

ISCC Credit Transfer System

Version 1.0

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1 Introduction

The aviation sector has set itself the ambitious goal of achieving net-zero emissions by 2050.¹ With aviation generally considered a ‘hard-to-abate’ sector, widespread adoption of sustainable aviation fuels (SAF) is recognised as a key lever to achieving ambitious emission reduction goals. To accelerate the aviation sector’s transition towards net-zero, a rapid ramp-up of SAF deployment is needed. International agreements such as the International Civil Aviation Organization’s (ICAO) CORSIA and regional and national SAF policies will play a major role therein, as well as voluntary SAF purchases in addition to publicly mandated and incentivised volumes.

*SAF as key lever
towards net-zero*

ISCC certification aims at safeguarding the sustainability of feedstock and SAF production and ensuring that greenhouse gas (GHG) emissions along the SAF’s life cycle are calculated following established methodologies (e.g., according to the EU’s revised Renewable Energy Directive or CORSIA). ISCC certification covers the complete SAF production chain and allows for the traceability of sustainable material from feedstock production through various processing, storage, and trading steps until delivery of the SAF to the point of uplift.

*ISCC
certification*

There is, however, currently no established system that secures traceability of transactions and credibility of sustainability claims downstream of SAF delivery, i.e., for aeroplane operators, logistics providers and end-customers wanting to reduce their emissions footprint from air travel or freight. This bears the risk of insufficient traceability of SAF transactions and intransparent or incorrect sustainability claims.

*Risk of incorrect
claims*

The ISCC Credit Transfer System provides a solution to this challenge. It extends the traceability of SAF transactions and sustainability claims downstream of SAF delivery, thereby allowing the transfer of credible sustainability claims between SAF suppliers, aeroplane operators, logistics providers and end-customers. By making use of ‘credits’ as basic units of traceability within the system, participating organisations can transfer SAF claims via a standardised electronic registry operated by ISCC to partner organisations in their downstream value chain, allowing them to claim the SAF’s sustainability benefits (e.g., the GHG emissions reduction) in exchange.

*ISCC Credit
Transfer System*

The ISCC Credit Transfer System closely follows the principles defined in widely recognised corporate GHG accounting standards by the Greenhouse Gas Protocol as well as established aviation sector guidance set by the Science Based Targets Initiative (SBTi), thereby allowing organisations to make sustainability claims based on the purchase and use of SAF and the

*Following
recognised
principles*

¹ Please see the International Civil Aviation Organization’s (ICAO) communication on a net-zero 2050 global aspirational goal [here](#), as well as the International Air Transport Association’s (IATA) communication on net-zero carbon emissions by 2050 [here](#).

related emissions reductions. In practice, this involves closely following the physical flow of SAF up until its point of use (i.e., uplift and subsequent combustion by an aircraft), and keeping the related GHG reduction claims broadly within the same value chain. This way, organisations can credibly claim their contribution to in-sector GHG emissions reductions from SAF purchase and use.

In summary, the ISCC Credit Transfer System is governed by a clear and transparent set of rules, designed to secure traceability and credibility of SAF transactions and the resulting sustainability claims. The System further comprises an auditing framework featuring independent, third-party certification, in line with established ISCC auditing and verification principles.

*Traceability and
credibility of SAF
claims*

2 Scope and Normative References

This document specifies the requirements applicable to organisations, i.e., System Users, participating in the ISCC Credit Transfer System.

*Applicable
requirements*

In addition, System Users are required to take note of and accept the Terms of Use for the ISCC Credit Transfer System.² The Terms of Use regulate the use of the ISCC Credit Transfer System by System Users and the resulting rights and duties of the involved parties.

Terms of Use

3 System Basics

3.1 Basic Functioning of the System

ISCC certification verifies the SAF's compliance with sustainability requirements, GHG emissions savings and traceability up to the point of delivery to an airport. The ISCC Credit Transfer System extends the traceability for SAF transactions and sustainability claims to include organisations in the downstream value chain that are not covered by ISCC certification, namely aeroplane operators, logistics providers (such as freight forwarders) and aviation end-customers (including organisations with carbon footprints in business travel and/or air freight).

*Extension of
traceability*

² Note: The Terms of Use are currently being drafted.

Figure 1 provides an overview of how the ISCC Credit Transfer System builds on and interfaces with the mass balance-based certification systems.

Mass balance certification

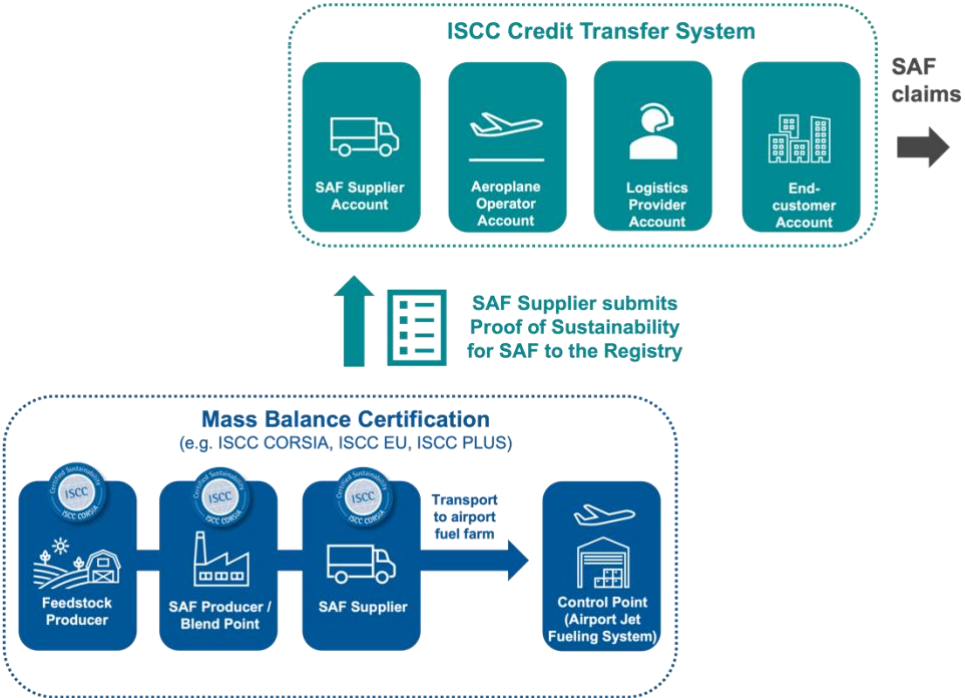


Figure 1: The ISCC Credit Transfer System builds on mass balance certification

The ISCC Credit Transfer System works as follows: The SAF supplier delivers sustainably certified SAF³ on a mass balance basis to the ‘control point’. The control point is defined as the point in the supply chain where the SAF enters the jet fuelling system of an airport (e.g., the commingled storage or similar).

SAF delivery to control point

Once the SAF has been delivered to the control point and the additional requirements for registering SAF as credits (see section 6.1) are fulfilled, the SAF supplier can register credits corresponding to the delivered amount of neat (i.e., unblended), certified SAF in its account in the ISCC Credit Transfer Registry (i.e., by submitting the Proof of Sustainability⁴, or PoS, information for that SAF batch in the Registry).

Registration of SAF credits

The basic unit of traceability within the ISCC Credit Transfer System is a credit. Each metric ton (mt) of neat, certified SAF, carries both a scope 1 and a scope 3 credit.⁵

Credit as unit of traceability

From its own Registry account, the SAF supplier can transfer credits to the Registry accounts of organisations in its downstream value chain, including aeroplane operators, logistics providers or aviation end-customers. These

Transfer of SAF credits

³ This includes SAF blends as well as co-processed SAF, provided they are certified to the respective ASTM Standards.

⁴ The Proof of Sustainability is a document specifying the sustainability characteristics for a specific quantity (batch) of SAF.

⁵ Please note that both a scope 1 as well as a scope 3 credit feature the sustainability attributes associated with the metric ton of neat, certified SAF (which includes, notably, its life cycle GHG emissions value).

organisations, in turn, are then in the position to retire those credits or further transfer them to organisations in *their* downstream value chain. Alternatively, the SAF supplier may choose to immediately retire credits *on behalf of* organisations in its downstream supply chain (aeroplane operators, logistics providers or aviation end-customers), i.e., without those organisations needing to be System Users and thus Registry users themselves.

If credits are retired by a System User to allow for claims being made based on the sustainability attributes associated with those credits, they are removed from the retiring System User’s account and from circulation in the ISCC Registry altogether. Once scope 1 or scope 3 credits are retired, they can be used by the organisation for which the respective credits have been retired. Upon retirement of SAF credits, the ISCC Registry automatically issues a retirement declaration to the retiring party. This declaration includes the necessary information for the respective organisation (and/or their downstream partners on behalf of whom they retire) to claim the sustainability characteristics associated with the retired credits (e.g., the GHG emissions reduction) in their corporate emissions or broader sustainability reporting.

Retirement of SAF credits

Figure 2 illustrates the process of credit registration, transfer and retirement, in relation to the SAF value chain, in a simplified, exemplary scenario.

