



Update on ISCC Certification System and Status of RED II Implementation

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ISCC Regional Committee Meeting Southeast Asia
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ISCC is a well-established and credible certification standard



ISCC cooperates with 40 Certification Bodies for conducting audits on a global scale. 8 new CBs joined since October 2020

See the ISCC website for contact information



5,360 ISCC certificates are currently valid. Share of valid ISCC certificates in SEA has increased above the global growth



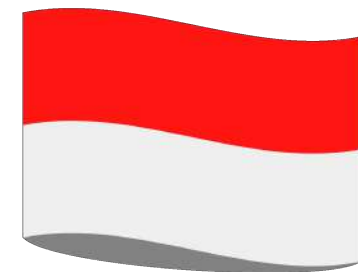
Comparison with valid certificates in October 2020

| | | |
|-----------------------|---------------------------|--------------|
| Globally | 4,538 certificates | + 18% |
| Indonesia | 273 certificates | + 31% |
| Malaysia | 214 certificates | + 21% |
| China | 268 certificates | + 83% |
| Other Asian countries | 259 certificates | + 37% |

* Numbers as of 15 October 2021

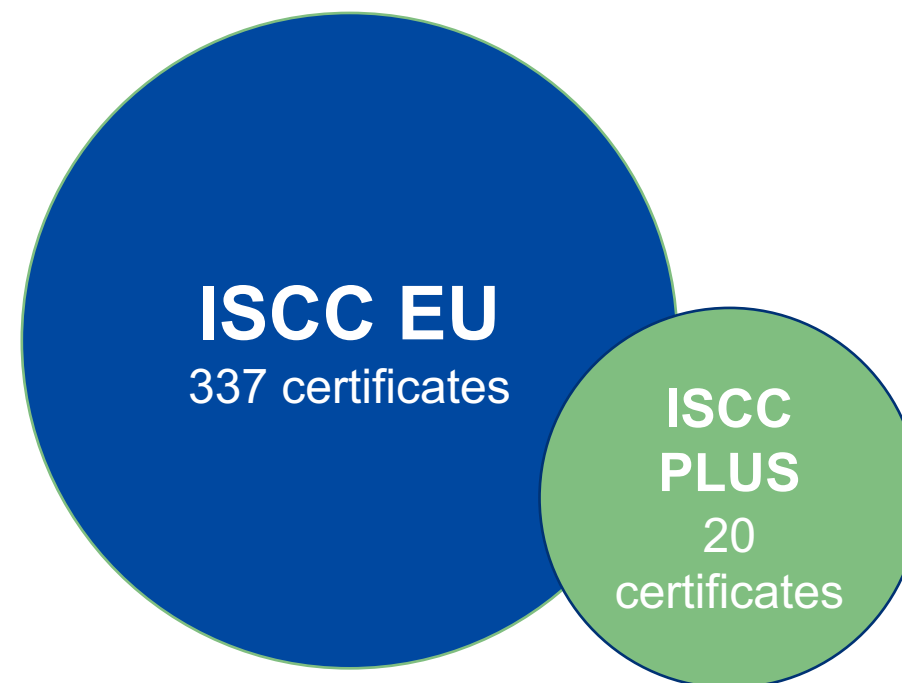
Each certificate may be issued for more than one scope/ type of operation

ISCC in Indonesia: 357 certificates, the share of ISCC PLUS certificates has increased



| Certification scope* | Valid certificates | October 2020 |
|------------------------|--------------------|--------------|
| Plantation | 25 | 23 |
| Central Office | 21 | 21 |
| Central Office (ISH) | 0 | 0 |
| First Gathering Point | 77 | 75 |
| Point of Origin (w/r) | 117 | 91 |
| Collecting Point (w/r) | 97 | 48 |
| Oil Mill | 156 | 143 |
| Refinery | 49 | 45 |
| Biodiesel Plant | 16 | 14 |
| Other processing units | 5 | 4 |
| Trader/Storage | 110 | 80 |

