



# ENSURING END-TO-END TRACEABILITY OF SAF – THE ISCC CREDIT TRANSFER SYSTEM

**Thomas Bock**

**System Manager, ISCC System**

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# As the SAF market is set to grow, there is the need for an end-to-end traceability system from feedstock to final use



## Context & Challenge

- Airlines and aviation end-customers wish to purchase and **claim GHG emissions reductions from SAF use**
- Airlines and end-customers are not covered by the existing supply chain certification systems, which creates the **risk of insufficient traceability and false claims**
- Organizations involved in SAF transactions demand **solutions for end-to-end traceable SAF transactions and verified claims**



## The ISCC credit transfer system

- System that connects the physical, mass balance-based SAF supply chains with the resulting SAF claims by airlines and aviation end-customers
- System that ensures both **transparent and ambitious SAF claims** through
  - The use of a secure digital registry for all SAF credit transfers and resulting claims
  - Definition of a clear and robust rule set governing credit transfers and registry use

# The ISCC credit transfer system adheres to a set of key guiding principles



## Contribute to reducing emissions in aviation

- ✓ SAF is physically consumed in aviation, thus reducing the sector's GHG emissions
- ✓ SAF use is additional and generates atmospheric benefits



## Robust auditing and verification

- ✓ Audit and verification of credit registrations, transfer and retirement to avoid double counting
- ✓ Smooth integration into standard ISCC certification procedures



## SAF complies with stringent, internationally recognized sustainability criteria

- ✓ SAF must be EU REDII (e.g. ISCC EU), CORSIA (e.g. ISCC CORSIA) or ISCC PLUS certified
- ✓ This ensures credit transfers are based only on high-integrity SAF

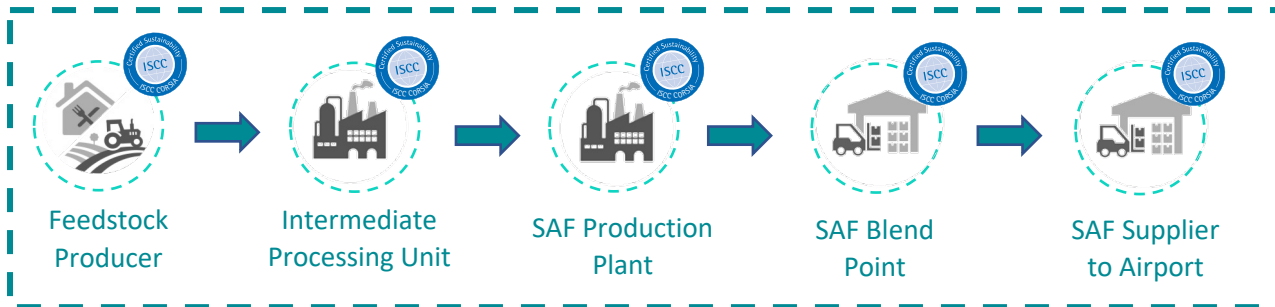


## In line with established sector guidance and emissions accounting principles

- ✓ System design largely follows principles laid down in the Science-based targets initiative's (SBTi) aviation sector guidance and GHG Protocol

# How does it work? The credit transfer system builds on robust upstream mass balance certification

## Mass balance certification (e.g. ISCC CORSIA, ISCC EU)



## Mass balance certification ...



follows the physical flow of sustainable material from feedstock to final supply, lending credibility to all claims made based on that mass-balanced SAF