Credit transfers and physical value chain

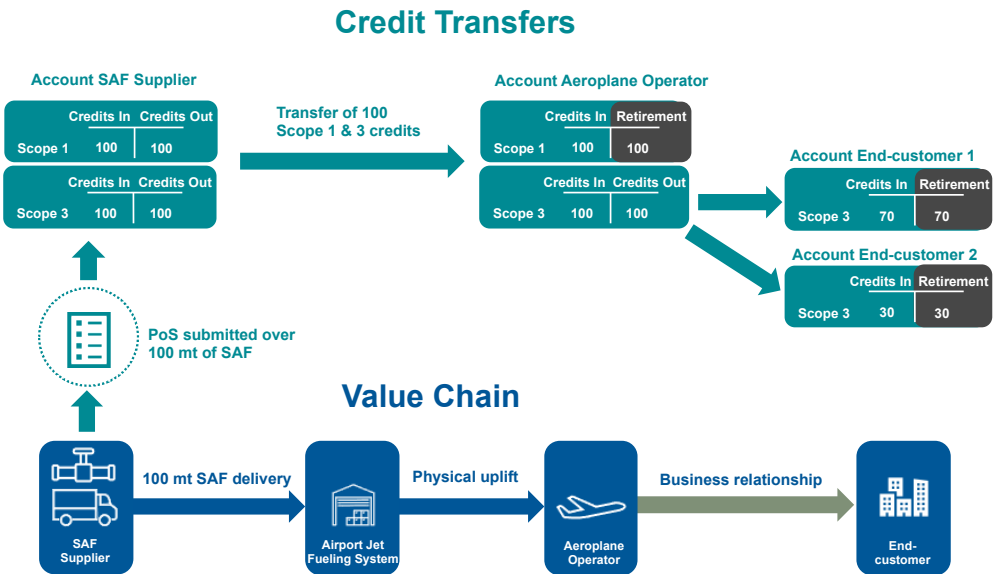


Figure 2: Relationship of SAF value chain with the flow of scope 1 and 3 credits in the ISCC Credit Transfer Registry

The ISCC Credit Transfer System features an auditing and verification framework. As all credit transactions start with the SAF supplier (i.e., the entity that registers credits in the first place), the SAF supplier is required to be ISCC certified and is thus regularly audited by ISO-accredited and ISCC-approved independent, third-party certification bodies. The SAF supplier’s compliance with the requirements set out in this document will be verified as part of an add-on certification during regular ISCC certification audits.

Auditing and verification

Organisations in the downstream value chain, i.e., aeroplane operators, logistics providers and aviation end-customers, do not require individual ISCC certification. However, if involved in credit handling (i.e., transferring and/or retiring credits), they need to be registered as account holders in the ISCC Registry, thereby contributing to the full traceability of their credit transfers and retirements.⁶ Chapter 7 ‘Auditing and Verification’ provides further information on the auditing and verification framework for the ISCC Credit Transfer System.

*Necessity of
ISCC Registry
account*

3.2 System Elements

The ISCC Credit Transfer System consists of two elements, as described in the following:

*Two system
elements*

- > The ISCC Credit Transfer System Document
- > The ISCC Credit Transfer Registry

The **ISCC Credit Transfer System Document** (this document) explains the background and motivation for setting up the system, lays out its Guiding Principles and details the general functioning of the system, including the handling of credits within the Registry (i.e., registration, transfer and retirement of credits). It furthermore includes requirements for auditing and verification as part of the ISCC Credit Transfer System. Lastly, it features provisions and recommendations on how GHG emissions reductions from SAF credits retired through the ISCC Registry should be accounted for and claimed in companies’ GHG inventories.

*System
document*

The **ISCC Credit Transfer Registry** is a secure and standardised database in which the registration, transfer and retirement of credits is recorded.⁷ In the Registry, movement of credits can be clearly tracked, helping to mitigate the risk of double counting of SAF volumes and the related GHG emissions reductions. Once credits are retired, the Registry will generate a retirement declaration for the retiring organisation to substantiate the emissions reductions claims associated with those credits. It also features a public section, in which key, non-confidential, information on SAF credit retirements made through the Registry is provided. The Registry is designed to work in accordance with the requirements as set out in this system document.

Registry

⁶ Aviation end-customers do not necessarily need to have their own account in the ISCC Registry, as in most cases their upstream partners (e.g., an aeroplane operator or a SAF supplier) will retire credits on their behalf. They may, however, voluntarily choose to open their own accounts in the ISCC Registry to retire credits themselves.

⁷ Please note that the ISCC Registry only tracks transactions of credits related to sustainable product (i.e., SAF). It does not track money flows, contracts or commercial documents underpinning the movement of those credits.

Figure 3 depicts the System Document and the Registry as the two key elements of the ISCC Credit Transfer System.

Two key elements

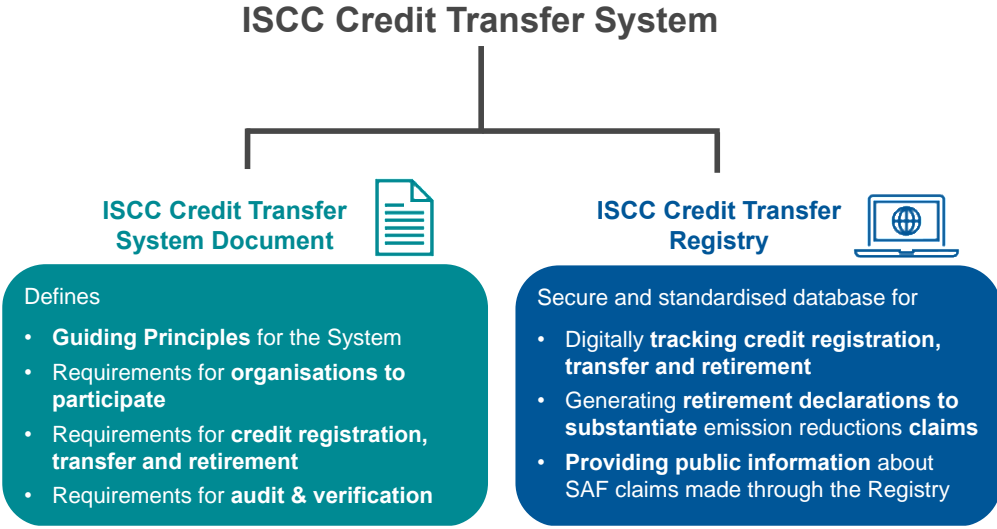


Figure 3: The two key elements of the ISCC Credit Transfer System

4 Guiding Principles for the ISCC Credit Transfer System

To deliver on its intention of supporting the scale-up of SAF in a way that is transparent and credible, the ISCC Credit Transfer System follows a set of Guiding Principles, as laid out in the following. For any transaction within the Credit Transfer System, it must be guaranteed that these Guiding Principles are followed.

Guiding Principles

4.1 Credit Transfers Follow Recognised GHG Accounting Principles

The ISCC Credit Transfer System is set up to closely follow the principles defined in widely recognised corporate GHG accounting standards by the Greenhouse Gas Protocol (GHGP).

Following GHGP principles

The GHGP classifies GHG emissions for each reporting company into three categories, or ‘scopes’. Scope 1 emissions are direct emissions from operations owned or controlled by the reporting company. Scope 2 emissions are indirect emissions from the generation of energy (primarily electricity) purchased by the reporting company. Scope 3 emissions are all indirect emissions that occur in the value chain of the reporting company (excluding those covered in scope 2).⁸ Annex II provides more information on the different scopes as defined by the GHGP.

GHGP scopes

The GHGP requires that emissions accounted for in scope 1 are direct emissions from sources owned or controlled by the reporting company.⁹ This

SAF use under scope 1

⁸ Source: Greenhouse Gas Protocol ‘Corporate Value Chain (scope 3) Accounting and Reporting Standard’ (p. 28), accessible [here](#).

⁹ Greenhouse Gas Protocol ‘Corporate Accounting and Reporting Standard’ (p. 27), accessible [here](#).

includes fuels combusted in company owned/controlled mobile combustion sources (e.g., aircraft). In line with this principle, aeroplane operators can only account for scope 1 emissions reductions if they actually physically uplift the SAF.¹⁰

The GHGP further stipulates that GHG emissions accounted for in scope 3 pertain to all indirect emissions that occur in the value chain of the reporting company (excluding emissions accounted for in scope 2).¹¹ As a consequence, a reduction in scope 3 emissions of a logistics provider or an aviation end-customer should generally be based on SAF use that occurred within that organisation's value chain. Given that the GHGP in its current form provides only limited guidance that can be applied to the purchase of and accounting for scope 3 emissions reductions from SAF by logistics providers and aviation end-customers, the ISCC Credit Transfer System also relies on the requirements set by the Science-Based Targets Initiative (SBTi) in their Aviation Sector Guidance on how businesses are to account for SAF use against their science-based (scope 3) targets.¹² These requirements include, but are not limited to, obtaining reasonable proof of SAF consumption/combustion, as well as proving a clear chain of custody for the SAF consumption along the value chain (please see Annex III for further information on how the ISCC Credit Transfer System aligns with SBTi requirements).

*SAF use under
scope 3*

Another core concept defined by the GHGP is that of additionality. The GHGP defines additionality as a criterion for assessing whether a project has resulted in GHG emissions reductions in addition to those that would have occurred in absence of the project.¹³ While defined by the GHGP primarily in the context of carbon offsetting, additionality is also crucial when applied to sustainability claims based on SAF. As SAF is used by organisations to meet certain regulatory obligations (such as by fuel suppliers under SAF mandates or aeroplane operators under GHG reduction schemes), additionality rules are required insofar as they help safeguard the integrity and real-world climate impact of voluntary purchases of emissions reductions from SAF use by aeroplane operators, logistics providers and/or aviation end-customers. Hence, the ISCC Credit Transfer System also applies the principle of additionality for voluntary emissions reductions from SAF use.