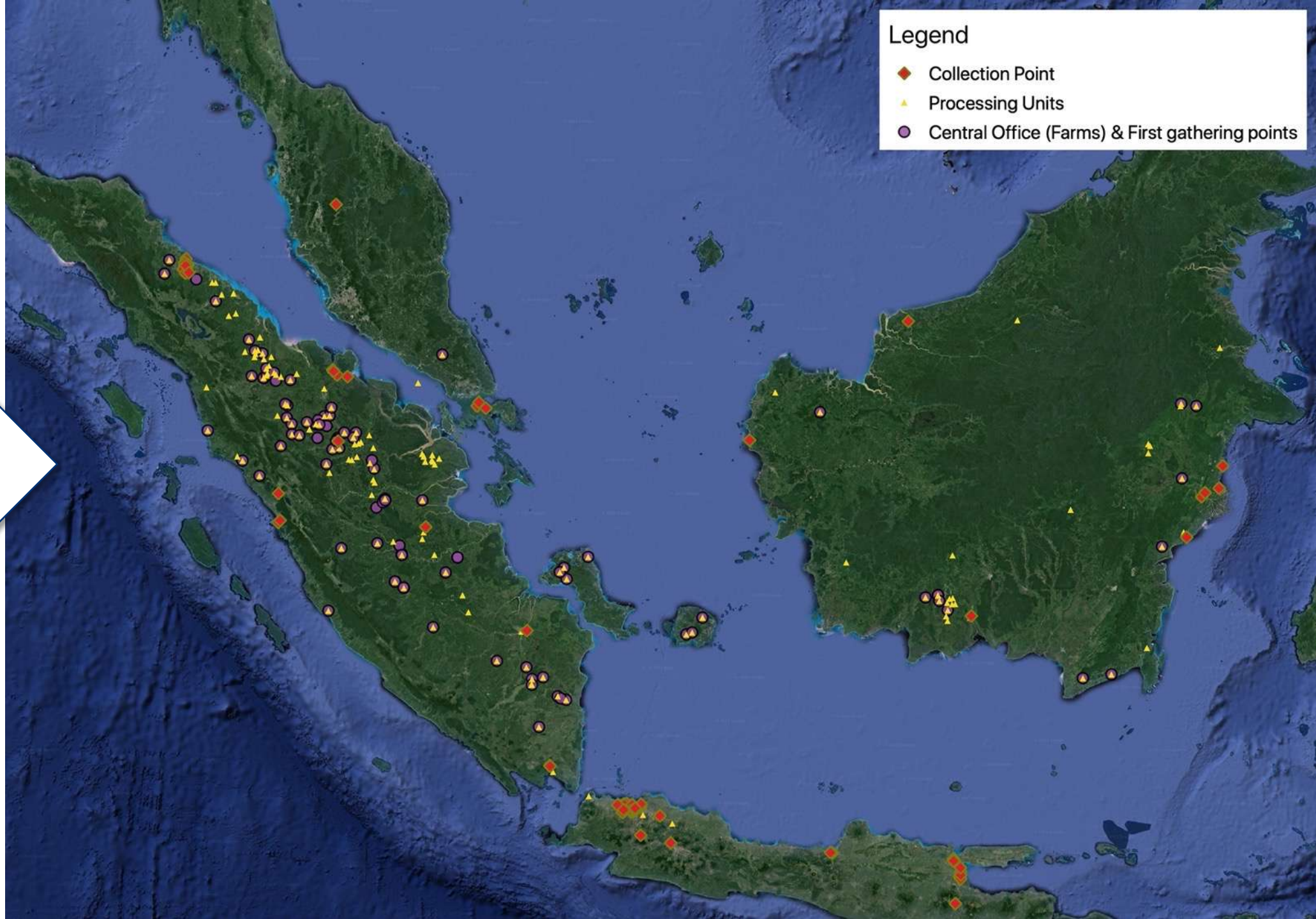
Certificates per ISCC System



* Numbers as of 15 October 2021

Each certificate may be issued for more than one scope/ type of operation

ISCC in
Indonesia:
Locations of
certified
operations



Legend

- ◆ Collection Point
- ▲ Processing Units
- Central Office (Farms) & First gathering points

