



The ISCC Credit Transfer System

Overview of System and Registry

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As the SAF market is set to grow, there is the need for a traceability system from feedstock to SAF use-related claims



Context & Challenge

- Airlines, logistics providers and aviation end-customers wish to purchase and claim GHG emissions reductions from SAF use
- However, they are not covered by the existing supply chain certification systems, which only track SAF until it is delivered to an airport (and often may stop even earlier)
- This creates the **risk of insufficient traceability of SAF transactions** and **intransparent or incorrect sustainability claims**



The ISCC Credit Transfer System

- Connects the physical, mass balance-based SAF supply chains with the resulting SAF claims by airlines, logistics providers and aviation end-customers
- Aims to ensure both **transparency and credibility for SAF claims** through
 - defining a clear and robust rule set governing credit transfers and registry use
 - the use of a secure digital registry for all SAF credit transfers and resulting claims

The ISCC Credit Transfer System follows a set of key guiding principles



SAF is certified to meet stringent, internationally recognized sustainability criteria

Only SAF that is EU REDII (e.g. ISCC EU), CORSIA (e.g. ISCC CORSIA) or ISCC PLUS certified is eligible for entering the system



Alignment with established GHG accounting frameworks and industry guidance where possible

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



SAF is additional, as it generates atmospheric benefits beyond mandated and incentivized volumes

Only SAF volumes that have not been counted towards SAF mandates or counted under incentive schemes (e.g. 'opt-in') are eligible for entering the system



Practical to incorporate into existing ISCC certification processes

Simple integration into existing ISCC certification process (SAF suppliers, certification bodies)
Ease of registry use, import/export functions



Features safeguards to help mitigate the risk of double counting

Credit registrations audited by third-party certification bodies
Public retirement table
Communication between registries

The ISCC Credit Transfer System consists of two major elements

ISCC Credit Transfer System

ISCC Credit Transfer System Document



Defines

- **Guiding Principles** for the System
- Requirements for **organisations to participate**
- Requirements for **credit registration, transfer and retirement**
- Requirements for **audit & verification**

ISCC Credit Transfer Registry

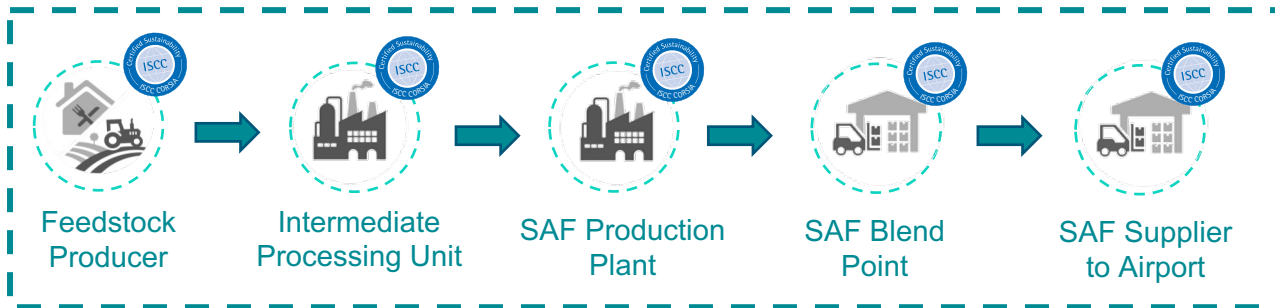


Standardized electronic database for

- **Digitally tracking credit registration, transfer and retirement**
- **Generating retirement declarations to substantiate** emission reductions **claims**
- **Providing public information** about SAF claims made through the Registry

How does it work? The ISCC Credit Transfer System builds on robust upstream mass balance certification of the SAF

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

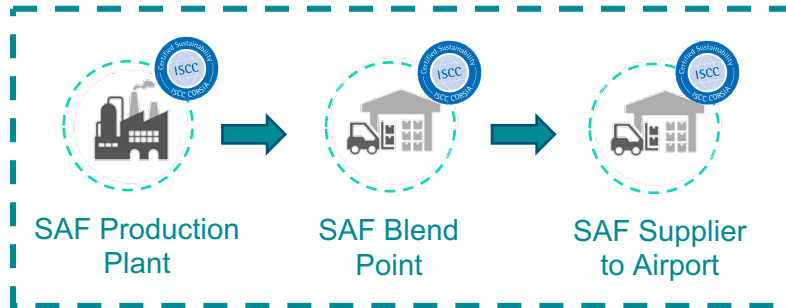


Mass balance certification ...