Additionality

Of critical importance is furthermore the avoidance of double counting. The GHGP defines double counting as two or more reporting companies claiming the same emissions or reductions in the same scope, or a single company

*Avoidance of
double counting*

¹⁰ In most cases, due to airport logistics, allocation of SAF molecules to individual aircraft of a specific aeroplane operator is not practical or even impossible. In the ISCC Credit Transfer System, 'physical uplift' of SAF by an aeroplane operator is therefore regarded as fulfilled if the SAF (blend) has been delivered to the airport jet fuelling system the aeroplane operator's aircraft is fuelled from, followed by contractual allocation of the SAF volume to that operator.

¹¹ Source: Greenhouse Gas Protocol 'Corporate Value Chain (scope 3) Accounting and Reporting Standard' (p. 28), accessible [here](#).

¹² The Science Based Targets Initiative's (SBTi) 'Aviation Sector Guidance' (p. 32), accessible [here](#).

¹³ Greenhouse Gas Protocol 'A Corporate Accounting and Reporting Standard' (p. 96), accessible [here](#).

reporting the same emissions in multiple scopes.¹⁴ More broadly speaking, the risk of double counting is the potential for emissions reductions to be counted more than once towards a climate change mitigation effort. Avoiding double counting is essential for environmental integrity, as double counting would lead to the actual GHG emissions being higher in sum than what individual organisations report them to be.

By closely aligning with the principles set by the GHGP and SBTi where possible, the ISCC Credit Transfer System aims to provide purchasers of emissions reduction benefits from SAF (e.g., businesses with significant carbon footprints in business travel or air freight) the opportunity to make reputable claims about these voluntary emissions reductions.

*Reputable
claims*

4.2 SAF Complies with Strict Sustainability Requirements

SAF can live up to its promise only if it delivers verified GHG emission reductions while avoiding detrimental environmental and social effects of its production.

*Sustainability of
SAF*

Comprehensive requirements for feedstock sustainability, life cycle GHG emissions savings and supply chain traceability have been put in place under the International Civil Aviation Organisation's (ICAO) CORSIA scheme and the EU's Renewable Energy Directive (EU RED II). Certification systems developed and recognised under CORSIA and the EU RED II allow for the verification of the SAF's sustainability performance along its entire production value chain.

*Certification
systems*

To safeguard the sustainability of SAF based on which credit transfers are made, only SAF that is CORSIA, EU RED II or ISCC PLUS¹⁵ certified is therefore eligible for entering the ISCC Credit Transfer System.¹⁶ This provides all participating organisations, including aeroplane operators, logistics providers, and aviation end-customers, with the assurance that they are making claims based on SAF that conforms to strict and internationally recognised sustainability standards.

*Certification
eligibility*

5 Participants in the ISCC Credit Transfer System

The ISCC Credit Transfer System features four types of System Users, representing four distinct types of air transport value chain entities that are typically involved in the supply and purchase of SAF and the related emissions reductions:

*System User
types*

- > SAF suppliers
- > Aeroplane operators

¹⁴ Greenhouse Gas Protocol 'GHG Protocol scope 2 Guidance' (p. 101), accessible [here](#).

¹⁵ ISCC PLUS is an ISCC certification system that is mainly used in voluntary (i.e., non-regulated) markets, and that is largely based on and in line with ISCC's EU RED II certification system.

¹⁶ Further certification systems may be recognised by ISCC following a benchmarking exercise.

- > Logistics providers
- > Aviation end-customers

Table 1 details how each of the four System User types is defined under the ISCC Credit Transfer System.

*Definition of
System User
types*

System User type	Definition
SAF supplier	Entity that supplies SAF, on a mass balance basis, to the control point, i.e., the jet fuelling system of a given airport. The SAF supplier has the SAF in its chain of custody system at the time of credit registration.
Aeroplane operator	Entity that operates aircraft, consumes aviation fuel and provides air transport services for travelling passengers and freight. Aeroplane operators include commercial airlines, freight carriers, and private aircraft.
Logistics provider	Entity that arranges transport services with aeroplane operators on behalf of aviation end-customers. Includes freight forwarders and travel management companies. Freight forwarders are entities that arrange aviation transport services on behalf of end-users of freight transport, thereby acting as delegate between the company that makes the shipment (i.e., the shipper) and the carrier (i.e., the aeroplane operator). Travel management companies are entities that arrange air transport services on behalf of business travellers.
Aviation end-customer	Includes business travellers and shippers. Business travellers are businesses with employees that are actively involved in business travel by air, in aircraft operated by aeroplane operators. Business travellers may hire travel management companies to arrange air transport services on their behalf or may hire aeroplane operators directly. Shippers are purchasers of freight transport services with freight that they require to be transported by air. Shippers may hire freight forwarders to arrange air transport services on their behalf or may hire aeroplane operators directly.

Table 1: System User types in the ISCC Credit Transfer System

An organisation wishing to participate in the ISCC Credit Transfer System first needs to complete the registration form¹⁷ and accept the Terms of Use on the ISCC Credit Transfer Registry website.

*Becoming an
ISCC System
User*

SAF suppliers must be ISCC certified to be able to register credits under the ISCC Credit Transfer System. If not yet ISCC certified, they will need to follow the standard ISCC registration and certification process.¹⁸ SAF suppliers that

SAF suppliers

¹⁷ Note: Currently being drafted.

¹⁸ This process is explained on the ISCC website [here](#).

are already ISCC System Users will only need to request the extension of their existing registration to include the scope of the ISCC Credit Transfer System.

Aviation end-customers do not necessarily need to become System Users – this is if their upstream value chain partners (SAF suppliers, aeroplane operators or logistics providers) are already System Users of the ISCC Credit Transfer System and retire credits on the end-customers' behalf.

Aviation end-customers

In selected scenarios, an aeroplane operator may not need to become an ISCC System User, either. This is if scope 3 credits are sold directly by the SAF supplier to a logistics provider or aviation end-customer. In such a scenario, the SAF supplier needs to first retire scope 1 credits *on behalf of* the aeroplane operator, without the aeroplane operator needing to have an account in the Registry.

Aeroplane operators

Once confirmed as System User, ISCC, as the Registry administrator, will create an account for the organisation in the ISCC Credit Transfer Registry, corresponding to the System User type of that organisation. As part of the registration process, the organisation will have to indicate two main contact persons and their respective e-mail addresses. The two main contact persons are responsible for managing all processes (including registration, transfer and retirement of credits) related to the organisation's Registry account and will be considered as focal points by ISCC for any communication related to the ISCC Credit Transfer System.

Account creation

Each System User type is authorised to perform a clearly defined set of actions in the Registry, as detailed in Table 2.

Defined actions for System User types

System User type	Can register scope 1 & 3 credits?	Can transfer scope 1 credits?	Can transfer scope 3 credits?	Can retire scope 1 credits?	Can retire scope 3 credits?
SAF supplier	Yes	Yes (to aeroplane operators uplifting the physical SAF)	Yes (to aeroplane operators, logistics providers or end-customers)	Yes (for aeroplane operators uplifting the physical SAF only)	Yes (for end-customers)
Aeroplane operator	No	No	Yes (to logistics providers or end-customers)	Yes (for own use)	Yes (for end-customers)
Logistics provider	No	No	Yes (to end-customers)	No	Yes (for shared use with end-customers)
Aviation end-customer	No	No	No	No	Yes (for own use)

Table 2: System User types and their options for handling credits in the Registry

In some instances, an organisation may serve different functions as part of its business operations (e.g., aeroplane operator as well as freight forwarder, i.e., logistics provider). In this case, the System User's Registry account can be set to provide for all actions allowed for the respective System User types.

Different functions

Actions by the System User within the ISCC Registry – i.e., registration, transfer and retirement of credits – will only be possible once the activation of the Registry account has been confirmed by ISCC as the Registry administrator.

Activation by Registry administrator

6 Requirements of the ISCC Credit Transfer System

In the following, requirements are laid out in detail regarding the eligibility of SAF and the way in which SAF credits are to be registered, transferred, retired and subsequently claimed.

Requirements for SAF credits

6.1 Eligibility of SAF for Credit Registration

The Guiding Principles require that SAF subject to credit transfers complies with strict sustainability requirements (see section 4.2). SAF is therefore only eligible to serve as basis for credit registration in the ISCC Registry if it is certified as sustainable under one of the following certification schemes:

Eligible certification of SAF

- > A sustainability certification scheme (SCS) recognised by ICAO under CORSIA, or
- > A voluntary scheme (VS) recognised by the European Commission under the revised Renewable Energy Directive (RED II), or
- > ISCC PLUS

The Guiding Principles further require additionality of the SAF that serves as basis for credit registration (see section 4.1). The determination as to whether a SAF volume or GHG emissions reduction associated with a SAF volume qualifies as additional can be challenging in practice, particularly given the rapidly evolving regulatory landscape around SAF.

Additionality requirement

In the context of the ISCC Credit Transfer System, a GHG reduction is considered additional if it is generated by a SAF volume that was

- > Neither legally mandated (e.g., through SAF blending mandates)¹⁹,
- > Nor substantially incentivized (e.g., through fuel supplier opt-in schemes, significant tax credits for SAF production/blending, or use by aeroplane operators under schemes such as CORSIA and EU ETS)

¹⁹ A SAF volume produced to meet obligations under regulatory frameworks (e.g., a SAF supplier complying with a SAF blending mandate) is considered non-additional, as this volume would have been produced irrespective of additional voluntary demand.