ISCC in Malaysia: 260 certificates, ISCC EU is still the dominating system



| Certification scope* | Valid certificates | October 2020 |
|------------------------|--------------------|--------------|
| Plantation | 9 | 6 |
| Central Office | 5 | 4 |
| Central Office (ISH) | 0 | 0 |
| First Gathering Point | 65 | 61 |
| Point of Origin (w/r) | 53 | 43 |
| Collecting Point (w/r) | 111 | 87 |
| Oil Mill | 82 | 78 |
| Refinery | 30 | 26 |
| Biodiesel Plant | 21 | 22 |
| Other processing unit | 5 | 2 |
| Trader/Storage | 112 | 115 |

Certificates per ISCC System



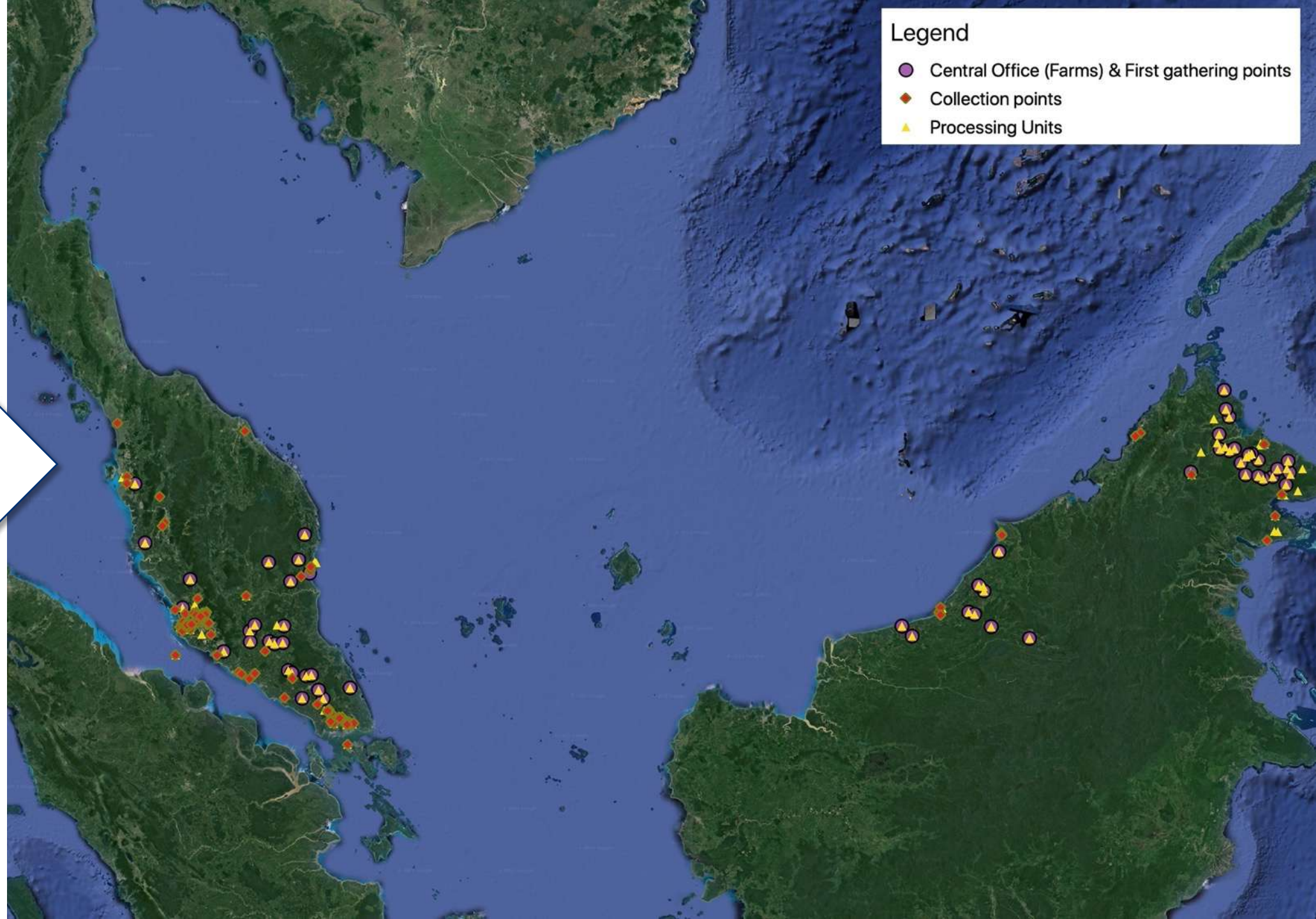
* Numbers as of 15 October 2021

Each certificate may be issued for more than one scope/ type of operation

ISCC in
Malaysia:
Locations of
certified
operations

Legend

- Central Office (Farms) & First gathering points
- ◆ Collection points
- ▲ Processing Units





The ISCC Integrity Programme is an important pillar of ISCC's quality policy

- **28 desk-based Integrity Assessments in 2020** (*“desk-based” because of COVID-19*)
- **Withdrawal** of 7 certificates due to integrity assessments and 13 certificates due to a non-compliance of the system user that has been detected by the respective CB
- **Suspension from recertification** of 9 system users for a period of 6-60 months
- **Three “warnings”** have been issued to CBs by ISCC
- **One “yellow card”** has been issued to a CB by ISCC
- Based on the analysis, ISCC system documents, audit procedures and other templates are **continuously improved** and updated

The ISCC Association is a multi-stakeholder initiative with 180+ members. New members are welcome at any time!