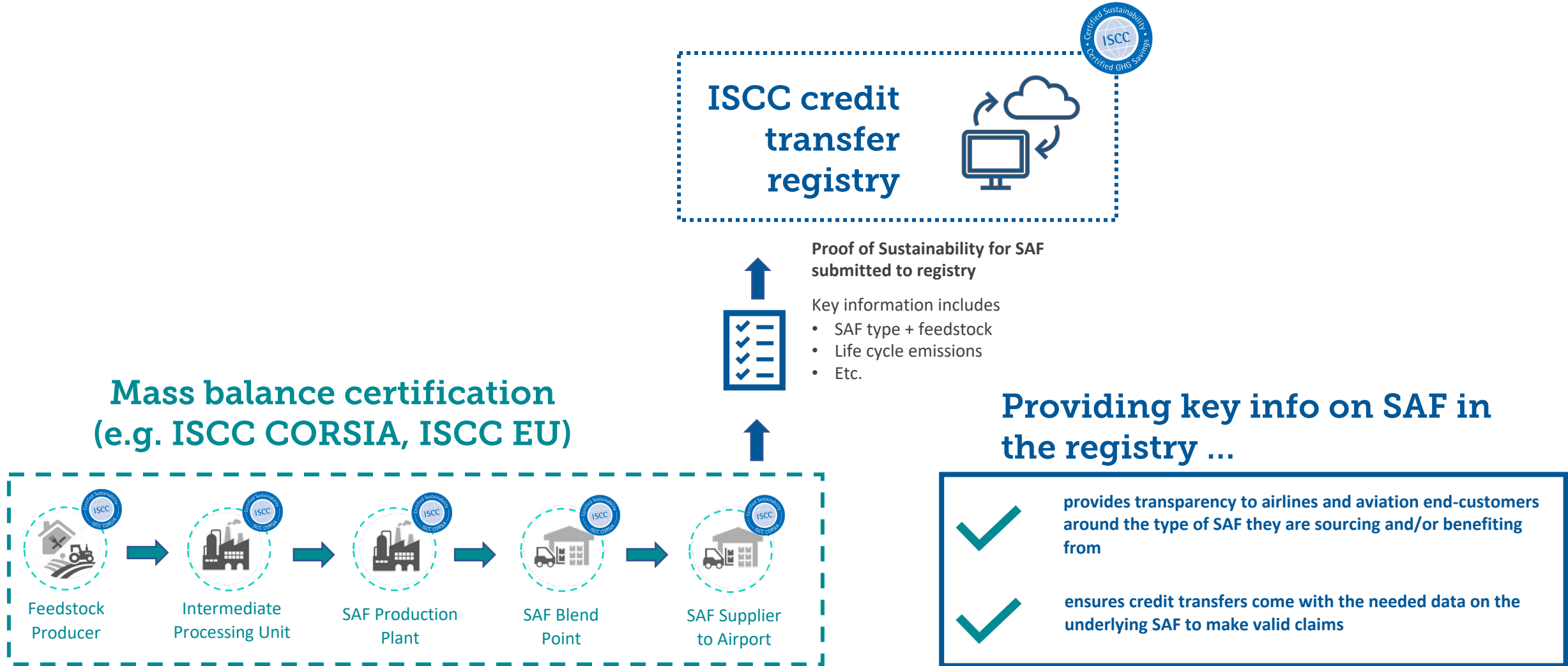


ensures feedstock production adheres to strict sustainability criteria

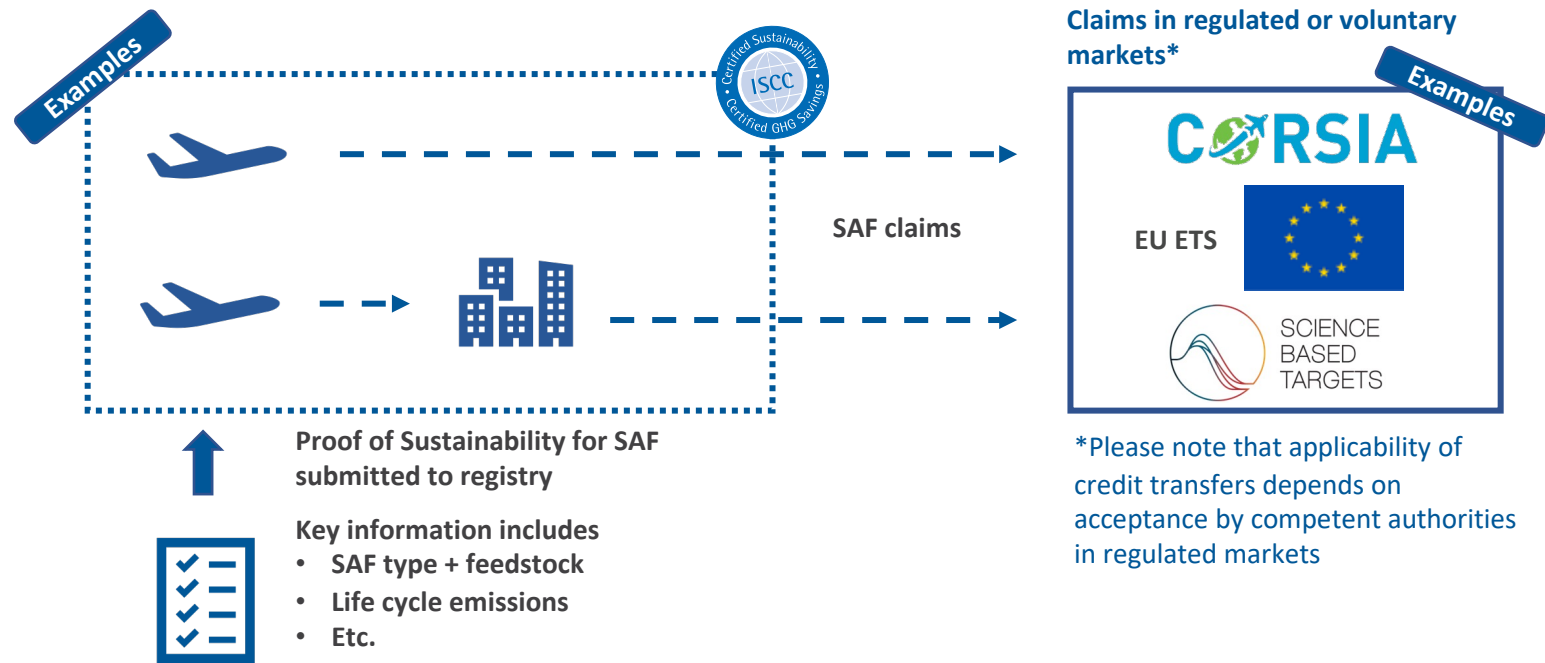


ensures that GHG emissions are consistently and transparently accounted for in the SAF's whole life cycle