As part of the public consultation phase, ISCC will continue to analyse and engage with stakeholders regarding which incentive schemes comply with the additionality principle for the purposes of SAF use under the ISCC Credit Transfer System.

Stakeholder engagement in consultation

The registration of credits in the ISCC Registry requires that the PoS for a given batch of SAF is still available for submission (see also the following section 6.2). This provides a safeguard for additionality insofar as the PoS would no longer be available for submission to the Registry if the underlying SAF volume had already been used upstream under a fuel supplier obligation or incentive scheme (e.g., a SAF blending mandate or opt-in scheme).

Availability of PoS

Aligning with the GHGP's logic for scope 1 and 3 emissions accounting requires closely following the physical flow of SAF, coupled with its associated life cycle emissions. Similarly, SBTi requires organisations claiming emissions reductions from SAF use to obtain reasonable proof of fuel consumption/combustion, as well as to prove clear chain of custody for SAF consumption down, rather than across, the value chain.²⁰

Following GHGP and SBTi

The use of a mass balance chain of custody model²¹ (i.e., with the sustainability characteristics coupled to the physical SAF flow) is therefore mandated until the control point. The control point is defined as the point in the supply chain where the SAF enters the jet fuelling system of an airport (e.g., the commingled storage or similar). Following the physical SAF flow to the SAF's point of uplift allows for establishing a clear link of the physical SAF flow to the point of uplift and direct consumption, in line with GHGP and SBTi principles.

Mass balance until control point

Accordingly, credits can only be registered by a SAF supplier for SAF that has been delivered to the control point. To substantiate SAF delivery to the control point during the ISCC audit, the SAF supplier will need to provide respective documentation to the auditor, including proof of delivery (e.g., in the form of a delivery document). Commercial documents such as invoices and proofs of payment will further substantiate the use of the SAF volume by an aeroplane operator.

SAF delivery to control point

In most cases, due to airport logistics, allocation of SAF molecules to individual aircraft of a specific aeroplane operator is not practical or even impossible. For the purposes of proving 'physical uplift' and SAF consumption/combustion by a specific aeroplane operator, it is therefore sufficient if the aeroplane operator's aircraft is fuelled from a given airport's jet fuel distribution system into which the SAF (blend) was physically delivered.

Proving SAF consumption

²⁰ Please refer to the SBTi Aviation Sector Guidance, v1.0, p. 32 ([here](#)), for the SBTi's requirements on corporate use of SAF.

²¹ Please refer to ISCC EU System Document 203 or ISCC CORSIA System Document 203 for more information on mass balancing.

6.2 Registration of SAF Credits

An organisation wishing to register SAF credits must

- > Correspond to the definition of SAF supplier as defined in chapter 5
- > Hold valid ISCC certification²², in addition to the ISCC Credit Transfer System add-on certification, which will include auditing against the requirements for SAF suppliers set out in section 7.2 of this document
- > Have an individual account in the ISCC Credit Transfer Registry, with one account per ISCC certified System User

Requirements for organisation

The SAF supplier must register credits for a batch of SAF in its ISCC Registry account no later than 30 days after delivery of the SAF to the control point.²³

Time limit for registration

Credits are registered by the SAF supplier in the ISCC Registry via submitting the PoS information for a batch of SAF with the respective sustainability characteristics in the PoS data mask in the ISCC Registry. The SAF supplier shall only register credits for SAF that is in its chain of custody system at the time of credit registration.

Submission of PoS info

Only the amount of neat, i.e., unblended, certified SAF can be registered as credits. Each metric ton (mt) of neat, certified SAF, submitted via the PoS data mask in the Registry, carries both a scope 1 and a scope 3 credit. Importantly, scope 1 and scope 3 credits both feature the sustainability characteristics associated with the metric ton of neat, certified SAF (which includes, notably, its life cycle GHG emissions value).

Registration of neat, certified SAF

In line with ISCC requirements, the submission of the PoS information in the Registry requires that the SAF supplier withdraws the respective quantities of SAF, with the same sustainability characteristics, from its mass balance. During the SAF supplier's ISCC certification audit, the auditor will check and verify that the SAF supplier registered credits correctly in its account in the ISCC Registry, corresponding to the SAF volumes and related sustainability characteristics withdrawn from the mass balance.

Withdrawing SAF from mass balance

To help mitigate the risk of double claiming of fuel volumes and related emissions reductions, if a SAF volume is registered in traceability databases used for regulatory compliance purposes (e.g., the Union Database under the EU RED oder the German Nabisy database), it will first need to be booked out of that database before credits for that volume can be registered in the ISCC Registry.

Booking out of other databases

²² This means certification under one or more of the following certification standards: ISCC EU, ISCC PLUS or ISCC CORSIA/CORSIA PLUS. Please note that the SAF supplier is required to upload its valid ISCC certificate(s) as part of its account's master data in the ISCC Registry.

²³ This is in line with standard practice under the ISCC System, in which Proofs of Sustainability should be issued no later than 30 days after the date of dispatch of the sustainable material. Please see ISCC EU System Document 203, section 3.3.2, for more information.

In submitting PoS information for a batch of SAF in the ISCC Registry, the SAF supplier shall provide the following information:

Required PoS information

SAF supplier information

- > Name and address
- > Unique ISCC registration number
- > Certification system (e.g., ISCC EU)
- > Certificate number
- > Control point to which SAF was delivered (e.g., jet fuelling system at airport X)
- > Date on which SAF was delivered to control point
- > Name of aeroplane operator responsible for direct, i.e., scope 1, emissions from combusting the SAF

PoS / batch information

- > Unique PoS (i.e., batch) identification number
- > Date of submission of the PoS info in the ISCC Registry
- > Name of neat, i.e., unblended, SAF producer (voluntary)
- > Location of neat SAF production (voluntary)
- > Date of neat SAF production (voluntary)
- > Name of SAF blender (voluntary)
- > Location of SAF blending (voluntary)
- > Date of SAF blending

Product information

- > SAF conversion pathway (e.g., HEFA)
- > Quantity of neat, i.e., unblended, certified SAF (in mt)
- > Energy content of neat, certified SAF (in MJ)
- > Lower heating value (in MJ/kg)
- > Feedstock (e.g., used cooking oil)²⁴
- > Country of origin of the feedstock
- > Indication of sustainability certification of SAF (e.g., EU RED II)

²⁴ Please note that feedstocks may be denominated differently under different regulatory frameworks and certification schemes. For ISCC certified SAF, feedstocks must follow the wording established in the respective lists of materials (e.g., ISCC EU certified SAF must follow the wording laid out in the ISCC EU list of materials).

- > Scope of feedstock certification (i.e., information on whether feedstock was certified as primary product/co-product or waste/residue)
- > Life cycle GHG emissions value (in g CO₂eq/MJ)²⁵
- > Indication of whether the life cycle GHG emissions value is an actual (i.e., individually calculated) value or default value
- > Information on SAF incentives used (i.e., whether SAF has already benefitted from any incentive scheme)²⁶

Upon data entry in the PoS data mask, the ISCC Registry conducts a range of automated checks to help ensure the correctness and consistency of the entered data. The SAF supplier will also have to declare, in the PoS data mask, that the information submitted to the Registry via the data mask is accurate and complete in line with the abovementioned data requirements.

Automated checks by Registry

Following the registration of credits in the ISCC Registry, the physical SAF volume on which credit registration is based is then considered as non-sustainable, thus prohibiting that further sustainability claims related to that physical volume of SAF are made. During the ISCC audit, the SAF supplier shall make available all needed documentation for the auditor to verify that certified SAF volumes registered as credits in the ISCC Registry

Physical SAF volumes

- > Have not been registered more than once in the ISCC Registry
- > Have not been registered in other registries with a similar purpose²⁷
- > Have not otherwise been sold/claimed as sustainable by the SAF supplier (e.g., by issuing a PoS copy or similar to hand over to authorities, aeroplane operators, logistics providers, aviation end-customers or other third parties)

Once credits have been registered in the ISCC Registry, they appear as an entry in the SAF supplier's account. Credits will generally show as a batch of credits or 'credit batch' in the Registry account, corresponding to the SAF quantity registered by the SAF supplier via the PoS data mask. Importantly, each entry will feature both scope 1 as well as scope 3 credits, alongside the associated sustainability information as required above.

Entry in SAF supplier's account

Once registered by the SAF supplier in the ISCC Registry, both scope 1 and 3 credits are valid for 24 months.²⁸

Validity period of credits

²⁵ As certified under the respective sustainability certification standard.

²⁶ Please note that the SAF volume must be additional in line with the requirements stated in section 6.1.

²⁷ Work is ongoing to facilitate coordination between different registries that cover renewable fuel claims in order to avoid double issuance of fuel volumes and claims.

²⁸ Please note that the date of credit registration (i.e., submission via PoS info) is embedded in the credit's sustainability characteristics. As an example, credits that are registered on 10 July 2023 in the ISCC Registry are valid until and must be retired no later than 09 July 2025.

Figure 4 provides an overview over how a SAF supplier registers credits for a given volume of SAF in the ISCC Registry.