Selection of members. Further information on the ISCC website



As of 15 October 2021



In November 2020, ICAO recognized ISCC as a sustainability certification scheme under CORSIA



■ The **ISCC CORSIA Standards*** cover the requirements for sustainable aviation fuels (SAF) set by ICAO under CORSIA, including

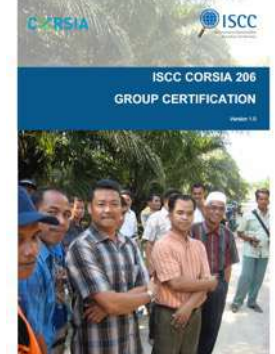
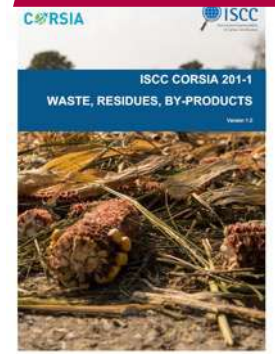
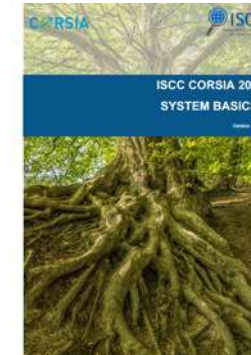
- Life cycle emissions savings
- Protection of land with high carbon stock
- Traceability and chain of custody
- Robust requirements for certification bodies

■ ISCC offers specific **ISCC CORSIA Trainings** for auditors, companies and third parties

- Auditors must participate in training prior to conducting CORSIA audits
- Next date: 19 – 20 January 2022 (online)

■ ISCC has set up **Technical Stakeholder Committee “Sustainable Aviation Fuels”**

- Next date: 18 November 2021 (online)



ISCC CORSIA System Documents

* ISCC CORSIA and ISCC CORSIA PLUS

The ISCC CORSIA System Documents are available on the ISCC Website

Update of the ISCC PLUS System Document

- Most updates were influenced by the increased use of ISCC PLUS certification for industrial applications
 - Inclusion of ISCC PLUS material categories: bio, bio-circular, circular, renewable
 - Specification of processing units (e.g. pyrolysis plants, cracker, etc)
 - New supply chain element: Final product converter (e.g. assembling, laminating, sealing, etc.)
 - Further specifications for mass balance approach
 - Calculation of sustainable shares and conversion factors
 - Claims and bio-based content determination
 - Introduction of third chain of custody: Controlled blending



