Affairs and Climate Policy

Besluit tot (gedeeltelijke) goedkeuring van certificatieschema ISCC voor de toepassing van het Besluit conformiteitsbeoordeling vaste biomassa voor energietoepassingen, Rijksdienst voor Ondernemend Nederland

16 juli 2019 GS19ISCC01

Geachte [...],

Op 14 december 2018 heb ik uw aanvraag om goedkeuring van uw certificatieschema ontvangen. Ik heb besloten om uw certificatieschema (deels) goed te keuren.

Op basis van artikel 10, derde lid, van het Besluit conformiteitsbeoordeling vaste biomassa voor energietoepassingen (hierna: Besluit conformiteitsbeoordeling) kan ik me laten adviseren door een adviescommissie. De adviescommissie heeft over uw aanvraag advies uitgebracht. Het advies heb ik verwerkt in dit besluit.

In het navolgende wordt puntsgewijs ingegaan op de voor deze goedkeuringsbeschikking relevante onderwerpen.

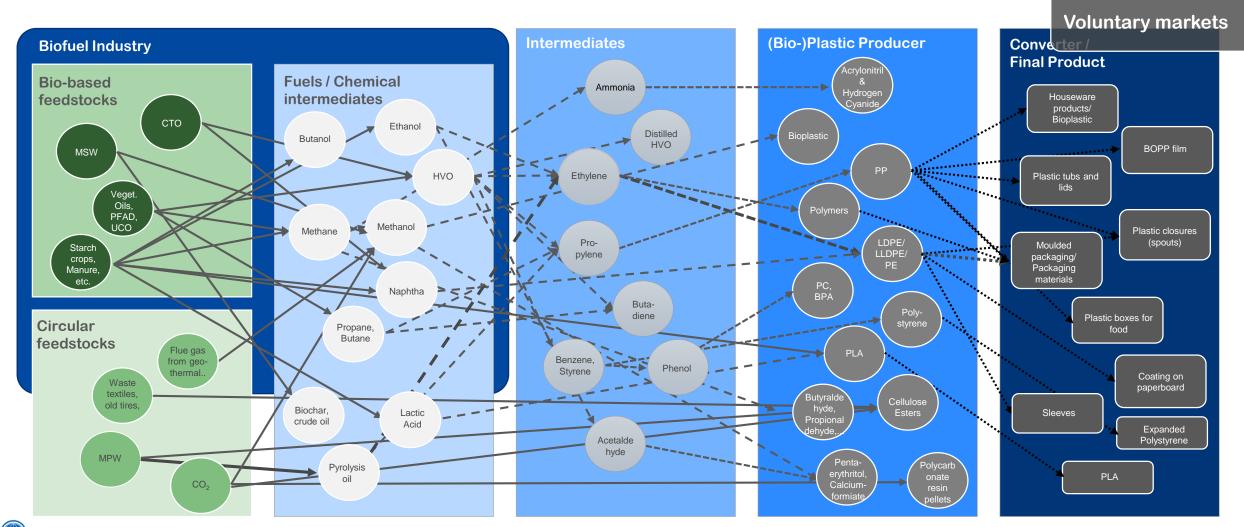
Op deze beschikking zijn de voorwaarden uit het Besluit en de Regeling conformiteitsbeoordeling vaste biomassa voor energietoepassingen integraal van toepassing. Voor meer informatie hierover verwijs ik u naar de bijlage.

Example NL: National requirements for solid biomass are already implemented

Solid biomass

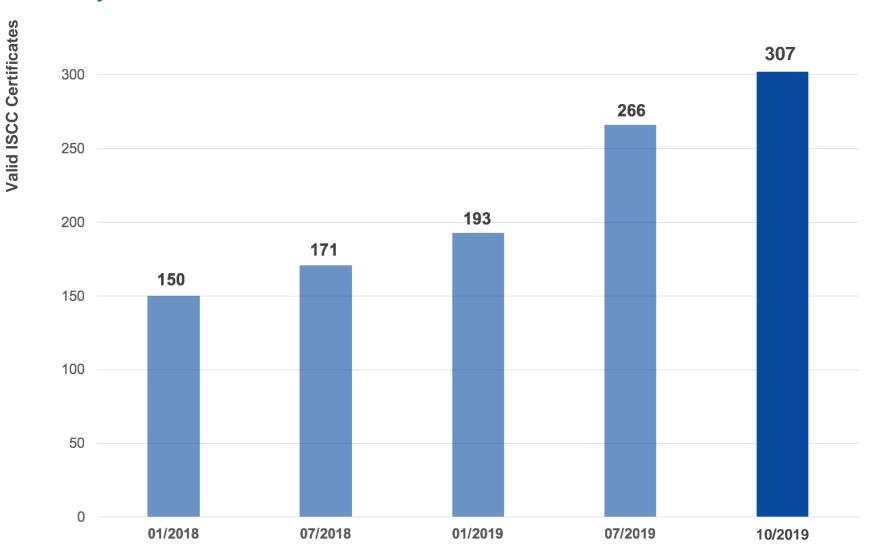
- The RVO (The Netherland Enterprise Agency) asked companies to apply for a subsidy under the SDE+ (Sustainable Energy production)
- In order to receive this subsidy, companies have to prove compliance with sustainability requirements for solid biomass
- Companies have to be certified by one of the certification schemes being approved by the Minister of Economic Affairs and Climate Policy, who is advised by the the Advisory Committee on the Sustainability of Biomass for Energy Applications (ADBE)
- ISCC Solid Biomass NL is recognized by the ADBE/ RVO

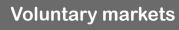
In parallel to the implementation of the RED II, sustainability certification in voluntary markets, especially for industrial applications, is increasing





The number of ISCC PLUS certificates significantly increased since January 2019









More and more companies from the chemical industry are using ISCC PLUS and ISCC certified feedstock

Voluntary markets









































































































Independent ISCC PLUS certification guarantees:

- Sustainability
- Segregation or mass balance
- Traceability
- Feedstock identity
- Conversion factors/ volumes
- Add-ons (e.g. GHG/ LCA)
- Logos and claims





Many thanks for your attention!

Dr Peter Hawighorst, ISCC System GmbH Hohenzollernring 72, 50672 Cologne, Germany Email: hawighorst@iscc-system.org