Process overview

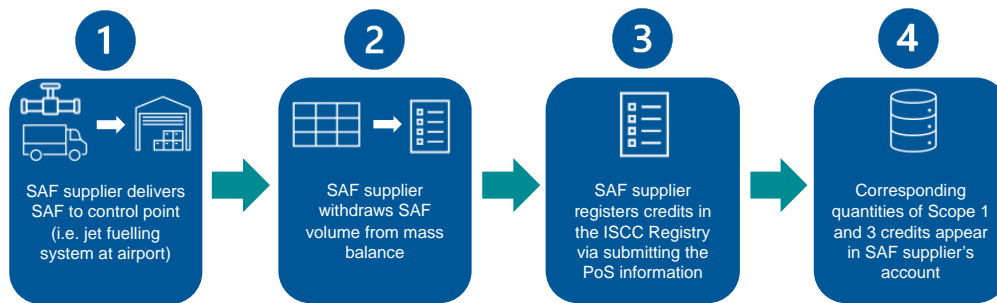


Figure 4: Process steps for registering credits in the ISCC Registry

The SAF supplier is required to maintain bookkeeping in line with the requirements applicable under the respective ISCC certification system it is certified under.²⁹ In addition to these requirements, the SAF supplier shall clearly document the SAF volumes registered as credits in the ISCC Registry.

Bookkeeping requirements

During the ISCC certification audit, the SAF supplier shall make available to the auditor transparent and complete documentation regarding those certified SAF volumes which were registered under the ISCC Credit Transfer System and those which were forwarded under other systems and for other purposes (e.g., for complying with SAF blending mandates), i.e., not used under the ISCC Credit Transfer System.

Transparency on SAF volumes

6.3 Transfer of SAF Credits

Once credits are registered in its account, the SAF supplier may transfer these credits to other System Users' active accounts in the ISCC Registry (e.g., to an aeroplane operator's or logistic provider's account). These System Users, in turn, may further transfer credits to other active accounts in the ISCC Registry.

Transfer to other active accounts

Figure 5 provides an overview over how credits are transferred between two System Users' active accounts.

Process overview

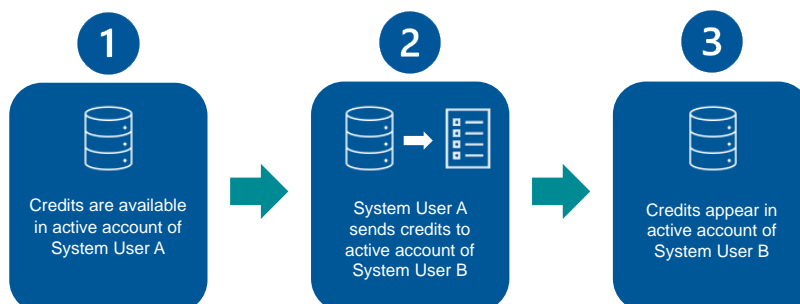


Figure 5: Process steps for transferring credits in the ISCC Registry

²⁹ Please refer to the requirements for bookkeeping in line with ISCC EU System Document 203 and/or ISCC CORSIA System Document 203.

System Users shall only transfer SAF credits in the same form, i.e., with the same sustainability characteristics, as originally registered by the SAF supplier. Credits originally registered as one batch may be split up and transferred in sub-batches if required, down to at most 0,01 credits (= 10 kg of SAF).

Split up of credit batches

In line with the principles defined by the GHG Protocol, a SAF supplier can transfer scope 1 credits only to that aeroplane operator which physically uplifted the SAF. As stated in section 6.1, for the purposes of proving 'physical uplift' by a specific aeroplane operator, it is sufficient if the aeroplane operator's aircraft is fuelled from a given airport's jet fuelling distribution system into which the SAF (blend) was physically delivered.

Transfer of scope 1 credits

For scope 3 credits, the ISCC Credit Transfer System aligns with the SBTi principles of proving clear chain of custody down, rather than across, the value chain.³⁰ scope 3 credits can therefore only be transferred downstream in the value chain (e.g., from SAF supplier to aeroplane operator to end-customer, or from SAF supplier directly to end-customer), never upstream (e.g., from end-customer back to aeroplane operator) or across value chains (e.g., from aeroplane operator to aeroplane operator).

Transfer of scope 3 credits

Table 3 details which System User type can send which type of credits (i.e., scope 1 and/or scope 3 credits) to which System User type.

Options for transferring credits

System User type	Can transfer scope 1 credits?	Can transfer scope 3 credits?
SAF supplier	Yes (to aeroplane operators uplifting the physical SAF)	Yes (to aeroplane operators uplifting the physical SAF, logistics providers or end-customers)
Aeroplane operator	No	Yes (to logistics providers or end-customers)
Logistics provider	No	Yes (to end-customers)
Aviation end-customer	No	No

Table 3: Options for System Users for transferring scope 1 and scope 3 credits

6.4 Retirement of SAF Credits

Retirement of SAF credits refers to the act of removing SAF credits from a System User's account (and therefore from circulation) within the ISCC Registry, with the intention of claiming the sustainability characteristics (e.g., the GHG emissions reduction) associated with those credits.

Removal of credits from circulation

Only those organisations that are System Users of the ISCC Credit Transfer System and have an account in the ISCC Registry can retire credits.

Account in Registry required

³⁰ Please refer to SBTi's [Aviation Sector Guidance](#), p. 32.

System Users can only retire credits that are available in their account. This means it is not possible for System Users to retire credits that have not yet been transferred to their account or that have already been transferred or retired from their account.

Availability of credits in account

Retiring credits is irrevocable, i.e., credits that have been retired cannot return to the System User's account anymore.

Irrevocability of retiring

Credits shall be retired latest within 24 months after their registration in the ISCC Registry.³¹ This is to safeguard a temporal correlation between SAF delivery and subsequent combustion by an aeroplane operator and the sustainability claims made based on that SAF.

Credit vintage

Following GHGP logic, indirect value chain emissions (i.e., scope 3 emissions) for a reporting company occur as a result of direct emissions (i.e., scope 1 emissions) by another reporting company (see also section 4.1 and Annex II). A scope 1 emissions reduction for an aeroplane operator (i.e., through the combustion of SAF) is thus a necessary precondition for scope 3 emissions reductions to occur for organisations in its downstream value chain. Accordingly, in the ISCC Registry, scope 3 credits can therefore only be retired at the same time or after the related scope 1 credits are retired.

Scope 3 retirement only after scope 1

The ISCC Credit Transfer System allows for flexibility insofar as System Users may retire credits for their own use (i.e., to claim the associated emissions reductions in their own GHG inventory) or on behalf of or for shared use with their downstream value chain partners.

Flexibility for retirement

Organisations at the end of the value chain (i.e., aviation end-customers) may choose to either retire credits for themselves (by becoming ISCC System Users and opening an account in the ISCC Registry) or have credits retired on their behalf by a partner organisation in their direct – i.e., one step up – upstream value chain (i.e., SAF suppliers, aeroplane operators or logistics providers). Scope 3 credits retired by a logistics provider on behalf of an end-customer could also be for shared use between the logistics provider and the end-customer. Both organisations will be named on the retirement declaration, providing each of them with a document to substantiate a scope 3 emissions reduction claim.

Flexibility for end-customers

Importantly, System Users can only retire scope 1 or scope 3 credits for organisations in their direct downstream value chain.

Retirement for downstream value chain

³¹ Please note that the date of credit registration (i.e., submission via PoS) is embedded in the credit's sustainability characteristics. As an example, credits that are registered on 10 July 2023 in the ISCC Registry are valid until and must be retired no later than 09 July 2025.

Table 4 details the options for each System User type with regard to retiring credits in the ISCC Registry.

Retirement options

System User type	Can retire scope 1 credits for own use?	Can retire scope 1 credits for other System Users?	Can retire scope 3 credits for own use?	Can retire scope 3 credits for other System Users?
SAF supplier	No	Yes (for aeroplane operators uplifting the physical SAF)	No	Yes (for end-customers)
Aeroplane operator	Yes	No	No	Yes (for end-customers)
Logistics provider	No	No	Yes	Yes (for end-customers)
Aviation end-customer	No	No	Yes	No

Table 4: Overview of System User types and their options for retiring credits

Once credits are retired by a System User, the ISCC Registry will issue a retirement declaration confirming that retirement to the System User.³² The retirement declaration will contain the following information:

Retirement declaration

General information

- > Unique ID of retirement declaration
- > Date of issuance of retirement declaration
- > Related credit batch ID(s) in ISCC Registry
- > Name of System User retiring the credits
- > Name of organisation on behalf of which the System User retires the credits
- > Name of aeroplane operator responsible for the direct, i.e., scope 1, emissions
- > Type of credits retired (i.e., scope 1 or scope 3)
- > Quantity of credits retired
- > Control point to which SAF was delivered

Product information

- > Quantity of neat, certified SAF (in mt)
- > Energy content of neat, certified SAF (in MJ)

³² Please note that all retirement declarations will continue to be available and downloadable in the retiring System User's Registry account.

- > SAF conversion pathway
- > Feedstock
- > Country of origin of the feedstock
- > Indication of sustainability certification of SAF
- > Scope of feedstock certification (i.e., information on whether feedstock was certified as primary product/co-product or waste/residue)
- > Life cycle GHG emissions value (in g CO₂eq/MJ)
- > Indication of whether life cycle GHG emissions value is an actual (i.e., individually calculated) value or default value
- > % GHG emissions reductions achieved compared to relevant fossil reference values (EU RED II, CORSIA)³³
- > Information on carbon reduction achieved (in mt of CO₂eq)
- > Information on SAF incentives used (i.e., whether SAF has already benefitted from any incentive scheme)

The retirement declaration as issued by the ISCC Registry includes a unique link and QR code, which both lead to a secure page within the ISCC Registry. Through this, both the existence of the retirement declaration as well as the correctness of the information on it can be validated (e.g., by an organisation's GHG inventory auditor). This secure page can only be accessed via the unique link or QR code included on the retirement declaration and cannot be accessed publicly.