ISCC has developed a Licensing Scheme for brand owners to use the ISCC logo

More information on the ISCC website

- **The ISCC licensing scheme:** For brand owners that receive ISCC certified final products and want to use an ISCC logo or an ISCC claim
- **Tailor-made concept for brand owners** – no audit necessary to receive a license
- **Advantages:**
 - **Attractive format for brand owners:** increasing the use of the ISCC logo by brands will create more consumer awareness
 - ISCC can **protect its integrity**, because brand owners at the end of the supply chain are covered under an ISCC license agreement
 - The **licensing database** will increase **integrity and transparency** towards NGO's and the general public

ISCC 208 Logos and Claims

Version 1.2



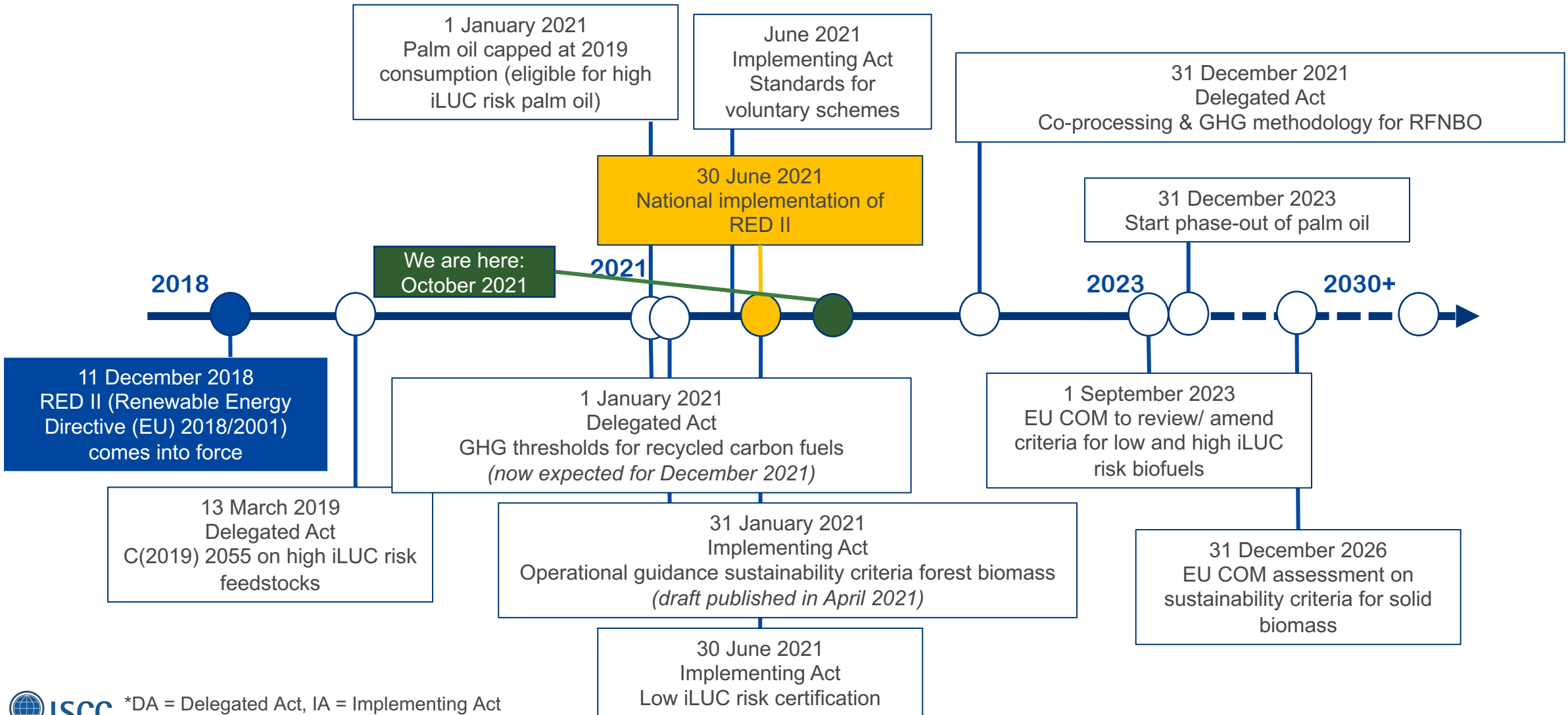
ISCC has updated the Logos and Claims document