- ✓ follows the physical flow of sustainable material from feedstock to supply to the airport, 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

After injecting the SAF blend into the airport fuelling system, the SAF supplier enters key information on the SAF in the ISCC Registry

Mass balance certification (e.g. ISCC CORSA, ISCC EU)



SAF supplier submits Proof of Sustainability information to ISCC Registry



SAF is eligible for credit registration provided that ...



it is certified under an approved sustainability certification scheme from feedstock production until delivery to the airport



it is physically delivered, on a mass balance basis, to the airport fuelling system



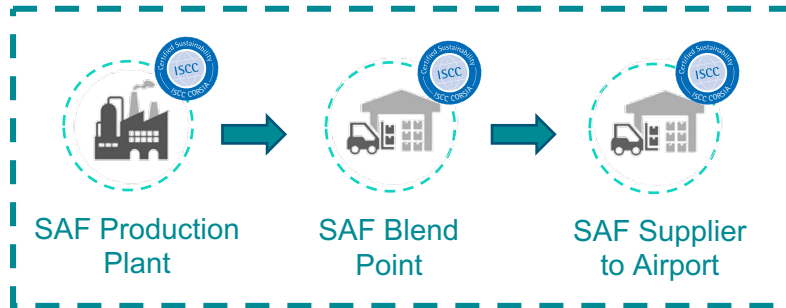
it is additional, i.e. not legally mandated nor substantially incentivized



it is allocated to an airline on a mass balance basis

After injecting the SAF blend into the airport fuelling system, the SAF supplier enters key information on the SAF in the ISCC Registry

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



SAF supplier submits Proof of Sustainability information to ISCC Registry



ISCC Credit Transfer Registry



Information to be submitted includes

- SAF type + feedstock
- Sustainability certification
- Life cycle emissions
- Information on SAF production and blending
- Airport to which SAF was delivered
- Name of airline responsible for Scope 1 emissions
- Information on any SAF production incentives used
- Etc.

Providing key info on SAF in the Registry



provides transparency to airlines, logistics providers and end-customers around the type of SAF they are sourcing and/or benefiting from



ensures credit transfers come with the needed data on the underlying SAF to make valid claims

The ISCC Credit Transfer System aims to align with the SBTi principles

1 Obtain reasonable proof of fuel consumption/combustion

SAF is **physically delivered to given airport** (on mass balance basis).

In most cases, due to airport logistics, specific allocation of SAF molecules to individual aircraft is not possible. Instead, it is required that aeroplane operator's aircraft is **fuelled from a given airport's jet fuel distribution system** into which the SAF was physically delivered.

2 Demonstrate environmental benefits associated with the SAF used

Only SAF that is EU RED II, CORSIA or ISCC PLUS certified is eligible for entering the ISCC Credit Transfer System (Certificate/Proof of Sustainability must be available for submission in the ISCC Registry).

Only SAF that follows strict additionality rules is eligible for entering the ISCC Credit Transfer System.

The **retirement declaration** generated upon retirement of credits from the ISCC Registry **transparently lists relevant sustainability characteristics** of the underlying SAF.

3 Prove clear chain of custody for the SAF consumption down, rather than across, the value chain

The mass-balance based certification systems recognized under EU RED II or CORSIA and ISCC PLUS cover the **complete chain of custody from feedstock production to delivery of the SAF to the airport**.

Building on this, the **ISCC Credit Transfer System extends the chain of custody for SAF transactions and claims. SAF credits and claims can only ever flow downstream** (never upstream or across value chains).

4 Include full accounting of well-to-wake emissions of fuels in emissions reporting

Only SAF that is EU RED II, CORSIA or ISCC PLUS certified is eligible for entering the ISCC Credit Transfer System. **All three frameworks use a well-to-wake approach to emissions accounting.**

Each Registry user's account features an overview of that user's credits

ISCC
Logout

My Dashboard
My Credits
My Account
FAQ

Credits for Sample_SAF supplier

Available
Used

Credit Batches

Register Credits

1994 ABC-125	18-09-2023	>
Available: 50.00 (S1) 50.00 (S3) GHG Value: 13.90 g CO2eq/MJ	Product type: SAF (HEFA) Feedstock: Used cooking oil (UCO)	
1993 MNO-101112	18-09-2023	>
Available: 40.00 (S1) 40.00 (S3) GHG Value: 17.80 g CO2eq/MJ	Product type: SAF (HEFA) Feedstock: Tallow	
1992 XYZ-789	18-09-2023	>
Available: 10.00 (S1) 10.00 (S3) GHG Value: 16.90 g CO2eq/MJ	Product type: SAF (HEFA) Feedstock: Empty Palm Fruit Bunch (EFB) oil	
1991 CDE-456	18-09-2023	>
Available: 50.00 (S1) 50.00 (S3) GHG Value: 14.20 g CO2eq/MJ	Product type: SAF (HEFA) Feedstock: Used cooking oil (UCO)	
1990 ABC-123	18-09-2023	>
Available: 100.00 (S1) 100.00 (S3) GHG Value: 13.90 g CO2eq/MJ	Product type: SAF (HEFA) Feedstock: Used cooking oil (UCO)	