Unique verification option

Credits for SAF with differing sustainability characteristics may be merged and used for the purpose of a retirement declaration. In this case, the different credits' sustainability characteristics will be included on the retirement declaration to ensure full transparency.

Merging of sustainability characteristics

Certain, aggregated, information on retired credits will be made available publicly by the ISCC Registry via a public retirement table. This is to inform third parties, including regulators and civil society, thus enhancing overall stakeholder trust in the system. At a minimum, the following information will be made publicly available for each retirement declaration:

Public provision of retired credits

- > Date of credit batch retirement
- > Organisation that conducted the retirement (i.e., 'retired by')
- > Organisation for which the retirement was conducted (i.e., 'retired for')
- > Type of credits retired (scope 1 or scope 3)

³³ Under the EU RED II, the fossil reference value is 94 g CO₂eq/MJ (see [EU RED II](#), p. 155). Under CORSIA, the fossil reference value is 89 g CO₂eq/MJ (see [CORSIA Supporting Document](#), section 1.4.5).

- > SAF conversion pathway
- > Feedstock category (e.g., primary crop or waste/residue)
- > Quantity of credits retired
- > Equivalent quantity of neat, certified SAF (in mt)
- > GHG emissions reduction (in mt CO₂eq) compared to CORSIA fossil reference value

Figure 6 provides an overview over the credit retirement process in the ISCC Registry.

Process overview

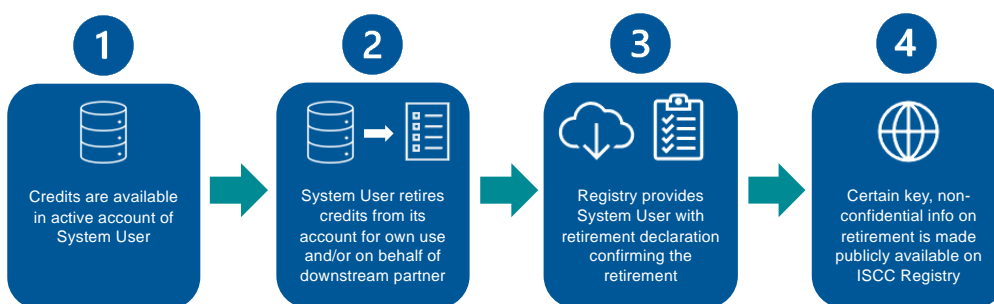


Figure 6: Process steps for retiring credits in the ISCC Registry

6.5 Claiming of SAF Credits

Claiming SAF credits refers to the act of declaring information regarding the specified characteristics of SAF that is attributed to a particular organisation through the retirement of those credits from the ISCC Registry.³⁴

Definition of claiming credits

Once scope 1 or scope 3 credits are retired from the ISCC Registry, they turn into scope 1 or scope 3 claims respectively³⁵, to be used by the organisation for which the respective credits have been retired.

Credits to claims

An organisation is only entitled to make claims related to credits once those credits have been retired from the ISCC Registry.

Claims only after retirement

Only those organisations referred to in the retirement declaration shall make claims related to the sustainability characteristics mentioned on that declaration.³⁶ Claims shall be limited to the information included on the retirement declaration.

Claims refer to retirement declaration

Claims made on the basis of SAF credits retired from the ISCC Registry should follow best practice and established standards and guidelines where possible, taking into account the fact that these standards and guidelines may

Claims follow best practice

³⁴ Based on the definition of 'claim' under ISO 22095:2020 (accessible [here](#)).

³⁵ Please note that, according to GHGP, aeroplane operators account for and report scope 1, i.e., direct, emissions from fuel use as well as scope 3 category 3 'Fuel- and energy-related activities not included in scope 1 or scope 2'.

³⁶ In order to avoid double counting, aeroplane operators must take care that emissions reductions allocated to specific downstream value chain partners (e.g., aviation end-customers) are not also included in the disclosure of reduced emissions to other downstream value chain partners.

be subject to amendments.³⁷ Notably, the following standards, guidelines and guidance documents should be taken into account and followed where appropriate:

- > The Greenhouse Gas Protocol's 'Corporate Accounting and Reporting Standard'³⁸ as well as 'Corporate Value Chain (Scope 3) Accounting and Reporting Standard'³⁹
- > The Science Based Targets Initiative's (SBTi) 'Aviation Sector Guidance'⁴⁰
- > The Smart Freight Centre's 'Global Logistics Emissions Council (GLEC) Framework'⁴¹
- > The Smart Freight Centre's 'Voluntary Market Based Measures Framework for Logistics Emissions Accounting and Reporting'⁴²
- > The World Economic Forum's (WEF) 'Sustainable Aviation Fuel Certificate (SAFc) Emissions Accounting and Reporting Guidelines'⁴³

In general, claims based on SAF credits should be limited to those addressing emissions in the aviation sector, i.e., in-sector emissions, rather than out-of-sector emissions (which may include emissions from other transport sectors such as road transport). This ensures that organisations only report emissions reductions from SAF use for their actual air transportation activity and do not use the purchase of emissions reductions from SAF to offset emissions associated with other activities.

Addressing in-sector emissions

In addition, an organisation should only make claims for emissions reductions from SAF up to that organisation's total aviation emissions footprint in a given year.

Claims limited by aviation footprint

To ensure accuracy in the accounting of emissions reductions from SAF use in line with established GHG accounting and reporting principles (such as under the GHG Protocol and towards science-based targets), organisations should seek to have their GHG inventory and accounting methods audited and verified by independent third-party auditors.

Audit of GHG inventory

³⁷ Organisations making claims based on credits retired from the ISCC Registry are advised to carefully examine and seek independent advice on the application of these claims under different frameworks (e.g., SBTi). Please note that ISCC cannot guarantee the applicability of claims or the acceptance by auditors under the SBTi or similar frameworks.

³⁸ Please find the GHGP Corporate Accounting and Reporting Standard [here](#).

³⁹ Please find the GHGP Corporate Value Chain (scope 3) Accounting and Reporting Standard [here](#).

⁴⁰ Please find the SBTi Aviation Sector Guidance, v1.0, [here](#).

⁴¹ Please find the Smart Freight Centre's GLEC Framework [here](#).

⁴² Please find this Smart Freight Centre publication [here](#).

⁴³ Please find the WEF SAFc Emissions Accounting and Reporting Guidelines [here](#).

7 Audit and Verification

For all participating organisations to have confidence in its ability to secure real and credible GHG emissions reductions, the ISCC Credit Transfer System features an auditing and verification framework.

Auditing framework

All System Users of the ISCC Credit Transfer System (i.e., SAF suppliers, aeroplane operators, logistics providers and aviation end-customers) that will be involved in the handling of SAF credits (i.e., registration, transfer and/or retirement of credits) are required to open their individual account and record all transactions in the ISCC Registry. This allows for the traceability of all credit transactions as well as the related scope 1 and scope 3 claims.

Digital traceability of transactions

Upon account creation in the ISCC Registry, all System Users are required to sign a self-declaration, declaring their commitment to both complying with the ISCC Credit Transfer System requirements detailed in this document as well as avoiding double claiming of emissions reductions from SAF use. This self-declaration will be stored and available in each System User's Registry account.

Signed self-declaration

The SAF supplier is the last entity in the supply chain that is certified according to one of the ISCC certification standards by ISO-accredited and ISCC-approved independent, third-party certification bodies.⁴⁴ System Users in the downstream value chain, i.e., aeroplane operators, logistics providers and aviation end-customers, do not become certified according to one of the ISCC certification standards.

ISCC certification of System Users

7.1 Certification Bodies and Auditors

The ISCC EU 103 Document lays down the requirements for Certification Bodies and auditors that perform certification services under ISCC.⁴⁵

ISCC EU 103 as reference

A certification body that wishes to perform certification services under the ISCC Credit Transfer System needs to

Requirements for certification bodies

- > Be ISO 17065 accredited
- > Have a valid cooperation agreement with ISCC
- > Have signed an addendum in order to include certification services under the ISCC Credit Transfer System in the contractual documentation with ISCC

The certification body shall designate a main contact person for the ISCC Credit Transfer System responsible for managing all processes around the certification body's activities in the ISCC Registry. The main contact person will be considered as focal points by ISCC for any communication related to the ISCC Credit Transfer System.

Main contact person

⁴⁴ This means certification to one or more of the following certification standards: ISCC EU, ISCC PLUS or ISCC CORSIA/CORSIA PLUS.

⁴⁵ Please find the ISCC EU 103 System Document on the ISCC website [here](#).

Auditors that perform certification services under the ISCC Credit Transfer System must be qualified accordingly and meet the requirements as stated in ISCC EU 103 Document section 5.1 and 5.2 ('Requirements for auditors').

Requirements for auditors

7.2 SAF Suppliers

The SAF supplier is the last entity in the supply chain that is certified according to one of the ISCC certification standards. The SAF supplier's compliance with the applicable requirements as set out in this document will be verified by the certification body under a dedicated add-on certification during the SAF supplier's regular ISCC certification audit cycle. ISCC provides audit procedures that the certification body is required to use in their ISCC audit of SAF suppliers taking part in the ISCC Credit Transfer System.