- **The update includes:**
 - On-product logos
 - Graphical style guide
 - List of examples
- To ensure the correct application of the logo, ISCC has to approve the application
 - Company interested in the logo use has to file a short form (available on the ISCC website*)



*<https://www.iscc-system.org/process/marketing-with-iscc/>

Timeline of RED II implementation – Overview



*DA = Delegated Act, IA = Implementing Act

Timeline of RED II implementation – RED II transposition by Member States and recognition of Voluntary Schemes

Transposition by Member States

- **Transposition of RED II** by Member States (MS) was required by 30th June 2021
- Some MS have **already transposed** the RED II (e.g. France, Finland, Denmark, Croatia)
- Other MS are in the **process of transposition** (e.g. Germany, The Netherlands, Austria), transposition may be expected by the end of 2021

Palm phase out

- **High iLUC-risk biofuels** (palm phase out): RED II requires MS to cap high ILUC risk feedstock at 2019 level and phase it out by 2030 the latest
- Some MS have set **earlier dates for phase out**, for example: 2021 – Austria and France; 2023 – Germany; 2024 – Spain and Lithuania

Recognition of Voluntary Schemes

- Voluntary Schemes (VS) have **to apply by EC** to become recognised in the framework of the RED II
- ISCC has applied in a **timely manner** last year
- No VS has been **officially recognised** yet by the EC
- EC has confirmed that ISCC EU and other VS are **technically compliant with the RED II** (i.e. they have passed the preliminary assessment for the formal recognition under RED II)
- MS widely **accept the technically compliant VS**
- EC expects that the official recognition of VS will happen **in the short term**



Statement from the EC to VS: No transition period, the RED II requirements apply from 1st July 2021

- **As of 1st July 2021**
 - Certified economic operators have to comply with the sustainability and GHG saving criteria of the RED II
 - Auditors must verify that economic operators have applied the RED II requirements from 1st July 2021 onwards
- **ISCC EU certificates that were issued prior to 1st July 2021 remain valid until their respective expiry date**
 - No immediate re-certification is required
 - Re-certification can be done within the usual interval
- **Sustainable material in the supply chain on 1st July**
 - Certified economic operators can consider all RED I compliant material in stock on this date as **RED II compliant**
 - For all outgoing deliveries physically dispatched on or after 1st July 2021 the sustainability declarations have to **reflect the RED II requirements**

Summary of major changes introduced with the REDII

| | | |
|---|------------------------------------|---|
| <p>New targets</p> | <p>Caps and multipliers</p> | <ul style="list-style-type: none"> ▪ 32% energy from renewable sources until 2030 (EU level) ▪ 14% blending obligation for fuel suppliers until 2030 ▪ 3,5% share of advanced biofuels (Annex IX, Part A) until 2030 (Part B capped to 1,7%) ▪ Road & rail: share of renewable electricity can count 4 x for road & 1,5 x for rail ▪ Maritime & aviation: fuels can count 1,2 x (excl. fuels produced from food/feed crops) |
| <p>New fuel categories</p> | <p>Advanced Biofuels</p> | <ul style="list-style-type: none"> ▪ Advanced biofuels (Annex IX, Part A) ▪ High iLUC-risk biofuels (palm phase out) & low iLUC-risk biofuels (cap on consumption) ▪ Renewable fuels of non-biological origin (RNFBOs) & recycled carbon fuels (RCF) |
| <p>New sustainability requirements</p> | | <ul style="list-style-type: none"> ▪ Mandatory sustainability criteria for gaseous and solid biomass (e.g. wood pellets) ▪ Criteria for forest biomass regarding monitoring and enforcement systems in place |
| <p>New GHG emission saving requirements</p> | | <ul style="list-style-type: none"> ▪ 65% for installations starting operation after 1 January 2021 ▪ 70% for renewable fuels from non-biolog. origin after 1 January 2021 ▪ New fossil fuel comparator: 94 instead of 83.8 gCO₂eq/MJ |
| <p>Amendments for Mass Balance & Traceability database</p> | | <ul style="list-style-type: none"> ▪ Specification that raw materials and fuels can be mixed in certain sites. "Distribution infrastructure" includes the gas network ▪ Mixing of raw materials with differing energy content is explicitly allowed ▪ Establishment of a Union database to enable full traceability of transport fuels |

