UK system of RED implementation

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Summary

• Overview of the revised UK RTFO
• The role of voluntary & national schemes
• Chain of custody
• Verification
Renewable Transport Fuel Obligation Overview
Renewable Transport Fuel Obligation

- RTFO revised from 15 December 2011 to implement RED criteria
- Duty point obligation
- Tradable certificates & buy-out option (30ppl)
- RTFC issue requires verification
- Wastes/residues double count
RTFO Guidance

- **Part 1: Process Guidance**
  - Supplier accounts
  - Obligations
  - RTFC issuing and trading
- **Part 2: C&S Guidance**
  - Compliance with the land criteria
  - Compliance with the GHG criteria: defaults & calculating actuals
  - Mass balance rules
  - Lists of ‘wastes’
  - Verification
- **Part 3: Guidance for Verifiers**
  - Verification process
  - How ISAE 3000 should be applied
  - Types of evidence
  - The assurance statement
- Carbon calculator
Economic operators upload information for each consignment of biofuel.
## Data requirements for consignments

<table>
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<th>Land criteria</th>
<th>GHG criteria</th>
<th>Additional sustainability info</th>
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<tbody>
<tr>
<td>Fuel type &amp; volume</td>
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<td>Feedstock</td>
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<td>Biofuel production process</td>
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<td>Carbon intensity</td>
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<td>Actual data for fuel chain/cultivation?</td>
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<td>Soil carbon accumulation</td>
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<td>Plant in operation 23 Jan 08</td>
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The role of voluntary & national schemes
Voluntary schemes

• Suppliers can report a VS for a consignment of fuel to demonstrate compliance

• UK anticipates VS to provide the main route of compliance

• VS should be recognised through the EC process

• UK only accepts EC approved schemes & UK benchmarked schemes
National systems

• National systems primarily intended for use within individual MSs?

• RTFO ‘national system’ operates post duty point – not relevant for recognition in other MS

• UK will accept consignments of fuel certified as meeting the national system of other MSs
Chain of custody rules
Information on biofuel consignments is transferred through the Chain of Custody

- The RED prescribes a mass balance system
- Physical segregation not required
- Units in = units out, at the level of a “site”
- Each party in supply chain must participate
Verification of C&S data under the RTFO
Verification in the RTFO

- Economic operators required to get 3rd party ex post verification on C&S data for RTFC issue
- ISAE 3000 limited assurance
- 3rd party verification recognised earlier in the supply chain
- VS recognised by system – no need to verify twice
- Verifiers are appointed by economic operator
- No ‘lists’ or accreditation process, but suppliers must register their verifiers on our ROS system
- Verification statement must adhere to RTFO Administrator’s guidance
These parts of the supply chain might be covered by a VS or as part of the economic operator’s ex-post verification.
Conclusions / recommendations

• New system – may need to adapt as develops
• For MS to assess policy impacts it would be helpful if VS transfer sufficient information down the chain of custody to demonstrate compliance with the RED
• VS should be clear if they consider a feedstock a waste/residue i.e. have not considered the land criteria
• All should be mindful of FQD requirements
• VS should be clear about what claims can be made e.g. when does the COC stop?
• It’s important for MS and VS to maintain a dialogue
Thank you

www.dft.gov.uk/pgr/sustainable/biofuels/

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