Verification as part of regular audit cycle

As credit transfer, retirement and subsequent claims are dependent on the integrity of credits registered by the SAF supplier, it is crucial that credit registrations are done correctly and in line with the requirements laid out in sections 6.1 and 6.2.

Importance of SAF supplier audit

SAF delivery to the control point, i.e., the jet fuelling system of an airport, is a necessary precondition for the respective credits to be registered in the SAF supplier's account. During the ISCC certification audit, the auditor will therefore need to review the respective documentation provided by the SAF supplier to ensure the corresponding amount of SAF was indeed delivered to the control point. Substantiating documents could include delivery documents as well as further commercial documents such as invoices, where necessary. Adequate documentation to evidence that a given SAF volume was allocated to and uplifted by a specific aeroplane operator could include invoices and proofs of payment for SAF delivery.

Verification of SAF delivery

Furthermore, the auditor shall verify that credits have been registered correctly in the SAF supplier's Registry account. For this purpose, the auditor will receive access to the SAF supplier's account.

Verification of credit registration

The auditor will verify that the SAF volumes registered as credits were withdrawn from the SAF supplier's mass balance, in the same quantities and with the same sustainability characteristics.

Verification of bookkeeping

Following the registration of credits in the ISCC Registry, the physical SAF volumes on which credit registration is based must be considered non-sustainable, allowing no further sustainability claims related to that physical SAF. The auditor shall therefore review adequate documentation to ensure that certified SAF volumes registered as credits in the ISCC Registry

Verification of no double issuance

- > Have not been registered more than once in the ISCC Registry
- > Have not been registered in other registries with a similar purpose⁴⁶

⁴⁶ Work is ongoing to facilitate coordination between different registries that cover renewable fuel claims in order to avoid double issuance of fuel volumes and claims.

- > Have not otherwise been sold/claimed as sustainable by the SAF supplier (e.g., by issuing another physical PoS copy or similar to hand over to authorities, aeroplane operators, logistics providers, aviation end-customers or similar third parties)

In addition, the auditor shall review documentation on which certified SAF volumes were registered in the ISCC Credit Transfer System and those which were forwarded under other systems and for other purposes (e.g., ISCC certified SAF not registered in the Registry, or SAF certified to other schemes than ISCC), i.e., not handled as part of the ISCC Credit Transfer System.

Review of other systems

7.3 Aeroplane Operators, Logistics Providers and End-customers

Other than the SAF supplier, System Users in the downstream value chain, i.e., aeroplane operators, logistics providers and aviation end-customers, do not become certified according to one of the ISCC certification standards.⁴⁷ They are however required to open their individual account and record all transactions (i.e., transfer and/or retirement of credits) in the ISCC Registry.

Necessity of Registry account

In addition, aeroplane operators, logistics providers and end-customers should be audited by independent, third-party auditors with regard to their GHG inventories (e.g., with regard to compliance with GHGP accounting and reporting standards). Provided the consent of the System User, ISCC may grant that System User's auditor access to the System User's account in the ISCC Registry. This will allow the auditor to cross-check claims made through the ISCC Registry with the organisation's claims in their GHG inventory.

Registry access for external auditors

7.4 Non-conformities and Sanctions

Non-conformities result from the non-fulfilment or violation of ISCC requirements. SAF suppliers are regularly audited as part of standard ISCC certification audits, including with respect to their compliance with the requirements under the ISCC Credit Transfer System. System Users in the downstream value chain, i.e., aeroplane operators, logistics providers and aviation end-customers, do not become certified according to one of the ISCC certification standards.

Types of non-conformities

In consequence, the provisions on non-conformities and sanctions as laid out in the following apply to SAF suppliers only. However, ISCC reserves the right to suspend a System User's Registry account should there be substantiated evidence that that System User has made fraudulent claims, including in relation to SAF emissions reductions claimed via the ISCC Registry.

Application of provisions

The following provisions on non-conformities under the ISCC Credit Transfer System are based on those provisions laid out in ISCC EU Document 102, chapter 10.⁴⁸

ISCC EU 102 as reference

⁴⁷ This means certification to one or more of the following certification standards: ISCC EU, ISCC PLUS or ISCC CORSIA/CORSIA PLUS.

⁴⁸ Please find the ISCC EU 102 Document [here](#).

Non-conformities are classified according to their impact (please also see section 10.1 in the ISCC EU Document 102):

Types of non-conformities

- > **Minor non-conformities** have no severe impact and can be corrected or have been corrected after detection. In the context of the ISCC Credit Transfer System, this may for instance include a situation where credits have been incorrectly registered yet have *not* been further transferred from the SAF supplier's account.
- > **Major non-conformities** have a severe impact but are not critical. They cannot always be corrected after detection. In the context of the ISCC Credit Transfer System, this may for instance include a situation where credits have been incorrectly registered as well as already been transferred from the SAF supplier's account to another account.
- > **Critical non-conformities** have a severe impact on the integrity of the system and claims made thereunder, are systematic or intentional (e.g., fraud). In the context of the ISCC Credit Transfer System, this may for instance include registering double the amount of credits for a single batch of SAF by the SAF supplier, constituting double issuance.

In particular, non-conformities that concern the provision of incorrect GHG emissions values and thus misrepresent the emissions reduction impact of SAF and related credits shall be considered to have severe impact, i.e., are to be classified as major non-conformities at least.

Provision of incorrect GHG values

It is the responsibility of the certification body to assess non-conformities as minor, major or critical.

Responsibility of CBs

Minor non-conformities must be corrected immediately after detection. In each case, the SAF supplier must inform its certification body and implement appropriate corrective measures within a time frame specified by the certification body. In case of incorrect registration of credits that have not yet been further transferred to other Registry accounts, the certification body or SAF supplier may request ISCC as the Registry administrator to revoke credits that have been registered incorrectly. A warning may be accompanied by reasonable measures (e.g., additional training for employees at critical control points) to ensure future compliance with the ISCC requirements.

Sanctions for minor non-conformities

In case of major non-conformities by SAF suppliers the certification body must suspend the validity of the ISCC Credit Transfer System add-on certification with immediate effect for a period of 40 days. Within this period all non-conformities must be corrected by implementing appropriate corrective measures as determined by the certification body. The certification body shall end the suspension within or after this period if it confirms the successful implementation of the corrective measures. Unless all major non-conformities are corrected within the period of suspension the certification body has to declare the ISCC Credit Transfer System add-on certification invalid with immediate effect. The certification body has to inform ISCC immediately about any suspension, its end or invalidity of certification. In case of the ISCC Credit

Sanctions for major non-conformities

Transfer System add-on certification being declared invalid by the certification body, ISCC may exclude the System User from recertification for up to 6 months in case of ordinary negligence of the System User with regard to the non-conformity and for up to 12 months in case of gross negligence.

In the case of critical non-conformities, the certification body must declare the ISCC Credit Transfer System add-on certification invalid and inform ISCC immediately. ISCC may exclude the System User from recertification under the ISCC Credit Transfer System for a period of up to 60 months. System Users actively excluded from the ISCC Credit Transfer System will be published on the ISCC website. In addition, ISCC reserves the right to take measures with regard to the SAF supplier's certification status under ISCC EU, ISCC CORSIA/CORSIA PLUS and/or ISCC PLUS, in line with ISCC EU System Document 102, section 10.2.

Sanctions for critical non-conformities

8 ISCC Registry – Data Security and Compliance

The ISCC Credit Transfer Registry ensures security of data handled within the Registry, including with regard to digital ownership rights and personalised data. For this purpose, the Registry features a range of security measures.

Security of data

First, the Registry is hosted in a private cloud on Amazon Web Services in Frankfurt, Germany, and all data is encrypted with a secure key known only to its service provider. This ensures that the data is protected against unauthorised access and is secure even in the event of a breach.

Hosting of Server

Web connection is secured with a valid SSL certificate, ensuring that data transmitted between the System User and the server is encrypted and cannot be intercepted by unauthorised third parties. The server being hosted in Germany provides additional legal protections for user data.

Web connection and host location

In addition, the web application is loaded in the background only after a user is successfully logged in, further reducing the risk of unauthorised access.

Loading only after log-in

Passwords for System User access are required to be complex. This provides added security insofar as it makes it harder for potential attackers to guess passwords through brute force methods. Additionally, all passwords are encrypted and stored as hash values in the Registry, adding another layer of protection against unauthorised access.

Password security

Two-factor authentication is implemented using an authenticator app, which provides an additional layer of security by requiring a second authentication process beyond password use for user authentication.

Two-factor authentication

Access to data is secured via an authentication and permissions concept based on System User and Registry account types. This means only authorised contact persons with the appropriate permissions can access sensitive data (see chapter 5), reducing the risk of unauthorised access and data breaches.

Permissions based on System user

Additional transparency as to which individual persons have access to a System User's Registry account is provided via automatic email notifications, which are sent when new contact persons are added or deleted. Names of all contact persons for each System User are listed on the overview page accessible to authorised contact persons, providing full transparency with regard to access of Registry accounts.

*Transparency on
account access*

The system also features a user access expiration policy, which blocks inactive Registry account users after two months (following a notification e-mail in advance). This ensures that the respective Registry account is only accessible to active and authorised contact persons.