The most important updates from the RED II that have to be taken into account by ISCC certified companies since 1st July 2021

▪ Land related sustainability:

- New land category “highly biodiverse forest and other wooded land”
- Update in the assessment of **biodiversity of grassland**
- Monitoring of impacts on **soil quality and soil carbon** for waste and residues derived from agriculture

▪ Traceability and mass balance:

- Sustainability declarations/PoS must reflect RED II requirements (updated templates available)
- Mass balance period for FGPs can be up to **12 months**
- Max balance approach can now also be applied for distribution infrastructure, e.g. the **gas network**

▪ GHG:

- New fossil fuel reference **values***
- New GHG emissions saving **targets**
 - 65% for new installations (after 1 Jan 2021), 70% for RFNBOs
- Application of updated (disaggregated) default values
- **Change in GHG calculation** methodology
 - Element Eee (excess electricity) removed, Eee can be subtracted from Ep (processing emissions)

▪ Waste and residues:

- At the point of origin, auditor has to determine whether a material is a **waste or residue at the point of origin** (previously: verification if material was on RED/FQD or MS positive list)
- Collecting points have to submit a list to the auditor **prior to the audit** of all points of origin that signed a self-declaration indicating the volume of w/r they can supply


* 94 instead of 83.8 gCO₂eq/MJ)

New ISCC EU system documents are valid since 1st July 2021. They can be downloaded from the ISCC website



This version of the documents have been submitted to the EC in the framework of the recognition process of ISCC EU under the RED II. The recognition of voluntary schemes in the framework of the RED II is pending. Documents may be subject to change depending on further legislation and further requirements of the EC

ISCC provides documents to support companies and auditors to implement the RED II requirements. Available on the ISCC website



ISCC EU and ISCC PLUS Audit Procedure Point of Origin (RED II Gap Audit Procedure)


Please read the guidelines carefully before completing the audit procedures!

- This gap audit procedure must be used for audits as of 01st July 2021 to verify compliance with the revised ISCC EU standard RED II [\(Directive \(EU\) 2018/2001\)](#).
- This audit procedure must be used in addition to the currently applicable audit procedure system (APS).
- In case of differences between this audit procedure and the currently applicable version of APS, the requirements and verification procedure prevail and must be verified.

| No. | Basic Data |
|----------|--|
| 00.00. | Certification Body |
| 00.00.01 | Name of Certification Body |
| 00.01. | Operational Unit (Point of Origin that is subject to the audit) |
| 00.01.01 | Company Name |
| 00.01.18 | ISCC Registration Number |
| 00.02. | Audit Specific Data |
| 00.04. | Point of Origin Requirements |

| No. | Requirements | Verification guidance | Evidence/ Documents | Findings | Conformity | |
|----------|--|---|---------------------------|--|------------|----|
| | | | | | Yes | No |
| 01. | Management System | | | | | |
| 01.01. | General Requirements (not applicable for points of origin audited as part of a sample) | | | | | |
| 06. | Point of Origin | | | | | |
| 06.01. | General Requirements Point of Origin (for main and sample audits) | | | | | |
| 06.01.01 | Is it ensured that the material is eligible for certification under the ISCC EU waste/residue certification process? | Verify if the material is listed on the ISCC EU list of materials <u>as being</u> eligible for certification under the ISCC EU waste/residue process. | ISCC EU list of materials | | | |
| 06.01.02 | <u>Is it ensured that the material being claimed as sustainable waste or residue according to ISCC by the point of origin meets the respective definition of "waste" or "residue" at the point of origin?</u> <u>In case a case-by-case assessment is required:</u> | <u>Check requirement No 06.01.03 first to verify if the material is disqualified as a waste or residue due to deliberate production or intentional contamination.</u> <u>Waste: Check if the holder discards, intends to or is legally required to discard the material (see guidance in ISCC EU Document 202-S chapter 5.4). If yes, the material classifies as a waste. If no,</u> | | <u>Indicate the material(s) and the assessment result(s) i.e. "waste", "residue" or "(co-) product".</u> | | |