Details of credit batch

Date of issuance:	18-09-2023	Date of expiry:	17-09-2025
Scope 1 credits:	50.00 of (60.00)	Scope 3 credits:	50.00 of (60.00)
Energy content scope 1 credits:	2200000.00 MJ	Energy content scope 3 credits:	2200000.00 MJ
Product type:	SAF (HEFA)	Feedstock:	Used cooking oil (UCO)
Sustainability certification:	EU RED II, ISCC EU	Feedstock origin:	France
SAF incentives used:	No SAF incentives used	Feedstock certified as waste or residue:	Yes
Producer:	Sample producer	Blender:	Sample blender
Production location:	Paris	Blending location:	Paris
Production date:	12-09-2023	Blending date:	14-09-2023
SAF was delivered to:	Charles de Gaulle Airport	Scope 1 emitter:	Sample airline
Life cycle GHG emissions:	13.90 g CO2eq/MJ	Lower heating value:	44.00 MJ/kg

Status of credit batch

Transfers
Retirements

Retirement ID	Date of retirement	Scope	Retired quantity	On behalf of	Declaration download
2629	18-09-2023	Scope 3	10.00	Sample corporate customer	
2628	18-09-2023	Scope 1	10.00	Sample airline	

Transfer Credits
Retire Credits

'My Dashboard' will provide the Registry user with an overview of all the data entered/transferred/retired

If all credits in a credit batch have been transferred and/or retired, they appear under 'used'

If a credit batch is selected, in-depth sustainability information is shown

An overview of credit batches in the user's account is displayed here, with most important info

'Transfer' and 'retire' actions – can be done for each credit batch

Register new credits by submitting the PoS (only SAF supplier)

Registry keeps track of and displays actions for each credit batch (i.e. transfers, retirements)

Retirement declaration will remain downloadable

Retirement Declaration



Unique Declaration ID: 2629
 Date of Issuance: 18-09-2023

In accordance with the rules set by the International Sustainability and Carbon Certification (ISCC) System, the following has been retired from the ISCC Credit Transfer Registry:

Type of product	Amount of retired credits		GHG emissions reduction (in metric tons of CO2eq)*
	Scope 1	Scope 3	
SAF (HEFA)	0.00	10.00	33.04
Retired by	Retired for		Type of emissions reduction claim
Sample_SAF supplier	Sample corporate customer		Scope 3

Sustainability information

Related unique ID in ISCC registry	1994-ABC-125
Quantity of neat, certified SAF (in mt)	10.00
Energy content of neat, certified SAF (in MJ)	440000.00
Name of neat SAF producer	Sample producer
Date of neat SAF production	12-09-2023
Sustainability certification of SAF	EU RED II ISCC EU
Feedstock	Used cooking oil (UCO)
Country of origin of feedstock	France
Life cycle GHG emissions value (in g CO2eq/MJ)	13.90
CORSIA fossil reference value (in g CO2eq/MJ)	89.00
GHG emission reduction compared to CORSIA fossil reference value (in %)	84.38
EU RED II fossil reference value (in g CO2eq/MJ)	94.00
GHG emissions reduction compared to EU RED II fossil reference value (in %)	85.21
Control point to which SAF was delivered	Charles de Gaulle Airport
Name of aeroplane operator responsible for direct, i.e. Scope 1, Sample airline emissions	
Information on SAF incentives used	No SAF incentives used

Please scan the QR Code or refer to the following link to validate this retirement declaration and its content in a secure environment on the ISCC registry:
<https://saf.iscc-system.org/p/verify/qrcode/35184372088947551>



*Please note that the GHG emissions reduction has been calculated by applying the CORSIA fossil reference value of 89 g CO2eq/MJ.

Upon credit retirement, the ISCC Registry will issue a retirement declaration

- The **retirement declaration**
 - attributes a certain emission reduction claim to a particular entity
 - includes key sustainability information to substantiate a claim
 - includes a link & QR code that lead to a secure validation section (e.g. for auditors to check)
 - continues to be available in the Registry user’s account
- Upon retirement, **aggregated information on the retired credits will be published** in a public retirement table (under development and discussion)

The ISCC Credit Transfer System is our response to demands from ISCC stakeholders to provide a solution for the voluntary market



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

What's next for the ISCC Credit Transfer System?

- Within the next few weeks, **the ISCC Credit Transfer System will be put in public consultation**
- **We invite your feedback**, including in bilateral discussions
- System has now been piloted in a first transaction – **we welcome interest from further partners in testing out different scenarios** (in both business travel and air freight scenarios)
- Discussions are ongoing with regard to the **consideration of sustainable marine fuels**
- **Continuous dialogue with other systems and registries** active in the space



Thank you!

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