*Access
expiration policy*

Annex I: Glossary

Term	Definition in the context of the ISCC Credit Transfer System
Aeroplane Operator	<p>Entity that operates aircraft, consumes aviation fuel and provides air transport services for travelling passengers and freight.</p> <p>Aeroplane operators include commercial airlines, freight carriers, and private aircraft.</p>
Aviation End-customer	<p>Includes business travellers and shippers.</p> <p>Business travellers are businesses with employees that are actively involved in business travel by air, in aircraft operated by aeroplane operators. Business travellers may travel management companies to arrange air transport services on their behalf or may hire aeroplane operators directly.</p> <p>Shippers are purchasers of freight transport services with freight that they require to be transported by air. Shippers may hire freight forwarders to arrange air transport services on their behalf or may hire aeroplane operators directly.</p>
Claim	<p>Declared information regarding the specified characteristics of SAF that is attributed to the claimant through the retirement of those credits from the ISCC Registry (based on ISO 22095:2020).</p>
Control Point	<p>Point in the downstream SAF supply chain where the SAF enters the jet fuelling system of a given airport.</p>
Credit Batch	<p>A specified quantity of credits with a defined set of sustainability characteristics, registered based on an underlying batch of SAF with those sustainability characteristics.</p>
Credit Registration	<p>The registration of credits based on an underlying SAF volume delivered to the control point. SAF suppliers register credits in the ISCC Registry by entering the PoS information for a batch of SAF via a 'PoS data mask'.</p>
Credit Retirement	<p>Retirement of credits refers to the act of removing SAF credits from a System User's account (and therefore from circulation) within the ISCC Registry, with the intention of claiming the sustainability characteristics (e.g., the GHG emissions reduction) associated with those credits.</p>
Credit Transfer	<p>The transfer of credits from one System User's active Registry account to another System User's active Registry account.</p>
ISCC Credit Transfer Registry	<p>Secure and standardised database, allowing for the registration, transfer and retirement of</p>

	credits according to the rules of the ISCC Credit Transfer System.
Logistics Provider	<p>Entity that arranges transport services with aeroplane operators on behalf of end-customers. Includes freight forwarders and travel management companies.</p> <p>Freight forwarders are entities that arrange aviation transport services on behalf of end-users of freight transport, thereby acting as delegate between the company that makes the shipment (i.e., the shipper) and the carrier (i.e., the aeroplane operator).</p> <p>Travel management companies are entities that arrange air transport services on behalf of business travellers.</p>
Proof of Sustainability (PoS)	<p>A document specifying the sustainability characteristics for a specific quantity (batch) of SAF.</p> <p>In the ISCC Registry, the PoS information for a batch of SAF is entered via a 'PoS data mask' by the SAF supplier.</p>
SAF Supplier	Entity that supplies SAF, on a mass balance basis, to the control point, i.e., the jet fuelling system of a given airport. The SAF supplier has the SAF in its chain of custody system at the time of credit registration.
Scope 1 Credit	Unit representing the scope 1 emissions reduction associated with one metric ton (mt) of neat, i.e., unblended, certified SAF.
Scope 3 Credit	Unit representing the scope 3 emissions reduction associated with one metric ton (mt) of neat, i.e., unblended, certified SAF.
Sustainability Characteristics	<p>Set of sustainability information (including, but not limited to, the SAF's lifecycle emissions value) attached to and carried with a given amount of SAF and SAF scope 1 and scope 3 credits.</p> <p>This sustainability information is evaluated and confirmed through sustainability certification.</p>
System User	A SAF supplier, aeroplane operator, logistics provider or aviation end-customer participating in the ISCC Credit Transfer System. To become System Users, organisations will have to open an account in the ISCC Credit Transfer Registry.

Annex II: GHG Protocol Emissions Scopes

The Greenhouse Gas Protocol classifies GHG emissions for each reporting company into three categories, or 'scopes', as shown in Figure 7 and described below.

GHGP scopes

- > **Scope 1 emissions** are direct GHG emissions that occur from sources owned or controlled by the reporting company. This includes, for instance, emissions from combustion of fuels in owned or controlled equipment (e.g., aircraft).
- > **Scope 2 emissions** are indirect emissions from the production and distribution of electricity, heat and steam by the reporting company.
- > **Scope 3 emissions** are indirect emissions resulting from the reporting company's supply chain. These emissions are a consequence of the activities of a reporting company but occur from sources not owned or controlled by the company. Notably, scope 3 emissions include transportation emissions resulting from the movement of goods from suppliers to the reporting company as well as from the reporting company to the end-customer. Emissions resulting from the production and distribution of fuels combusted under scope 1 by the reporting company also fall under that company's scope 3 emissions.

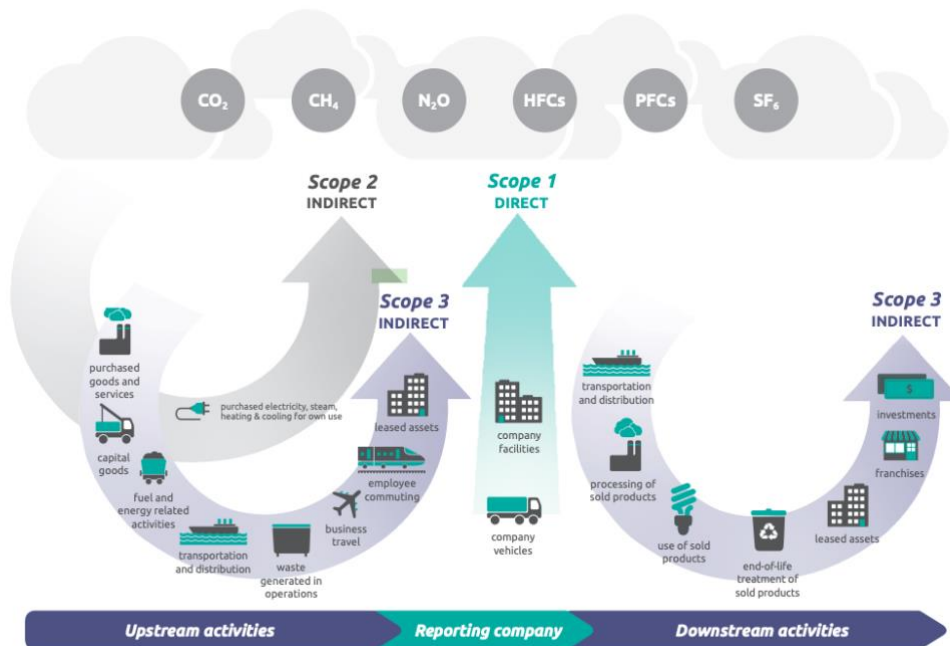


Figure 7: Classification of GHG emissions into three distinct scopes.⁴⁹

⁴⁹ Source: Greenhouse Gas Protocol 'Corporate Value Chain (Scope 3) Accounting and Reporting Standard' (p. 5), accessible [here](#)

Annex III: Alignment With SBTi Requirements

In its Aviation Sector Guidance, SBTi sets out requirements for the corporate use of SAF to meet SBTi scope 3 targets.⁵⁰ In addition to key principles defined by the Greenhouse Gas Protocol, these requirements were used as reference in the development of the ISCC Credit Transfer System.

Crucially, alignment with SBTi requirements will help organisations in the sourcing of emissions reductions from SAF use that can later be reported as progress towards their science-based targets. Please note that while ISCC has taken care to design the ISCC Credit Transfer System to follow the relevant SBTi requirements, ISCC cannot guarantee the acceptance of claims by auditors under the SBTi or similar frameworks.

*SBTi as
reference*

*Acceptance of
claims*

Requirements for corporate use of SAF to meet SBTi scope 3 targets	Implementation in ISCC Credit Transfer System
Obtain reasonable proof of fuel consumption / combustion	<p>SAF is physically delivered to given airport (on mass balance basis).</p> <p>In most cases, due to airport logistics, allocation of SAF molecules to individual aircraft of a specific aeroplane operator is not possible. Instead, it is required that aeroplane operator's aircraft is fuelled from a given airport's jet fuelling distribution system into which the SAF was physically delivered.</p> <p>Commercial documents such as invoices and proofs of payment will substantiate the use of the SAF volume by a specific aeroplane operator.</p>
Demonstrate environmental benefits associated with the SAF used (e.g., Certificate of Sustainability, including SAF lifecycle values)	<p>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 information must be available for submission in the ISCC Registry). All three frameworks are set up to ensure that SAF leads to environmental benefits (including feedstock sustainability and GHG emissions savings).</p> <p>Only SAF that follows strict additionality rules is eligible for entering the ISCC Credit Transfer System.</p> <p>The retirement declaration generated upon retirement of credits from the ISCC Registry transparently lists relevant sustainability characteristics / environmental benefits of the underlying SAF.</p>
Prove clear chain of custody for the SAF consumption down, rather than across, the value chain	Only SAF that is EU RED II, CORSIA or ISCC PLUS certified is eligible for entering the ISCC Credit Transfer System. The mass-balance based certification systems recognised under EU RED II

⁵⁰ SBTi Aviation Sector Guidance, v1.0 ([link](#)), p. 32.

	<p>or CORSIA and ISCC PLUS cover the complete chain of custody from feedstock production to delivery of the SAF to the airport.</p> <p>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) between value chain partners.</p>
<p>Include full accounting of Well-to-Wake emissions from all fuel consumption (SAF + fossil fuel) in a firm's scope 3 inventory</p>	<p>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.</p>