Implementation of a Licensing Scheme for Brand Owners and Adapted Certification Approach for Small Companies

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The use of the ISCC logo / ISCC claims for industrial applications keeps growing with more and more brand owners expressing their interest

- Many brand owners are interested in using ISCC certified packaging or plastic applications as part of their sustainability strategy
- Brand owners often receive final certified packaging from their suppliers (with or without the ISCC logo)

Certified and labelled

Coming soon / B2C companies expressing interest*

- Food packaging
- Cosmetics packaging
- Medical devices
- Labels for beverages
- Household devices
- Plastic toys

*ISCC PLUS for packaging, films or plastic applications
Companies can only use the ISCC logo and ISCC claims if the whole upstream supply chain is ISCC certified.
Many supply chains are complex and scattered with smaller companies (e.g. moulders, printing houses) that handle only small amounts.

Example

Producer

Smaller downstream companies (e.g. printing houses)

Brand owners
Challenges: brand owners and smaller companies also need to be covered by the ISCC certification approach

- Brand owners cannot claim to use ISCC certified material or use the ISCC logo without being certified
- The ISCC PLUS logo is not sufficiently established in the B2C market

- A large number of companies in the downstream supply chain are smaller companies
- ISCC certification is often challenging for a large number of smaller companies that are handling ISCC certified material

ISCC Licensing Scheme

Adapted Certification Approach
Proposal:
ISCC Licensing Scheme for Brand Owners
Why would brand owners need to sign a license agreement – or get certified – at all?

**Avoiding greenwashing allegations**

With an ISCC certification / ISCC license, claims and logo use can be verified → ISCC claims are credible and trustworthy

**Adding value for consumers**

The ISCC licensing scheme would add value to the consumer

- More frequent use of the ISCC logo and better recognition by consumers
- Potential logos and claims database
- License number on the on-product logo

**Sustainable supply chains**

ISCC certification / ISCC licensing ensures transparency and traceability – key components of the ISCC certification system – until the final step in the supply chain
Advantages of an ISCC licensing scheme for brand owners – compared to an ISCC certification

- Scaling-up opportunities to use the ISCC logo / ISCC claims → more attractive for brand owners
- Brand owners are often already familiar with licensing schemes (e.g. FSC, UTZ)
- Increasing use of the ISCC logo / ISCC claims by brands will create more consumer awareness and visibility

In the long term, companies along the supply chain will benefit from increased demand by brand owners and consumers
The ISCC licensing scheme would be applicable for brand owners that want to use the ISCC logo or ISCC claims

<table>
<thead>
<tr>
<th>Proposal: ISCC licensing scheme</th>
<th>ISCC certification</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Applicable for:</strong> brand owners who receive a final ISCC certified and potentially labelled product</td>
<td><strong>Required for:</strong> companies in the upstream supply chain who want to sell ISCC certified material</td>
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<tr>
<td><strong>Precondition:</strong> suppliers must own a valid ISCC certificate when sustainable products are forwarded to the brand owners</td>
<td><strong>Only ISCC certified companies</strong> are authorised to</td>
</tr>
<tr>
<td></td>
<td>▪ forward sustainability declarations to their customers</td>
</tr>
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<td></td>
<td>▪ label products with the ISCC logo</td>
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<tr>
<td></td>
<td>▪ claim that they are “ISCC certified”</td>
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<td><strong>Certified companies do not need to sign a license agreement</strong> and can directly use the ISCC logo / ISCC claims</td>
<td></td>
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The ISCC licensing scheme would cover the following scenarios:

1. The brand owner receives a final product
   - with ISCC sustainability declaration
   - **with the ISCC Logo** and/or ISCC claims
   - Use of the ISCC logo and/or ISCC claims for off-product communications (**optional**)

2. The brand owner receives a final product
   - with ISCC sustainability declaration
   - **without the ISCC Logo** and/or ISCC claims
   - Use of the ISCC logo and/or ISCC claims for off-product communications
Example: ISCC supply chain with a license agreement

- Feedstock producers
  - ISCC certification
- Producers of intermediates
  - ISCC certification
- Producer of final packaging
  - ISCC certification
- Brand owner
  - License agreement
**Example:** ISCC supply chain where a license agreement would NOT be possible

Feedstock producers
- ISCC certification

Producers of intermediates
- ISCC certification

Producer of final packaging
- No ISCC certification

Brand owner
- License agreement NOT POSSIBLE
A new licensing database would guarantee credibility and traceability

- Listing of all brand owners at the end of the supply chain who either use the ISCC logo or ISCC claims
- Verification of the correct use of the ISCC logo or ISCC claims possible

<table>
<thead>
<tr>
<th>License holder</th>
<th>Certified company</th>
<th>License Agreement</th>
<th>Licensing number</th>
<th>Output material</th>
<th>Valid from</th>
<th>Valid until</th>
</tr>
</thead>
<tbody>
<tr>
<td>Green company, Cologne, Germany</td>
<td>Yes</td>
<td>No</td>
<td>ISCC-PLUS-00002</td>
<td>Bio-attributed medical devices</td>
<td>01.04.2020</td>
<td>31.03.2021</td>
</tr>
</tbody>
</table>
Proposal:
Adapted Certification Approach for Smaller Companies
An adapted certification approach for smaller companies could help to scale-up ISCC certification for the circular economy and bioeconomy

- Target group:
  - Smaller companies, such as printing houses or moulders

- More practical approach to reduce entry barriers (e.g. for thousands of customers receiving a product)

- Simplified certification system with reduced costs

- Implementation (proposal):
  - Covered under the umbrella of group certification, longer certification periods, organisation of large number of customers by supplier
Many thanks for your attention!

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