Gap Audit Procedures: Highlight in detail the RED II changes that have to be applied by certified companies and have to be verified by auditors since 1st July 2021



Proof of Sustainability (PoS) for Biofuels, Bioliquids and Biomass Fuels

Applies under the Renewable Energy Directive (EU) 2018/2001 (RED II)

For biofuels, bioliquids and biomass fuels according to the Renewable Energy Directive (EU) 2018/2001 (RED II)

Unique Number of the PoS: _____

Date of Issuance of the PoS: _____

| Supplier | Recipient |
|---|--|
| Name: _____ | Name: _____ |
| Address: _____ | Address: _____ |
| Certification System: ISCC EU | |
| Certificate Number: _____ | |
| Address of dispatch/shipping point of the sustainable material: _____ | <input type="checkbox"/> Same as address |
| Address of receipt/receiving point of the sustainable material: _____ | <input type="checkbox"/> Same as address |
| Date of dispatch of the sustainable material: _____ | |

1. General Information

Type of Product: Please select

Type of Raw Material: Please select

Additional Information (voluntary): _____

Country of Origin (of the raw material): _____

Quantity: _____ m³ metric tons

Energy content (MJ): _____ 0 MJ

2. Scope of certification of raw material

The raw material complies with the relevant sustainability criteria according to Art. 29 (2) - (7) RED II! Yes No

The agricultural biomass was cultivated as intermediate crop (if applicable) Yes No

The agricultural biomass additionally fulfills the measures for low ILUC risk feedstocks (if applicable) Yes No

The raw material meets the definition of waste or residue according to the RED II! Yes No

3. Greenhouse Gas (GHG) emission information

Total default value according to RED II applied Yes No

E = Total GHG emissions from supply and use of the fuel (gCO₂eq/MJ)

E = E_{ec} + E_l + E_p + E_{st} + E_u + E_{sc} + E_{cc} + E_{ccr} = 0 gCO₂eq/MJ

GHG emission saving:

| | | | |
|------|--|------|--|
| 0,0% | Biofuels for transport | 0,0% | Biomass fuels for the production of electricity |
| 0,0% | Bioliquids for electricity, and production of energy for heating and/or cooling | 0,0% | Biomass fuels for the production of useful heat, as well as for the production of energy for heating and/or cooling |
| 0,0% | Bioliquids for the production of useful heat, as well as for the production of energy for heating and/or cooling | 0,0% | Biomass fuels for the production of useful heat, in which a direct physical substitution of coal can be demonstrated |

Templates for Sustainability Declarations/PoS: Contain all relevant information that have to be forwarded under the RED II since 1st July 2021





Upcoming ISCC Regional and Technical Stakeholder Meetings

ISCC Regional Committee Meeting North America

- 16 November 2021 (virtual event)

ISCC Technical Stakeholder Meeting “Sustainable Aviation Fuels”

- 18 November 2021 (virtual event)

ISCC Technical Stakeholder Meeting “Circular Economy and Bioeconomy”

- 09 December 2021 (virtual event)

Further information and registration
on the ISCC website



Upcoming ISCC Trainings – Further dates for 2022 to be confirmed soon

ISCC EU and PLUS Basic Training

- 30 November – 02 December 2021, Online

ISCC Greenhouse Gas Training

- 27 – 28 October 2021, Online
- 05 – 06 April 2022, Online

ISCC PLUS Training – Circular Economy and Bioeconomy

- 23 – 24 November, Online

ISCC CORSIA Training


- 19 – 20 January 2022, Online

ISCC Waste and Residues Training

- Next dates tbc

Further information and registration
on the ISCC website

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Many thanks for your attention!

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