# At point of supply, the SAF supplier enters key information on the SAF in the dedicated ISCC registry

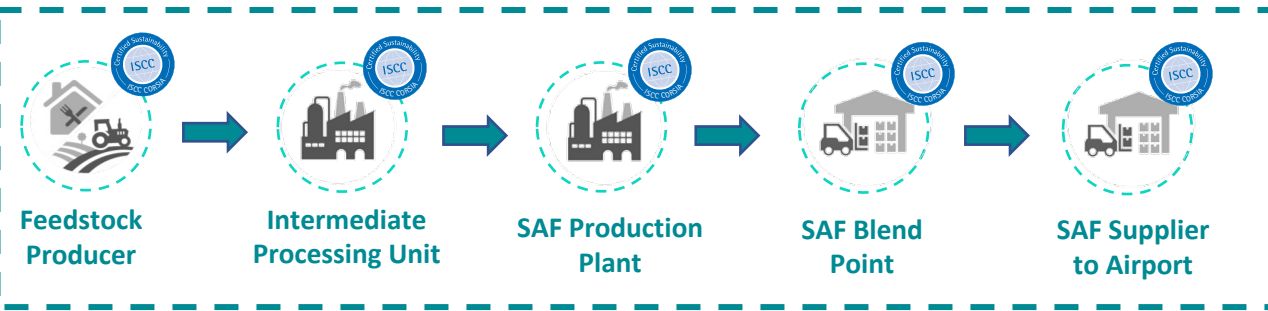


# Once registered, credits can be transferred between registry users, retired and claimed for different uses



\*Please note that applicability of credit transfers depends on acceptance by competent authorities in regulated markets

## Mass balance certification (e.g. ISCC CORSIA, ISCC EU)



## The use of a digital registry ...

- ✓ ensures full traceability of credit transfers (i.e. who transfers to whom, who claims what) and always keeps information about underlying SAF
- ✓ allows for record keeping and subsequent auditing of all SAF claims based on credit transfers in that registry

# The ISCC credit transfer system is aimed to be credible, transparent and easy-to-use for key stakeholders



## SAF suppliers

- ✓ Straightforward, „plug-and-play“ system that complements the existing ISCC supply chain certification systems
- ✓ Simple integration into existing ISCC certification via add-on audit as part of regular ISCC audits



## Airlines

- ✓ Practical and hassle-free way of recording credible emissions reductions from SAF, integration into credible corporate traveler programs towards end-customers
- ✓ Possibility for future use of credit transfers in regulated markets (e.g. CORSIA)\*



## Aviation end-customers

- ✓ Sourcing of credible emissions reductions based on SAF that meets strict sustainability criteria
- ✓ Clear documentation for each SAF batch in the form of a retirement declaration, to substantiate claims in GHG emissions reporting



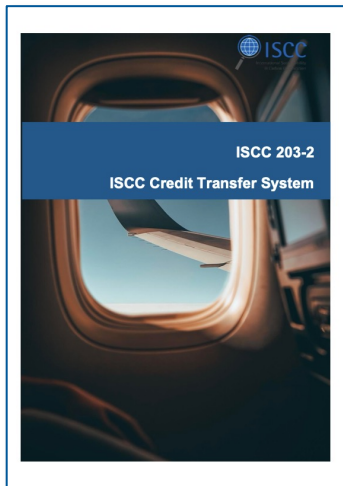
## Certification bodies

- ✓ Straightforward integration of credit transfer system auditing into certification body's existing ISCC services
- ✓ Streamlined access to required audit documentation via dedicated certification body accounts in the registry

# Heading towards take-off – What's next for the ISCC credit transfer system?

## NESTE

Deutsche Post DHL  
Group



### Put theory into practice by conducting pilot transactions

- ISCC has joined forces with frontrunners Neste and DPDHL to conduct a first pilot transaction in an air freight context (voluntary market), putting both the rule set and the draft registry to the test
- Explore further pilots (including for business travel scenarios) with ISCC members and stakeholders

### Refine the system and seek wider application and feedback

- Refine to the two essential building blocks of the ISCC credit transfer system, i.e. the system document and registry (currently in draft form)
- Go into public consultation in Q2 2023 and invite broader stakeholder feedback
- As interest and demand from the maritime sector grows, the incorporation of sustainable marine fuels (SMF) is envisaged