

European Court of Auditors Confirms ISCC's Approach on Sustainability Certification

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On 21 July 2016 the European Court of Auditors (ECA) has published a report on "The EU System for the Certification of Sustainable Biofuels". The report identifies important criteria that should generally be covered by sustainability certification but that are currently not fully applied by all certification schemes that are recognized by the European Commission. These criteria include:

- Effective and comprehensive verification of compliance with sustainability requirements through complete procedures (audit checklists) and guidance by the scheme
- Socioeconomic sustainability aspects (e.g. safe working conditions, human, labour and land rights) should be taken into account
- Credible verification of the origin of waste and residues and traceability through supply chains
- Reliable approach on highly biodiverse grassland
- Audits on site (only desk audits not sufficient)
- Transparency: Relevant information should be published on the website of the scheme
- Multi-stakeholder instead of industry or company driven schemes (possible conflict of interest)

ISCC is one of the few sustainability certification schemes recognized by the European Commission that has implemented all these criteria on a mandatory basis for system participants:

- ISCC provides detailed audit procedures (checklists) and guidance documents to the ISCC auditors. In addition, participation of auditors in intensive ISCC Training program is required.
- The six ISCC principles for sustainable production of biomass go far beyond the mandatory legal requirements of the EU Renewable Energy Directive (RED), and cover the following environmental and socioeconomic sustainability criteria:
 1. Protection of Land with High Biodiversity Value (including highly biodiverse grassland) or High Carbon Stock
 2. Environmentally Responsible Production to Protect Soil, Water and Air
 3. Safe Working Conditions
 4. Compliance with Human, Labour and Land Rights
 5. Compliance with Laws and International Treaties
 6. Good Management Practices and Continuous Improvement
- ISCC has implemented a reliable certification approach for waste and residues that allows traceability back to the origin where waste material is generated, and that is in compliance with the requirements by the Commission
- ISCC audits generally have to be conducted on-site
- ISCC publishes all relevant information on its website, including valid certificates as well as expired and withdrawn certificates
- ISCC is a multi-stakeholder initiative. The ISCC Association (ISCC e.V.) currently has more than 80 members including companies, NGOs, research facilities and science institutes and others.



ISCC is pleased to see these crucial criteria included in the ECA's report. ISCC sees this as an acknowledgement of its efforts to provide a high quality certification scheme, going beyond the mandatory criteria from the RED.

Despite positive examples like ISCC, the ECA's report generalises that, "because of weaknesses in the Commission's recognition procedure and subsequent supervision of voluntary schemes, the EU certification system for the sustainability of biofuels is not fully reliable". The report states that the European Commission had not obligated the certification schemes in its recognition procedure to verify socioeconomic criteria and ILUC (Indirect Land Use Change).

It should be pointed out, that the Council and the Parliament of the European Union did not include mandatory socioeconomic and ILUC criteria in the RED. In addition, the scientific discussion on ILUC and the correct assessment of its impact is still ongoing and the ECA itself explicitly acknowledges that there are "technical difficulties in assessing the impact of ILUC". Therefore it is surprising that the ECA blames for that the Commission and the overall approach of certification.

However, ISCC agrees that socioeconomic criteria are essential for credible and effective sustainability certification. This is why under ISCC compliance also with socioeconomic criteria is mandatory for successful certification.

The ECA's recommendations to the Commission comprise important points on how to further raise the sustainability standards and how to continuously improve the EU system for sustainable biofuels in the future. ISCC will take these into account wherever possible and will further improve its system.

For fossil fuel or other biomass markets, including food, feed and chemicals, no mandatory sustainability requirements are in place. The sustainability requirements for biofuels from EU legislation may not go far enough and unfortunately not all voluntary schemes have implemented stricter additional social and environmental requirements. However, the sustainability certification for biofuels is globally a unique approach by the European Union. The ECA should have taken the opportunity to also highlight this as a positive example for other sectors and countries that has initiated a lot of improvements in sustainability.

To provide reliable and consistent sustainability certification for all biobased sectors and applications that are not regulated under the RED, ISCC has developed the ISCC PLUS certification scheme. ISCC would like to highlight that important progress has been made around the globe due to the sustainability certification of biofuels and that there are positive spill over effects from biofuels to other markets where certification is not mandatory.

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